

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
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## Agenda Number:

**Prepared on:** October 27, 2005  
**Department Name:** Supervisor Rose and Supervisor Firestone  
**Department No.:** 990  
**Agenda Date:** November 8, 2005  
**Placement:** Departmental  
**Estimate Time:** 30 minutes  
**Continued Item:** No  
**If Yes, date from:**  
**Document File Name:** G:\GROUP\COMP\Comp Plan Elements\Housing\2003-08 Housing Element\BOS\Ad Hoc Briefing 11-8-05\BoS letter - Ad Hoc Report 11-8-05.doc

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**TO:** Board of Supervisors

**FROM:** Supervisor Rose, Chair  
Supervisor Firestone, Third District  
(Ad Hoc Housing Subcommittee)

**STAFF CONTACT:** Terri Maus-Nisich, (568-3412)  
County Executive Office

**SUBJECT:** Receive a status report from the Ad Hoc Housing Subcommittee

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## Recommendation(s):

That the Board of Supervisors receive a status report on the strategy for gaining certification of the Housing Element from the State Housing and Community Development Department and completing the Action Phase of the Housing Element.

## Alignment with Board Strategic Plan:

The recommendations are primarily aligned with Goal No.1., An Efficient Government Able to Respond Effectively to the Needs of the Community, Goal No. 4., A Community that is Economically Vital and Sustainable, and Goal No. 5., A High Quality of Life for All Residents.

## Executive Summary and Discussion:

A housing element is one of seven mandated components of a local jurisdiction's General Plan. Housing element law mandates that local governments plan to meet the existing and projected housing needs of all economic segments of the community. The law specifies that in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development. The law further requires housing elements be updated every five years and

that every updated housing element be submitted to the State Department of Housing and Community Development (HCD) to ensure compliance with the state's requirements. This "certification" process is unique among the General Plan elements.

Santa Barbara County adopted its 2003-2008 Housing Element in March 2004. Since adoption the county has completed specific action items identified in the element including updates to the Inclusionary Housing Program and the Housing Element Implementation Guidelines. The majority of the action items in the Housing Element, including rezones and zoning ordinance amendments, remain to be implemented. In addition, the county is working with the state to ensure conditional certification of the Housing Element. (More details on the certification process are provided later in this staff report.)

On May 20, 2005, the Board of Supervisors established an Ad Hoc Subcommittee consisting of Supervisor Firestone, Supervisor Rose, Planning Commissioner Parker Montgomery and Planning Commissioner Marc McGinnes to provide guidance and direction to staff on a strategy for gaining certification of the Housing Element from the State Housing and Community Development Department (State HCD) and for continuing to work with the community toward completing the Action Phase of the Housing Element.

Consistent with the direction provided by the Board at their May 20, 2005 hearing, the Ad Hoc Subcommittee worked over the past several months to review work completed to date on the Housing Element and determine what steps, if any, should be taken to further the county's affordable housing efforts. Given this in-depth review, the Ad Hoc Subcommittee has reached the following general conclusions:

1. The county should continue to pursue State HCD certification of its Housing Element.
2. The county's best option for gaining certification is to amend its adopted Housing Element to incorporate State HCD's requested revisions and resubmit it to State HCD for review and certification.
3. Concurrent with this "certification amendment" process, the Action Phase of the adopted Housing Element should continue to be implemented.

The consequences of non-compliance with state housing law are considered too potentially punitive for the county to ignore. The consequences can include: loss of eligibility to successfully compete for potential grant funding for affordable housing development, susceptibility to litigation that could halt all development in the county until a Housing Element is certified, and susceptibility to non-compliance with newly proposed legislation (the latest is AB843-Dunn) which would fine jurisdictions without certified Housing Elements. Based on these possible repercussions, the Ad Hoc Subcommittee recommends that the county continue to seek certification of its Housing Element.

#### Housing Element Certification Process

Based on discussions and communications with the State HCD, certification of the County's Housing Element is primarily dependent on revisions to the following:

1. Revise the land inventory to show the amount of acreage necessary to rezone to accommodate the County's Regional Housing Needs Allocation (RHNA),
2. Include documentation demonstrating the County's success at developing affordable housing projects at densities less than 20 dwelling units per acre,
3. Change "shall consider" language in the Housing Element action items to language that represents a stronger commitment to implementing the actions, and
4. Expand the analysis of the County's permitting requirements for housing for people with disabilities as required by state law.

