



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Planning and Development
Department No.: 053
For Agenda Of: March 17, 2020
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Lisa Plowman, Director, Planning and Development Department
Director(s) (P&D) (805) 568-2086
Contact Info: Dan Klemann, Deputy Director, Long Range Planning Division
(805) 568-2072
SUBJECT: 2019 Comprehensive Plan Annual Progress Report

County Counsel Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

Staff recommends that the Board of Supervisors (Board) take the following actions:

- a) Receive and file the *2019 Comprehensive Plan Annual Progress Report* (Attachment 1), and
- b) Determine that the annual progress report is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(b)(5).

Summary Text: Government Code Section 65400(a)(2) requires that the County Planning Commission provide by April 1 of each year an annual progress report to the Board, Governor’s Office of Planning and Research (OPR), and the California Department of Housing and Community Development (HCD) which includes the following:

(A) *The status of the plan and progress in its implementation.*

(B) *The progress in meeting its share of regional housing needs ... and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing*

...

(F) The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.

The County also submits the annual progress report to the City of Santa Barbara in accordance with policies in the Mission Canyon Community Plan.

The *2019 Comprehensive Plan Annual Progress Report* serves two key functions. First, it summarizes the projects that Planning and Development (P&D) undertook in 2019 to maintain and implement the Comprehensive Plan, including the 2015-2023 Housing Element Update. The 2015-2023 Housing Element Update contains 37 programs to help meet the housing goals and needs of the unincorporated county. The County made significant progress implementing several of these programs in 2019. The County also initiated comprehensive updates to the Circulation Element and Seismic Safety and Safety Element.

Second, the *2019 Comprehensive Plan Annual Progress Report* discusses the County's progress in meeting its Regional Housing Needs Allocation (RHNA) in the first six years of the current 8.75-year (January 1, 2014, to September 30, 2022) RHNA projection period. For example, Table 1, below, shows that the County exceeded its RHNA for the moderate- and above moderate-income categories. However, it has only met approximately 55 percent of its RHNA for the very low- and low-income categories.

On January 1, 2018, Senate Bill (SB) 35 went into effect. In part, SB 35 established a streamlined, ministerial approval process for qualifying housing projects in jurisdictions that are behind on meeting their RHNA targets. The County has not met its pro-rata share of very low- and low-income housing thus far in its 2014-2022 RHNA projection period and, therefore, is currently subject to SB 35 streamlining.

Background:

Housing Element Implementation

The following summarizes the three programs listed in Chapter 5 of the 2015-2023 Housing Element Update that the County implemented in 2019. Table D of Attachment 1 of the annual progress report provides information on the status of other ongoing and completed programs.

- Program 1.4 Tools to Incentivize High-Quality Affordable Housing. *Ongoing*. Program 1.4 directs the County to "... adopt/apply ... land-use tools ... to encourage the development of unit types that are affordable by design ..." including accessory dwelling units (ADUs) and farm employee dwellings. In 2019, the County initiated the implementation of this program through the Housing Bill Implementation Project. This project includes zoning ordinance amendments to comply with the Housing Accountability Act (HAA), State Density Bonus Law (SDBL), and Senate Bill (SB) 35 to streamline the permitting process for ADUs and farm employee dwellings.
- Program 1.13 Isla Vista Monitoring. *Ongoing*. Program 1.13 directs the County to monitor housing permit activity within Isla Vista from 2009 through 2019.
- Program 2.4 Farmworker Housing. *Ongoing*. Program 2.4 directs the County to consider actions that further streamline the permit process for agricultural employee dwellings (AEDs). In 2018, the Board approved amendments to the zoning

ordinances to streamline the permit process for AEDs. In November 2019, the California Coastal Commission (CCC) staff provided suggested modifications to the amendments to the Coastal Zoning Ordinance (CZO). The CCC certified the CZO amendments at the CCC public hearing on February 13, 2020. The amendments will go into effect after concurrence by the CCC Director.

In addition, the Community Services Department Sustainability Division and Housing and Community Development Division continue to coordinate with P&D to maintain and implement Housing Element programs. In 2019, these two divisions helped implement seven programs. Table D of Attachment 1 of the Annual Progress Report provides information on this progress. Finally, P&D staff continues to participate in the County Executive Office’s Homeless Inter-Agency Policy Council (HIAPC), which consists of a working group of County departmental representatives who strategize and advise on County programs to reduce homelessness.

