

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.: 05

For Agenda Of: April 30 and May 3, 2024

Placement: Departmental
Estimated Time: 5 hours/6 hours

TO: Board of Supervisors

FROM: Department Lisa Plowman, Director, Planning and Development

Director(s) Department, (805) 568-2086

Contact Info: Alex Tuttle, Deputy Director, Long Range Planning

(805) 884-6844

SUBJECT: 2023-2031 Housing Element Update Rezone Amendments

County Counsel Concurrence

Auditor-Controller Concurrence

As to form: Yes As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

The Planning and Development Department recommends that the Board of Supervisors (Board) consider the recommendations of the County Planning Commission, follow the procedures outlined below, and approve Case Nos. 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008, and 23EIR-0004 to implement select Programs of the 2023-2031 Housing Element Update and approve rezone sites and select County-owned sites to accommodate the County's RHNA plus the 15 percent buffer for the lower- and moderate-income levels.

The Board's action should include the following:

- a) Make the required findings for approval of the 2023-2031 Housing Element Update Rezone Amendments, including the CEQA findings and Statement of Overriding Considerations (Attachment 1).
- b) Certify the 2023-2031 Housing Element Update Program Environmental Impact Report (EIR) (County Environmental Document No. 23EIR-00004, State Clearinghouse No. 022070490) (Attachment 2), and adopt the Mitigation Monitoring and Reporting Program (Attachment 2, Chapter 8).
- c) Approve the 2023-2031 Housing Element Update Rezone Amendments, thereby selecting sufficient rezone sites to help accommodate the County's 2023-2031 Regional Housing Needs Allocation (RHNA) plus a 15 percent buffer for the lower- and moderate-income levels, by taking the following actions:

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 2

- i. Adopt a resolution amending the text and maps of the Land Use Element (Case No. 24GPA-00003), including community and area plans, as applicable, of the Santa Barbara County Comprehensive Plan (Attachment 3);
- ii. Adopt a resolution amending the text of the Circulation Element (Case No. 24GPA-00005) of the Santa Barbara County Comprehensive Plan (Attachment 4);
- iii. Adopt an ordinance amending the Santa Barbara County Zoning Map (Case No. 24RZN-00001) of the County Land Use and Development Code to rezone select parcels (Attachment 5);
- iv. Adopt an ordinance amending the zoning regulations of the County Land Use and Development Code (Case No. 24ORD-00007), Section 35-1 of Chapter 35, Zoning, of the Santa Barbara County Code (Attachment 6);
- v. Adopt a resolution amending the text and maps of the Coastal Land Use Plan (Case No. 24GPA-00004), including community and area plans, as applicable, of the Santa Barbara County Local Coastal Program (Attachment 7);
- vi. Adopt an ordinance amending the Article II Coastal Zoning Ordinance (Case No. 24RZN-00002) of Chapter 35, Zoning, of the Santa Barbara County Code by amending the South Coast Rural Region Zoning Map and the Goleta Community Plan Zoning South Map to rezone 3 parcels (Attachment 8);
- vii. Adopt an ordinance amending the zoning regulations of the Article II Coastal Zoning Ordinance (Case No. 24ORD-00008) of Chapter 35, Zoning, of the Santa Barbara County Code (Attachment 9); and
- d) Adopt a Resolution selecting County-owned sites to help accommodate the County's 2023-2031 Regional Housing Needs Allocation (RHNA) plus the 15 percent buffer for the lower- and moderate-income levels (Attachment 10).

Summary Text:

State housing element law requires that the County have sufficient sites zoned to accommodate its 2023-2031 Regional Housing Needs Allocation (RHNA), which totals 5,664 units – 1,522 units for the North County and 4,142 units for the South Coast. The RHNA is divided into four income levels (i.e., very low-, low-, moderate-, and above moderate-income). State HCD and the County use the term "lower-income" to include both the very-low and low-income levels. Current zoning, projected accessory dwelling units, and identified pending projects will not accommodate enough lower- and moderate-income units. The County must address this shortfall by rezoning sites for high density residential use and selecting certain County-owned sites for future housing projects. The 2023-2031 Housing Element Update (HEU) identifies 18 potential rezone sites in the North County and 18 potential rezone sites and nine County-owned sites in the South Coast. These sites could provide more units than necessary to accommodate the RHNA plus a 15 percent buffer for the lower- and moderate-income levels. Therefore, the Board does not need to rezone or select all of these sites. Tables 1, 2, and 3 in Section 1.0, below, summarize the RHNA, 15 percent buffer, and shortfalls.

The Planning Commission conducted public hearings on March 27 and April 1, 2024 to select sites and make a recommendation to the Board. For the North County, the Planning Commission recommended

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 3

that the Board rezone eight sites, including one pending project site (Apollo Way). For the South Coast, it recommended that the Board select all nine County-owned sites and rezone 16 of the 18 potential rezone sites and one pending project site (Tatum). The Board may accept the Planning Commission's recommendations or it may select alternative sites. Tables 8 through 11 in Section 5.0, below, list the sites selected by the Planning Commission and their potential contribution to accommodating the RHNA plus the 15 percent buffer.

Various factors will shape the Board's decision. Section 3.0, below, reviews several principal factors. Some factors are based on State housing element law, such as a minimum density of 20 units per acre for rezone sites. Other factors reflect local and regional conditions, such as the 10 rezone criteria which the Board discussed during a public hearing on January 9, 2024.

Three potential rezone sites (Van Wingerden 1, Van Wingerden 2, and Friendship Manor) and one pending project requesting a rezone (Bailard) are located within the Coastal Zone. The County must submit any proposed rezones in the Coastal Zone to the Coastal Commission for certification. If the Coastal Commission denies certification, State housing element law (i.e., No Net Loss Law) may require that the County identify and rezone additional sites within six months to fully accommodate its RHNA plus the 15 percent buffer. Subsection 1.2, below, provides more details on No Net Loss Law.

