

SANTA BARBARA COUNTY BOARD AGENDA LETTER



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

Agenda Number:
Prepared on: 08/01/02
Department Name: County Administrator
Department No.: 012
Agenda Date: 08/06/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors
FROM: Michael F. Brown
County Administrator
STAFF CONTACT: Jim Laponis, Deputy County Administrator
Lori Norton, Analyst 568-3421
SUBJECT: Reaffirm Opposition to SB 910 (Dunn)

Recommendation:

That the Board of Supervisors: Receive a copy of a letter executed by the Chair reaffirming the Board's opposition to SB 910 (Dunn) which provides for State imposed penalties if certain local housing element conditions are not met. SB 910 has recently been amended adding unprecedented punitive enforcement language.

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.

Executive Summary and Discussion:

On May 1st, 2001, the Board by unanimous vote authorized the Chair to sign a letter opposing SB 910. At that time, SB 910, authored by Senator Joe Dunn (D-Santa Ana) proposed to create sanctions for local governments that fail to comply with state housing element law. Specifically, SB 910 would have required the State Controller to reduce, by an increasing percentage (20-60%) the monthly allocation of funds disbursed under various fuel tax laws to any city or county, unless the city or county has an adopted housing element that the State Department of Housing and Community Development (HCD) has found in substantial compliance.

Due to considerable opposition to the bill, it was held-over to the current legislative session, and a working group, co-chaired by Assembly members Lowenthal (D-Long Beach) and Wiggins (D-Santa Rosa) was formed to try to resolve issues identified by local jurisdictions. Unfortunately, little progress has been made in the effort to reconcile differences between local jurisdictions and the author of SB 910.

Earlier this week, Senator Dunn proposed amendments to SB 910 that would give unprecedented authority to HCD. As amended, SB 910 would give plan reviewers at the HCD the authority to determine whether

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local government plans comply with the housing element law. Noncompliance would trigger an automatic fine of \$0.25 per capita, per month. A penalty of \$.25 cents per month per person in the unincorporated area of Santa Barbara County would equal approximately \$50,000 /month or \$600,000 per year.

Further, as amended, SB 910 does not include reforms proposed by local governments to address the unfair Regional Housing Needs Assessment process. As amended, SB 910 requires each council of governments to ensure that each sub-region within its jurisdiction fully allocates its delegated share of the regional housing needs. Further, a key phrase of SB 910 states that "The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality but must consider the potential for increased residential development under alternate zoning ordinances and land use restrictions. " These requirements fail to consider conflicting State mandates that require the preservation of open space, protection of endangered species, and granting of public access to beaches. Much of Santa Barbara's undeveloped land is in agricultural preserves or subject to the agricultural lands protection policies of the Coastal Act.

Further concerns related to SB 910 are identified in a list of bullets prepared by the League of California Cities (Attachment A). The League is also preparing an outline of constitutional separation of powers issues raised by SB 910 as amended.

The Assembly Housing Committee is scheduled to consider SB 910 as amended, on August 7, 2002. Cliff Berg, Governmental Advocates, will attend the hearing and will relay our opposition to the bill.

Mandates and Service Levels:

The Legislative Program is not mandated and its service levels are discretionary.

Fiscal and Facility Impacts:

There are no facility impacts; the fiscal impacts, if known, are noted in the discussion of each issue.

Attachments: (2)

C: (E-mail) Cliff Berg, Governmental Advocates
John Patton, Director of Planning & Development

August 1, 2002

The Honorable Joseph Dunn
34th Senate District
State Capitol, Room 2080
Sacramento, CA 95814
E-mail: senator.dunn@sen.ca.gov

Dear Senator Dunn:

RE: Opposition to SB 910 (Dunn) as amended on August 1, 2002

Santa Barbara County shares your desire to provide more affordable housing, but does not believe your bill, SB 910, as amended on August 1st, will achieve that objective.

As amended, SB 910 would give plan reviewers at the HCD the authority to determine whether local government plans comply with the housing element law. Noncompliance would trigger an automatic fine of \$0.25 per capita, per month. A penalty of \$.25 cents per month per person in the unincorporated area of Santa Barbara County would equal approximately \$50,000 /month or \$600,000 per year.

Further, as amended, SB 910 does not include reforms proposed by local governments to address the unfair Regional Housing Needs Assessment process. As amended, SB 910 requires each council of governments to ensure that each sub-region within its jurisdiction fully allocates its delegated share of the regional housing needs. Further, a key phrase of SB 910 states that "The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality but must consider the potential for increased residential development under alternate zoning ordinances and land use restrictions. " These requirements fail to consider conflicting State mandates that require the preservation of open space, protection of endangered species, and granting of public access to beaches, etc. All of these mandates require cities and counties to set aside land that can not be zoned for residential development. Much of Santa Barbara's undeveloped land is in agricultural preserves or subject to the agricultural lands protection policies of the Coastal Act.

As you know, the ERAF shift has led local jurisdictions across the State to pursue developments that generate retail sales tax or TOT taxes as opposed to residential development. Although Santa Barbara has increased development impact fees to about \$30,000 per unit in some communities, these fees still pay for only 50% of the cost of developing infrastructure necessary to support new housing. There are no stable funding streams for operations and maintenance of local roads and transit necessary to support new development.

Honorable Joseph Dunn
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While the County continues to share and support the goal of providing affordable housing, we believe that imposing further penalties on local governments that are acting in a fiscally responsible manner in the face of California's fiscal policies will not achieve this objective.

In closing, we are opposed to SB 910 as amended on August 1. If the State is truly interested in housing production it should focus its efforts on fixing the State-Local fiscal relationship to provide incentives for housing production and to fund public infrastructure necessary to support the resulting growth.

Sincerely,

Gail Marshall, Chair
Santa Barbara County Board of Supervisors

C: Honorable Alan Lowenthal, Chair
Assembly Housing & Community Development Committee
State Capitol Room 167A

Honorable Jack O'Connell, 18th District, Senator
Honorable Hanna-Beth Jackson, 35th District, Assembly Member
Honorable Abel Maldonado, 33rd District Assembly Member
Cliff Berg, Governmental Advocates
John Patton, Director Planning and Development