RHNA Progress

Table 1 below lists the number of building permits that the County issued for new housing units (organized by income category) within the unincorporated areas of the county from calendar year 2014 through 2019. The final row of the table lists the County’s 2014-2022 RHNA.

The 2018 Annual Progress Report omitted the number of issued building permits for 2014 from the table equivalent to the one below. The County and HCD use this permit data to track pro-rated progress toward the County’s RHNA. Staff revised the table below with the 2014 Annual Progress Report permit data to correct this omission.

Housing production decreased in 2019. The County issued building permits for 242 units in 2019 compared to 328 units in 2018.

Table 1 2014 to 2022 RHNA Projection Period Residential Units by Income Category (Building Permits)					
Year	Very Low	Low	Moderate	Above Moderate	Total
2014	0	0	59	80	139
2015	49	41	44	94	228
2016	0	7	13	31	51
2017	8	1	54	145	208
2018	1	14	82	231	328
2019	0	26	21	195	242
Total	147 (58 Very Low +89 Low)		273	776	1,196
RHNA	265		112	284	661

SB 35 Streamlined Ministerial Approval Process

In addition to amending annual progress report requirements, SB 35 establishes a streamlined, ministerial approval process for qualifying housing developments in jurisdictions that have not met their pro-rata

share of regional housing needs (Government Code Section 65913.4). In part, qualifying developments must be located on an urban infill site zoned for residential or mixed uses and provide at least 10 or 50 percent of the units for lower-income households. In addition, all projects over 10 units must pay prevailing wages and larger projects must provide skilled and trained labor.

On June 25, 2019, HCD determined that, based upon data from the *2018 Comprehensive Plan Annual Progress Report*, the County had not met its pro-rata share of very low- and low-income housing thus far in its 2014 to 2022 RHNA projection period. As a result, the County became subject to SB 35 streamlining for proposed developments with at least 50 percent affordability [Government Code Section 65913.4(a)(4)(B)(ii)]. As of January 15, 2020, the County was still subject to the SB 35 streamlining. HCD updates SB 35 determinations annually and expects to release the next update in June, 2020, which will include data from the *2019 Comprehensive Plan Annual Progress Report*. The County has not received any recent applications for very low- and low-income housing projects. Thus, it will remain subject to SB 35 Streamlining throughout 2020.

To plan for qualifying housing developments, staff is processing zoning ordinance amendments to create objective design standards for SB 35 projects as part of the current Fiscal Year 2019-2020 and the forthcoming Fiscal Year 2020-2021 work programs.

Planning Commission Hearings

On February 19 and 26, 2019, respectively, the Montecito and County Planning Commissions voted 4-1 and 5-0 to receive, file, and recommend that the County Planning Commission provide the annual progress report to the Board, OPR, HCD, and City of Santa Barbara by April 1, 2020. The Montecito and County Planning Commission staff reports (Attachments 2 and 3) and action letters (Attachments 4 and 5) are enclosed.

Environmental Review:

CEQA Guidelines Section 15060(c)(3) states that an activity is not subject to CEQA if the activity is not a “project.” Section 15378(b)(5) states that a project does not include “... administrative activities of governments that will not result in direct or indirect physical changes to the environment.” The preparation and submittal of the annual progress report is an administrative activity that does not authorize new development or otherwise result in physical changes to the environment.” Therefore, the annual progress report is not a project and is not subject to CEQA.

Fiscal Analysis:

Funding for the *2019 Comprehensive Plan Annual Progress Report* is budgeted in P&D’s Budget Program on page D-269 of the County of Santa Barbara Fiscal Year 2019-20 adopted budget. To date, staff has expended approximately 190 hours to prepare and process the annual progress report. There are no facilities impacts.

Special Instructions:

The Clerk of the Board shall forward a copy of the minute order to P&D, attention: Corina Venegas, Long Range Planning Division.

Attachments:

1. *2019 Comprehensive Plan Annual Progress Report*
2. Notice of Exemption
3. Montecito Planning Commission Staff Report (dated January 30, 2020)
4. County Planning Commission Staff Report (dated February 6, 2020)
5. Montecito Planning Commission Action Letter (dated February 19, 2020)
6. County Planning Commission Action Letter (dated February 26, 2020)

Authored by:

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