Most rezones necessitate concurrent amendments to the Comprehensive Plan and zoning ordinances. For example, changing the zoning of a site from agricultural to residential use also requires changing the associated land use designation (i.e., Comprehensive Plan amendment). Programs 1, 2, and 3 in Chapter 5 of the 2023-2031 HEU include new processing and development standards (i.e., zoning ordinance amendments) to establish ministerial, use-by-right processing for certain housing projects. As a result, this Board Agenda Letter references three resolutions and four ordinances, some with multiple exhibits. Attachment 11 is a flowchart that shows the relationships between the resolutions and ordinances and the associated exhibits.

The Program EIR for the 2023-2031 HEU (Attachment 2) reflects the broadest scenario; it analyzes all sites in the 2023-2031 HEU to give the Board maximum flexibility in selecting sites. However, the Board does not need to select all potential rezone sites and County-owned sites. Therefore, the impacts of the project identified in the Program EIR are greater than what is likely to occur as a result of the rezones and selection of County-owned sites. Nonetheless, the project and alternatives would all have significant and unavoidable environmental impacts. The CEQA findings (Attachment 1) include a Statement of Overriding Considerations. The project's legal, social, economic, and environmental benefits outweigh the significant and unavoidable environmental impacts. Therefore, the Board may consider the adverse environmental effects acceptable, and may certify the Program EIR and approve the project. Section 7.0, below, provides more details on environment review and the Program EIR.

Background:

1.0 Introduction

The County's HEU process consists of two principal steps: Step 1 - Adopt the 2023-2031 HEU, and Step 2 - Approve rezone sites and select County-owned sites to accommodate the County's RHNA plus the 15 percent buffer for the lower- and moderate-income levels. On December 5, 2023, the Board adopted the 2023-2031 HEU, completing Step 1. It then submitted the adopted element to the California Department of Housing and Community Development (State HCD) for final review. On January 22,

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 4

2024, State HCD notified the County that the 2023-2031 HEU was in substantial compliance with State housing element law. The Board must now act to complete Step 2.

1.1 RHNA

The RHNA specifies how many new homes, and the affordability of those homes, that the County must accommodate during a housing element planning period. The County's 2023-2031 RHNA totals 5,664 new units for the unincorporated county. These units fall into four income levels (i.e., very low, low, moderate, and above moderate) and two sub-regions — South Coast and North County. Table 1, below, displays the County's 2023-2031 RHNA by income level and sub-region.

The North County and South Coast are separate subregions with individual RHNAs. The County cannot rely on potential housing units in one subregion to satisfy the RHNA in the other subregion. Therefore, the Board needs to select rezone sites and, if applicable, County-owned sites for each subregion.

Cub Doctor	R	Total DIINA		
Sub-Region	Lower	er Moderate Above Mod		Total RHNA
South Coast	1,766	1,051	1,325	4,142
North County	807	229	486	1,522
Total	2,573	1,280	1,811	5,664

Table 1 – 2023-2031 RHNA for Unincorporated Santa Barbara County

1.2 No Net Loss and the RHNA Buffer

"No Net Loss Law" (Government Code (GC) Section 65863) requires that the County maintain sufficient sites to accommodate its remaining unmet RHNA throughout the eight-year housing element planning period. The County must identify and rezone new sites within 180 days if it lacks sufficient sites at any time to accommodate its RHNA for any income level. For example, if housing projects on one or more rezone sites produce fewer lower-income units than projected and presented in the 2023-2031 HEU, the County would need to rezone additional sites to eliminate the shortfall if the remaining sites are insufficient to accommodate its RHNA for lower-income units. As recommended by State HCD, the County added a 15 percent "buffer" to its RHNA for the lower- and moderate-income levels. This buffer reduces the likelihood that the County will need to rezone additional sites during the housing element planning period in the event that sites develop with fewer lower- or moderate-income units than anticipated. Combining the RHNA and the 15 percent buffer means that the County's zoning should accommodate 6,240 units in the 2023-2031 housing element planning period.

1.3 Sites Inventory

The 2023-2031 HEU includes a sites inventory that staff used to determine the County's capacity under current zoning to accommodate the 2023-2031 RHNA plus the 15 percent buffer. The sites inventory includes (1) vacant sites under existing zoning, (2) projected accessory dwelling units (ADUs), and (3) pending projects. Tables 2 and 3, below, show the total number of potential units from the County's current capacity in the North County and South Coast, respectively. The County lacks sufficient sites and units to accommodate its RHNA for lower-income units in the North County and lower- and moderate-income units in the South Coast.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 5

Several developers revised the number and/or affordability of units in their pending projects after the Board adopted the 2023-2031 HEU on December 5, 2023. For example, Key Site H in Orcutt increased their project from 61 lower-income units to 99, and the Apollo Way and Constellation projects in the Lompoc area changed their unit affordability assumptions. These revisions are reflected in the Balancing Act simulations for the purposes of selecting sufficient sites but not in Tables 2 and 3, below.

Table 2 – North County RHNA Shortfall and Surplus by Income Level (Current Capacity)

Sub-Region/Method of Meeting RHNA	Units by Income Level			
North County	Lower	Moderate	Above Moderate	
RHNA	807	229	486	
RHNA + 15% Buffer	928	263	486	
Current Capacity (Vacant Sites, ADUs, and Pending Projects)	441	520	1,730	
Surplus (+)/Shortfall (-) ¹	-487	+257	+1,244	

¹ Surpluses and shortfalls reflect RHNA plus a 15 percent buffer. Cells in red indicate a unit shortfall. Cells in green indicate a unit surplus.