The Ad Hoc Subcommittee directed staff to prepare draft revisions to the adopted Housing Element that incorporates State HCD's required revisions. The draft revisions were prepared and submitted to State HCD on September 30, 2005 for preliminary review and comment in accordance with California Government Code Section 65585(b). The purpose of forwarding the draft revisions to State HCD for preliminary review is to gain certainty as to whether the proposed revisions would be sufficient to allow the state to conditionally certify the County's Housing Element. The Ad Hoc Subcommittee anticipates a formal response on the draft revisions from State HCD no later than December 1, 2005. The County expects to hold Planning Commission and Board of Supervisors hearings in January 2006 to consider formal adoption of the amendments.

The two most significant revisions proposed in the Draft Revised Housing Element include (1) a reduction in acreage requiring rezoning to higher densities and (2) a strengthening of the policy language to more firmly commit the county towards implementing the action items. The previously adopted Housing Element concluded that 109 acres of land countywide will need to be re-zoned to higher densities to accommodate very low and low income unit need projections. Based on a State HCD-required revision to the county's analysis, as well as a reassessment of projected dwelling unit production, it now appears that only 66 acres of land countywide will require rezoning to accommodate very low and low income unit needs. These revised projections, and subsequent policy commitments, are reflected in the draft revisions that were forwarded to State HCD for preliminary review.

#### Action Phase of the Housing Element

Although State HCD has not yet certified the Housing Element, one certainty is that the county must rezone acreage to accommodate additional affordable housing development. In an effort to expedite the implementation of the Housing Element, the Ad Hoc Subcommittee has directed staff to schedule a hearing at the Planning Commission on November 28, 2005 to gain feedback on specific sites that should be considered for inclusion in an Environmental Impact Report (EIR). At this point in the process, this hearing will focus on potential rezone sites for consideration in the EIR in the northern areas of the county. These sites have been reviewed by the communities through various public outreach processes. A new process has been established by the Board of Supervisors to allow the East Goleta Valley Community to have more input into which sites will be considered in the EIR. This "visioning" process is a precursor to an update to the Goleta Community Plan. Following the November 28<sup>th</sup> hearing, the county will begin environmental analysis of the North County sites identified by the Planning Commission, as well as other ordinance amendments identified as action items in the Housing Element. The Goleta visioning process will take place concurrent with the drafting of the Housing Element EIR. In

April 2006, the East Goleta Community will submit sites to the county that they recommend for evaluation in the EIR. The county will then incorporate analysis of these sites into the EIR and release a draft for public review in Summer 2006. Other action items to be analyzed will include:

- Variable Density Program
- Mixed Use Policy
- Development Standard Modifications
- Goleta Community Plan Amendments (South Patterson Ag Block preservation)
- Coastal Land Use Plan Amendments
- Minimum Density Overlay
- Single Room Occupancy Requirements

The Ad Hoc Subcommittee continues to provide direction to staff on the most efficient and productive strategy for gaining state certification of the Housing Element. In addition, members of the Subcommittee are currently meeting with neighborhood groups to discuss the certification strategy as well as future implementation of the Housing Element. Based on the positive strides taken to date in identifying a strategy for gaining certification of the Housing Element from State HCD, the Subcommittee will continue to direct this effort and report to the Board as appropriate.

Representatives of the Ad Hoc Subcommittee will provide an update to the County Planning Commission on November 2, 2005. Comments from the Planning Commission will be forwarded to the Board of Supervisors.

#### **Mandates and Service Levels:**

State law mandates that the Housing Element be updated every five years. The Board adopted an updated Housing Element on March 29<sup>th</sup>, 2004. The county is seeking state certification of the Housing Element. Follow through on the action items committed to in this Housing Element will satisfy state law requirements and ensure the county maintains a certified status.

Service levels will not be impacted by this action.

#### **Fiscal and Facilities Impacts:**

Funding for the Housing Element Action Phase work effort is included in the adopted Fiscal Year 05/06 budget in the Comprehensive Planning Division, General Plan Elements program on page D-292 of the county FY 05/06 budget. Subsequent to the adoption of the budget, Comprehensive Planning was moved to the County Executive Office, Department 990.

There would be no facilities impacts.

#### **Special Instructions:**

None.