Table 3 – South Coast RHNA Shortfall and Surplus by Income Level (Current Capacity)

Sub-Region/Method of Meeting RHNA	Units by Income Level			
South Coast	Lower	Moderate	Above Moderate	
RHNA	1,766	1,051	1,325	
RHNA + 15% Buffer	2,030	1,208	1,325	
Current Capacity (Vacant Sites, ADUs, and Pending Projects)	366	351	2,110	
Surplus (+)/Shortfall (-) ¹	-1,664	-857	+785	

¹ Surpluses and shortfalls reflect RHNA plus a 15 percent buffer. Cells in red indicate a unit shortfall. Cells in green indicate a unit surplus.

1.4 Actions to Accommodate the RHNA plus 15 Percent Buffer

GC Section 65583(c)(1) and Program 1 in Chapter 5 of the 2023-2031 HEU require that the County accommodate the shortfall of lower- and moderate-income units. Program 1 also requires that the County accommodate a 15 percent buffer for the lower- and moderate-income units. The County will accommodate the RHNA plus the 15 percent buffer through a combination of rezones and housing development on County-owned sites. The 2023-2031 HEU identified more potential rezone sites and County-owned sites than necessary to accommodate the RHNA plus the 15 percent buffer. Therefore, the Board has some flexibility when selecting sites.

1.4.1 Potential Rezone Sites

Staff examined more than 1,000 vacant and non-vacant sites throughout the county and used a set of site selection criteria based on guidance from State HCD to identify potential rezone sites. Staff prioritized vacant infill development sites in designated Urban Areas. These sites are closer to public transit, water, sewer, utilities, and other services and infrastructure. However, some of the sites do not meet all of the site selection criteria due to the limited availability of optimal sites.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 6

North County: The 2032-2031 HEU identifies 18 potential rezone sites in the North County with a potential of 2,300 units. These sites fall within the following general locations: (1) Orcutt Community Plan area, (2) Santa Ynez Valley Community Plan area, (3) New Cuyama, and (4) Mission Hills. Attachment 12 lists each potential rezone site in the North County and the proposed zoning and potential number of units assumed for each income level.

South Coast: The 2032-2031 HEU identifies 18 potential rezone sites in the South Coast with a potential of 5,848 units. These sites fall within the Eastern Goleta Valley Community Plan area, Goleta Community Plan area, and Carpinteria Valley. Three of these sites are located in the Coastal Zone (i.e., Friendship Manor and Van Wingerden 1 and 2). Attachment 13 lists each potential rezone site in the South Coast and the proposed zoning and potential number of units assumed for each income level.

1.4.2 County-Owned Sites

Staff examined approximately 500 vacant and non-vacant County-owned sites throughout the county. The 2023-2031 HEU identifies nine sites on the South Coast that are suitable for future housing development within this housing element planning period. Based on conceptual plans and proposed densities, future development of all of these sites would result in 320 units. County-owned sites in the Inland Area are not subject to County or city zoning ordinances. Therefore, the County does not currently plan to rezone these sites. Attachment 14 lists each County-owned site and the potential number of units assumed for each income level.

2.0 Factors for Selecting Rezone Sites and County-Owned Sites

The number of units that could be developed on the potential rezone sites and County-owned sites exceeds the RHNA plus the 15 percent buffer for the lower- and moderate-income levels. The Board needs to select a combination of sites and related actions that accommodate the RHNA and the 15 percent buffer. The Board should consider the factors outlined in Subsections 3.1 through 3.6, below, as it considers which sites to select.

Selecting sufficient sites to accommodate the RHNA plus the 15 percent buffer requires complex calculations. Furthermore, this task must be performed twice to satisfy both subregions of the county. Staff created an interactive tool called Balancing Act to facilitate this process. Balancing Act includes two versions, one for the North County and another for the South Coast. Balancing Act allows users to select or deselect sites and then calculates the resulting number of potential housing units for each income level. It also informs the user when a sufficient number of sites have been selected to create a "housing plan" that accommodates the RHNA plus the 15 percent buffer. Staff will enter and display the Board's selected sites into Balancing Act during the hearing. In the meantime, Balancing Act reflects the Planning Commission's recommendations and buildout assumptions for each rezone site, pending project site, and County-owned site. Balancing Act is available for the public and decision-makers on the Housing Element Update webpage:

- North County housing simulation: https://sbco.abalancingact.com/north-county
- South Coast housing simulation: https://sbco.abalancingact.com/south-coast

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 7

2.1 Affordability Assumptions

The 2023-2031 HEU specifies the number and income level of potential units for each potential rezone site. The County selected different affordability levels for the North County and South Coast. In previous housing elements the County assumed that all sites zoned 20 units per acre would be developed with 100 percent lower-income units. Over the years, the County found that this assumption overestimated the actual number of lower-income units unless an affordable housing provider developed the site. As shown in Table 4, below, the County modified these assumptions for the 2023-2031 HEU.

North County: The County assumed that housing projects on potential rezone sites would result in 65, 70, or 75 percent for lower-income units depending on the zone density. Table 4, below, shows the breakdown.

Donoity	Income Level (Percent)				
Density	Lower	Moderate	Above Moderate		
20 to 25 units/acre	65%	25%	10%		
25 to 30 units/acre	70%	25%	5%		
30 to 40 units/acre	75%	25%	0%		

Table 4 – Affordability Assumptions for Potential Rezone Sites in the North County

South Coast: Housing costs are higher in the South Coast compared to the North County. Therefore, the County assumed that potential rezone sites in the South Coast would result in fewer lower-income units. With two exceptions, the County applied the affordability assumptions in Table 5, below, to all potential rezone sites in the South Coast. The two exceptions are Giorgi and Glen Annie. State HCD set a maximum of 300 lower-income units for these two potential rezone sites given their large size and several other factors. As a result of these affordability assumptions, more rezone sites will be needed to accommodate the South Coast RHNA compared to the North County RHNA.

Table 5 – Affordability Assumptions for Potential Rezone Sites in the South Coast

Donoity	Income Level (Percent)			
Density	Lower	Moderate	Above Moderate	
All Densities/Zones	50%	25%	25%	

All of the County-owned sites are located in the South Coast. The 2023-2031 HEU projected that approximately 70 percent of future units on County-owned sites would be affordable to lower-income households. However, the County recently received an influx of Builder's Remedy applications. (See Subsection 3.6, below, for more details on Builder's Remedy.) These proposed housing projects typically include 20 percent lower-income units and 80 percent above moderate-income units. As a result, the County now faces an increased potential shortfall of moderate-income units. The County has greater control over affordability levels on County-owned sites and, in an effort to address this shortfall, the County consequently increased its projection of moderate-income units on County-owned sites from 50 units to 159 units. Attachment 14 shows the updated proposed affordability levels of the units for each County-owned site. The Board has discretion to modify the income levels of these units, so long as the

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 8

ultimate combination of County-owned sites and rezone sites accommodates the RHNA plus the 15 percent buffer for lower- and moderate-income units.

2.2 Minimum and Maximum Density

GC Section 65583.2(c)(3) requires that the County apply a minimum residential density of at least 20 units per acre to all rezone sites that are used to accommodate the County's RHNA for the lower-income units. The County will also apply a maximum residential density to these sites to set an upper limit for housing projects. Specifically, the County will add three new zoning designations to its zoning ordinances that set minimum and maximum densities – Design Residential (DR) -20/25, DR-20/30, and DR-30/40. For example, DR-20/25 sets a minimum density of 20 units per acre and a maximum density of 25 units per acre.

The County calculated the projected buildout capacity of potential rezone sites in residential zones using the minimum density rather than the maximum density. This approach helps reduce the chance that housing projects will develop fewer units than projected and, thereby, helps the County avoid No Net Loss Law and mid-cycle rezoning. The Program EIR used the maximum density to analyze the potential environmental impacts. As a result, the Board could recommend a higher minimum density to increase the number of units for any potential rezone site. Any recommendation to increase the maximum density would require further environmental review to determine if such as change would increase potential environmental impacts beyond those analyzed in the Program EIR. Staff recommends against any increases to the maximum density in order to save time and resources and complete the rezones as required by State housing element law.

2.3 Board Criteria

On January 9, 2024, the Board held a public hearing to discuss criteria and priorities for selecting potential rezone sites. It recommended the following criteria (arranged in no particular order):

- Projects that include low-income, moderate-income, and upper moderate-income (120 to 200 percent of area median income) housing, including projects that provide more than the bare minimum of affordable units.
- Projects where developers partner with a housing non-profit organization or County Housing Authority to help achieve the County's affordability targets or donate a portion of their land to a non-profit to develop deed-restricted units that provide long-term affordability.
- Projects that partner with employers or otherwise serve the local workforce through master leases, "right of first offer," or other innovative ideas.
- Projects that conform to the respective community plan.
- Projects that provide for on-site public recreation amenities or community spaces, including the
 potential for sports fields.
- Projects that forego Builder's Remedy and seek a rezone instead.
- Projects that are located along travel corridors where jobs are located and provide some mixed
 use.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 9

- Projects that include a mix of for-sale and rental units.
- Projects that provide affordable units that are price restricted for an extended period of time.
- Pending projects that are providing low- and moderate-income units and require a rezone to facilitate the development.

2.4 Program 1, Use by Right for Rezone Sites

Certain housing projects on sites that the County rezones at a density of at least 20 units per acre to accommodate its RHNA may qualify for a streamlined permit review process. Specifically, on sites that the County rezones to accommodate its lower-income RHNA, GC Section 65583.2(h) and Program 1 in Chapter 5 of the 2023-2031 HEU require that the County permit as a "use by right" owner-occupied and rental multifamily housing projects with at least 20 percent of the units affordable to lower-income households. As defined in GC Section 65583, "use by right" means that the housing project is not subject to discretionary review or approval or environmental review under CEQA. Housing projects that include a subdivision or other discretionary request do not qualify for use by right.

Several developers that submitted a Builder's Remedy application have suggested they would withdraw their application if the Board rezones their site at a density of at least 20 units per acre so they can avail themselves of the use by right provisions. (See Subsection 3.6, below, for information on Builder's Remedy.)

2.5 Program 2, Use by Right for Sites included in Prior Housing Elements

Program 2 in Chapter 5 of the 2023-2031 HEU also permits certain housing projects as a use by right. GC Section 65583.2(c) states,

... a non-vacant site identified ... in a prior housing element and a vacant site that has been included in two or more consecutive planning periods ... shall not be deemed adequate to accommodate a portion of the housing need for lower-income households ... unless the site is zoned at residential densities [allowing at least 20 units per acre] ... and the site is subject to a program in the housing element requiring rezoning ... to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower-income households.

Program 2 requires that the County amend its zoning ordinance to include these requirements.

As shown in Table 6, below, the list of pending projects in the sites inventory and list of potential rezone sites in the 2023-2031 HEU include lower-income units from one nonvacant site "identified ... in a prior housing element" (i.e., Price Ranch) and one vacant site "included in two or more consecutive planning periods" (i.e., Key Site 10). The Board has discretion to rezone these two sites. It must rezone these sites at a density of at least 20 units per acre if it intends to count the lower-income units that these sites would provide towards the 2023-2031 RHNA. If the Board rezones these sites, it must also permit future housing projects with at least 20 percent of the units affordable to lower-income households as a use by right. The Planning Commission recommended rezoning the southern portion of Key Site 10. It did not recommend rezoning Price Ranch.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 10

Table 6 – Sites Eligible for Program 2

Site Name/APN	Program 2 Category	HEU Site Category	Acres	Current Zoning (Maximum Density)	Prior Cycles	Lower Income Units
Price Ranch 101-130-019	Nonvacant	Pending project	16.08	PRD-46 (2.6 units/acre)	3 rd	12
Key Site 10 103-740-017	Vacant	Potential Rezone Site	6.93	PRD (1.8 units/acre)	3 rd 4 th	30

2.6 Builder's Remedy

GC Section 65589.5(d)(5), known as "Builder's Remedy," is a provision in the State Housing Accountability Act that restricts the authority of cities and counties that have not adopted a housing element that complies with State housing element law by the State-mandated deadline. In part, Builder's Remedy prevents such jurisdictions from denying or placing overly restrictive conditions on certain housing projects with 20 percent of the units affordable to lower-income households, even when such projects do not comply with a jurisdiction's general plan or zoning ordinance. For example, a jurisdiction may not deny an eligible multifamily housing project solely because it is proposed in a zone that prohibits multifamily dwellings (e.g., agricultural zone). However, Builder's Remedy housing projects remain subject to objective policies, development standards, and conditions.

After the County released its Draft 2023-2031 HEU, the County received 15 applications for Builder's Remedy housing projects. These consist of four potential rezone sites included in the sites inventory, two pending projects included in the sites inventory, and nine sites not included in the sites inventory or 2023-2031 HEU. Attachment 15 lists and summarizes the characteristics of each Builder's Remedy housing project. As discussed below, State housing element law provides the County with discretion to rezone or not rezone some of these sites.

<u>Potential Rezone Sites:</u> GC Sections 65583(c)(1) and (c)(1)(A) and Program 1 require that the County rezone sites "to accommodate that portion of the ... county's share of the regional housing need for each income level that could not be accommodated on sites identified in the [sites] inventory ..." Developers have proposed Builder's Remedy projects on four potential rezone sites identified in the 2023-2031 HEU (i.e., San Marcos Growers, Giorgi, Montessori, and Key Site 26).

Presently, the County cannot rely on Builder's Remedy projects in lieu of rezones to meet its RHNA because these potential rezone sites are not identified in the sites inventory. If the County identifies and rezones sufficient other sites to accommodate its RHNA for lower-income units, the County would not need to rezone these Builder's Remedy sites to satisfy its RHNA. Nonetheless, there may be some benefit to rezoning these sites because the County's discretion in reviewing Builder's Remedy projects is limited to compliance with objective standards and policies applicable to the existing zone. Many of these projects are on sites that are zoned for agriculture and low-density residential uses, and these zones have very few objective standards that can be applied to a housing project. Rezoning these sites to Design Residential (DR) would ensure that the County can apply a number of objective standards (e.g., open space and landscaping) not required in other zones that help guide site design and improve the quality of the project. This benefit would only result if the developers withdraw their Builder's Remedy

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 11

applications and pursue the project under the new zone. The Planning Commission recommended rezoning San Marcos Growers and Montessori, but not Key Site 26 or Giorgi.

<u>Pending Projects:</u> Two pending projects with Builder's Remedy applications (i.e., Bailard and Tatum) are located on sites that are inconsistent with current zoning, but Builder's Remedy nonetheless allows the County to approve them without rezones. Therefore, the County may, but is not required to, rezone these sites since they are included in the sites inventory as pending projects and analyzed in the Program EIR. There may be some benefit to rezoning the Bailard site (currently zoned for low-density residential) and the portion of the Tatum site (also zoned for low-density residential) as it will allow the County to apply more appropriate objective standards to the projects as described above in Potential Rezone Sites as well as establish minimum densities. Again, this benefit would only result if the developers withdraw their Builder's Remedy applications and pursue the project under the new zone. The Planning Commission recommended rezoning Tatum but not Bailard.

<u>Sites Not Included in the Sites Inventory or HEU:</u> There are nine sites with Builder's Remedy applications that were not included in the sites inventory or other sections of the HEU and were not analyzed in the Program EIR. As a result, the County cannot rezone or rely on these sites to implement Program 1 and accommodate its RHNA at this time. However, the County may count units on these sites toward its RHNA as they develop in the future.

3.0 Rezone-Related Comprehensive Plan and Zoning Ordinance Amendments

Rezoning sites to accommodate the County's RHNA plus the 15 percent buffer for lower- and moderate-income levels requires amending the zoning ordinance maps and text. It also requires related amendments to the Comprehensive Plan maps and text. For example, the County needs to amend the Comprehensive Plan Land Use Element's land use designations to ensure consistency with new zones that allow new residential uses and densities on rezone sites. In addition, Programs 1, 2, and 3 in Chapter 5 of the 2023-2031 HEU require that the County add additional standards to the zoning ordinances. These amendments are summarized below.

3.1 Land Use Designations and Parks/Recreation Policies

State planning law requires vertical consistency between the Land Use Element's land use designations and the zoning ordinances' zoning designations. Therefore, the recommended actions include amending the current land use designation for each site that the County rezones to accommodate its RHNA plus the 15 percent buffer for lower- and moderate-income levels. Attachment 3, Exhibit D and Attachment 5, Exhibit A include these amendments.

Staff is proposing a new Parks/Recreation policy in the Land Use Element that would apply to future development. The purpose of the policy is to require the incorporation of connections for public use with or between existing bikeways, pedestrian routes, and other trail infrastructure where applicable to promote healthy communities by increasing walkability, multi-modal transportation, neighborhood connectivity to and between commercial services, and public recreational opportunities. This policy would complement other Parks/Recreation policies in the Land Use Element, as well as mitigation measures identified in the Program EIR to reduce vehicle miles traveled (VMT). See Attachment 3, Exhibit A.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 12

3.2 Urban/Rural Area Boundaries and Rural Neighborhood

Glen Annie is located in a designated Rural Area within the Inland Area. It adjoins the city of Goleta. Van Wingerden 1 and Van Wingerden 2 are located in a designated Rural Area within the Coastal Zone. Van Wingerden 1 adjoins a designated Urban Area and the city of Carpinteria. Van Wingerden 2 adjoins the city of Carpinteria. If the Board decides to rezone these sites for high-density residential development, it would also need to redesignate these sites as an Urban Area since the LUDC and CZO allow high-density residential development in an Urban Area but not in a Rural Area. The Planning Commission recommended to rezone all three sites and redesignate them as an Urban Area.

Bailard, a 2.50-acre adjacent parcel to the west (APN 001-080-009), and 27 1.0- to 3.50-acre nearby parcels to the east are currently zoned Single Family Residential (3-E-1) and located in the Monte Vista/Lomita Lane Rural Neighborhood within the Coastal Zone. If the Board decides to rezone Bailard for high-density residential development, it would also need to redesignate this site as an Urban Area since the CZO allows high-density residential development in an Urban Area but not in a Rural Area or Rural Neighborhood. This change would create a Rural Neighborhood that consists of one parcel – the 2.50-acre parcel – isolated from the rest of the Rural Neighborhood. However, the Coastal Land Use Plan does not define Rural Neighborhood as single parcels. Rather, it defines Rural Neighborhood as a "neighborhood area ... with lots smaller than those found in the surrounding rural lands." If the Board chooses to rezone Bailard, staff recommends that it also remove the 2.50-acre parcel from the Rural Neighborhood and redesignate Bailard and the 2.50-acre parcel as a new Urban Area to ensure consistency with the Coastal Land Use Plan. The Planning Commission did not include Bailard in the list of recommended rezones.

The 2023-2031 HEU does not list the 2.50-acre parcel as a potential rezone site for high-density residential development. Nor does the Program EIR analyze this parcel. Therefore, in contrast to Bailard, the Board could not rezone the 2.50-acre parcel as part of the 2023-2031 HEU rezone amendments at this time. The 2.50-acre parcel would remain as Single Family Residential (3-E-1) and the types of land uses currently allowed on this parcel under the CZO would not change.

The Board would amend the Goleta Community Plan Land Use Designations Map as follows if it elects to rezone Glen Annie:

• Create a new Urban Area that encompasses Glen Annie (APNs 077-530-012, 077-530-020, and 077-530-021). Attachment 3 includes this amendment.

The Board would amend the South Coast Rural Region Land Use Designations Map as follows if it elects to rezone Van Wingerden 1, Van Wingerden 2, and/or Bailard:

- Expand the current Urban Area to include Van Wingerden 1 (APN 004-013-023). Attachment 7 includes this amendment.
- Create a new Urban Area that encompasses Van Wingerden 2 (APN 004-005-001). Attachment 7 includes this amendment.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 13

• Create a new Urban Area that encompasses Bailard (APNs 001-080-045 and 001-080-046) and the 2.50-acre adjacent parcel to the west (APN 001-080-009).

3.3 Key Sites, Orcutt Community Plan

Six of the potential rezone sites in the North County are Key Sites described in Chapter V of the Orcutt Community Plan. Chapter V states that Key Sites are "principally vacant and under-developed parcels, generally larger than three acres and consisting both of individual lots and groupings of lots ... The Key Sites have been identified as having the greatest potential for development ..." In part, the description of each Key Site includes a general project description (e.g., zoning, land uses, and buildout estimates), policies and development standards, and a map that highlights buildable areas and constraints (e.g., open space, steep slopes, and sensitive habitats). Some of these provisions will no longer be accurate or applicable if the Board decides to rezone some or all of the Key Sites. Attachment 3, Exhibit B, includes amendments necessary to create vertical consistency with the rezones. The Planning Commission recommended rezoning two Key Sites – the southern portion of Key Site 10 and the northern portion of Key Site 11.

3.4 Programs 1 and 2, Use by Right

GC Sections 65583.2(c) and (h) and Programs 1 and 2 in Chapter 5 of the 2023-2031 HEU require that the County amend its zoning ordinances to allow certain housing projects as a use by right. (See Subsections 3.4 and 3.5, above, for details on Programs 1 and 2.) Attachment 6 and Attachment 9, respectively, include proposed amendments to the LUDC and CZO to allow use by right for qualifying housing projects.

3.5 Program 3, Replacement Housing

GC Sections 65583.2 and 65915 and Program 3 of the 2023-2031 HEU require that development on all non-vacant sites that contain existing residential units or units that were rented in the past five years and occupied by lower-income households be subject to replacement housing requirements. Attachment 6 and Attachment 9, respectively, include proposed amendments to the LUDC and CZO to require replacement housing.

3.6 Minimum and Maximum Densities

As discussed in Subsection 3.2, above, the County will apply a minimum and maximum density to all sites that it rezones to Design Residential (DR) to accommodate its RHNA plus the 15 percent buffer. The County will amend DR zone standards in the LUDC and CZO to include the three new zoning designations that set minimum and maximum densities (i.e., DR-20/25, DR-20/30, and DR-30/40). Attachment 6 and Attachment 9 include these amendments. In a similar vein, the County will amend the residential designations/densities in the Comprehensive Plan, including the Land Use Element and Coastal Land Use Plan, to include three new land use designations that set minimum and maximum densities – RES-20/25, RES-20/30, and RES-30/40. Attachment 3, Exhibit D and Attachment 7 include these amendments.

Physical, environmental, or infrastructure constraints could preclude a project from including sufficient units to meet the specified minimum density. To address such circumstances, the proposed zoning ordinance amendments include an allowance for developers to propose fewer units than the minimum density requires for a specific site. In part, developers must demonstrate no feasible method(s) exists to

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 14

satisfactorily mitigate or avoid the specific constraint(s). Attachment 6 and Attachment 9 include these amendments.

3.7 Circulation Element Amendments

The Circulation Element and various community plans identify the capacity, or level of service (LOS), that is considered acceptable for normal operations for different roadway classifications and intersections. However, these LOS standards could represent a significant constraint to housing projects and the County's obligation to meet its RHNA. Staff anticipate that traffic from some future housing projects enabled by the rezones would result in select roadways and/or intersections operating below current LOS standards, and improvements necessary to fully offset a project's impacts to roadways and/or intersections may be infeasible. To help alleviate this constraint, staff is proposing to amend the Circulation Element (Attachment 4) to include an exemption from the LOS standards for qualifying projects on housing sites that are relied upon to meet the County's RHNA. This exemption also clarifies that projects must still implement roadway and intersection improvements to address effects on LOS, as determined by the County Public Works Department.

3.8 Coastal Commission Certification

The rezones and other amendments described above on sites located within the Coastal Zone would require changes to the Coastal Land Use Plan and CZO, which together constitute the County's Local Coastal Program. Any such changes would require the County to submit a Local Coastal Program Amendment to the Coastal Commission for certification. The changes would not be final until certified by the Coastal Commission.

4.0 Developer Letters of Intent (LOIs)

The Board recently held a public hearing to discuss criteria and priorities for selecting potential rezone sites. (See Subsection 2.3, above, for more details.) It also invited developers for potential rezone sites and pending projects to submit "letters of intent" that describe how their proposed projects address these criteria and priorities. Several developers offered to include more units and/or more affordable units in their proposed projects provided the Board rezones their sites for high density residential development. Table 7 summarizes the developers' letters of intent.

Table 7 – Developer Letters of Intent

Project Name	Proposed Project Changes and Benefits			
	Pending Projects			
Apollo	Includes 302 lower-income rental and for-sale units, based on projected monthly rents and sale prices (not deed-restricted). Potential employer partnerships.			
Bailard	Increases total units from 173 units, including 41 lower-income units, to 182 units, including 50 lower-income units, if rezoned. Potential participation in Employer-Sponsored Housing Consortium (Chamber of Commerce). Partnership with HASBARCO. Builder's Remedy withdrawal upon rezone.			
Constellation	Includes 60 lower-income rental units, based on projected monthly rents (not deed-restricted). Potential employer partnerships.			

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 15

Project Name	Proposed Project Changes and Benefits
San Marcos 1 and 2	Includes 796 market-rate units and 200 lower-income units, and will add 50 moderate-income units for 55 years and 2 acres of public open space, if rezoned. Potential participation in Employer-Sponsored Housing Consortium. Potential local preference program. Builder's Remedy withdrawal upon rezone.
Tatum	Increases total units from 344 units, including 69 lower-income units, to 545 units, including 110 lower-income units and 27 moderate-income units, if rezoned. Includes 3 acres of public open space. Partnership with HASBARCO and Santa Barbara Unified School District (SBUSD). Potential participation in Employer Housing Consortium. Potential local preference program. Builder's Remedy withdrawal upon rezone.
	Potential Rezone Sites
Caird 1, 2, and 3 and Ekwill	Includes 1,200 total units, primarily for-sale, including 250 lower-income units, 50 moderate-income units, and 180 upper moderate-income units (121-250% AMI). Project also includes 11 acres of public recreation/open space. Partnership with People's Self Help Housing for affordable units and local employers for upper moderate-income units. Potential participation in Employer-Sponsored Housing Consortium. Potential local preference program.
Glen Annie	Includes 800 to 1,000 units, including a land dedication of 7.7 acres for 231 to 308 very low-, low- and moderate-income units. Includes a mix of rental and for-sale units. Includes onsite recreation, parks, and trails. Potential partnerships with Habitat for Humanity, LEAP Children's Center, SBUSD, and HASBARCO. Potential participation in Employer-Sponsored Housing Consortium. Includes a childcare center.
Key Site 26 (Richards Ranch)	Includes 750 units, including 156 lower-income units. Partnership with Dignity Health. Potential local preference program. Withdraw Builder's Remedy upon rezone.
Latter Day Saints (Magnolia)	Includes 130 deed-restricted lower-income units. Partnership with HASBARCO.
Montessori	Increases total units from 345 units, including 69 lower-income units, to 459 units, including 115 affordable units (23 lower-income units, 69 moderate-income units, and 23 upper moderate-income units (160% AMI)), if rezoned. Potential partnership with SBUSD and Montessori Center School. Withdraw Builder's Remedy upon rezone.
Giorgi	Includes 1,177 units, including 300 lower-income units, 120 moderate-income units (120% AMI), and 60 upper moderate-income (200% AMI). Includes 6-acre public park, and space for childcare facility and other neighborhood-serving commercial uses. Potential participation in Employer Housing Consortium. Potential local preference program.

5.0 Planning Commission's Recommendations

The Planning Commission held public hearings on March 27 (Santa Maria) and April 1, 2024 (Santa Barbara) and selected sufficient sites to accommodate the RHNA plus the 15 percent buffer and adopt ordinances and resolutions that list and recommend that the Board rezone and/or select these particular sites. (See the Planning Commission Action Letter, Attachment 16, for more details.) For the North County, the Planning Commission recommended that the Board rezone eight sites, including one pending project (Apollo Way). For the South Coast, the Planning Commission recommended that the Board select all nine County-owned sites and rezone 16 of the 18 potential rezone sites and one pending project (Tatum). Tables 8 and 10, below, respectively, list the sites that the Planning Commission recommended to rezone in the North County and South Coast, and the assumed units by income category for each site. Tables 8 and 10 also list the potential rezone sites that the Planning Commission did not

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 16

select. These sites are shaded gray and are for informational purposes. They do not count toward the County's 2023-2031 RHNA.

The sites that the Planning Commission recommended to rezone fall into one of three categories for the purposes of unit count and affordability assumptions:

- 1. Sites with the County's unit assumptions included in the 2023-2031 HEU (St. Athanasius, Scott, Ekwill, Caird 1, Caird 2, Caird 3, Glen Annie, St. Vincent's East, St. Vincent's West, Hope Church, Van Wingerden 1, Van Wingerden 2, Friendship Manor, Mariposa Reale, Hummel Cottages, Chumash LLC, Key Site 11, and Blue Sky Center),
- 2. Sites with updated unit assumptions reflected in developers' letters of intent for projects whose original numbers were included in the adopted 2023-2031 HEU (San Marcos Growers 1 and 2, Apollo Way, and Tatum), and
- 3. Sites with unit assumptions crafted by the Planning Commission based on the recommended rezone (Montessori, Boys and Girls Club, and Key Site 10).

With the exception of the second category, the unit assumptions were not modified based on the letters of intent since in most cases those sites have no pending application, the letters are nonbinding, and the projects were not identified in the adopted 2023-2031 HEU. Tables 9 and 11, respectively, show the total potential units compared to the RHNA plus the 15 percent buffer for the North County and South Coast. The Planning Commission also recommended that the Board adopt the accompanying amendments to the Comprehensive Plan and zoning ordinances and certify the Program Environmental Impact Report (EIR) and Statement of Overriding Considerations.

Table 8 – Planning Commission's Recommended North County Potential Rezone Sites Units by Income Level

	U			
Site Name	Lower	Moderate	Above Moderate	Zone/Proposed Density (u/a)
Apollo	302	0	0	DR-20/30
Blue Sky Center	0	50	0	DR-20 and C-2
Chumash, LLC	91	30	0	DR-30/40
Key Site 10	59	23	8	DR-20/30, REC
Key Site 11	52	36	8	DR-20/30, REC, C-2
Mariposa Reale	90	0	0	DR-20/25
Boys and Girls Club	52	20	8	DR-20/25, DR-3.3
Hummel Cottages	30	0	0	DR-20/25
Total	676	159	24	
Key Site 1	0	181	160	C-2 and MR-O
Key Site 3	0	0	8	DR-1

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 17

	U			
Site Name	Lower	Moderate	Above Moderate	Zone/Proposed Density (u/a)
Key Site 16	68	49	0	C-2/DR-30/40
Key Site 26	425	161	0	C-2/DR-30/40
Northpoint HOA	62	24	9	DR-20/25
Woodmere Villas HOA	167	65	25	DR-20/25
Latter Day Saints (Magnolia)	86	28	0	DR-30/40
Fong 1	53	17	0	DR-30/40
Fong 2	34	11	0	DR-30/40
Alexander	0	17	0	C-2

Note: The Planning Commission did not select the sites that are shaded gray. These sites are provided for information purposes and the potential units from these sites do not count toward the County's 2023-2031 RHNA.

Table 9 - North County RHNA Surplus by Income Level

Sub-Region/Method of Meeting the RHNA	Units by Income Level			
North County	Lower	Moderate	Above Moderate	
RHNA	807	229	486	
RHNA + 15% Buffer	928	263	486	
Current Capacity (Vacant Sites, ADUs, and Pending Projects) and Recommended Rezone Sites	1,203	679	1,392	
Surplus (+) ¹	+275	+416	+906	

¹ Surpluses reflect RHNA plus the 15 percent buffer for lower- and moderate-income levels.

Table 10 – Planning Commission's Recommended South Coast Potential Rezone Sites and County-Owned Sites Units by Income Level

	U			
Site Name and APN(s)	Lower	Moderate	Above Moderate	Zone/Proposed Density (u/a)
Van Wingerden 1	118	59	59	DR-20/30
Van Wingerden 2	90	45	45	DR-20/30
Hope Church	25	13	12	DR-20/30
St. Vincent's East	75	0	0	DR-20/30
St. Vincent's West	100	0	0	DR-20/30
San Marcos Growers	200	50	746	DR-30/40
Tatum	110	27	408	DR-20/30

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 18

Site Name and APN(s)	Units by Income Level			
	Lower	Moderate	Above Moderate	Zone/Proposed Density (u/a)
Montessori	80	40	76	DR-30/40, DR-12.3, REC
St. Athanasius	150	75	75	DR-30/40
Scott	123	62	61	DR-30/40
Ekwill	109	55	54	DR-30/40
Caird 1	96	48	48	DR-20/25
Caird 2	38	19	19	DR-20/25
Caird 3	195	98	97	DR-20/25, AG-I-10
Friendship Manor	18	9	9	DR-30/40
Glen Annie	300	350	350	DR-20/30, DR-5
Flag Lot	13	0	0	N/A
Probation Building	0	36	12	N/A
Juvenile Hall	0	45	30	N/A
Page and Fire	18	0	0	N/A
Food Bank	14	0	0	N/A
Hollister Lofts	36	0	0	N/A
Child Family Services Lot	18	0	0	N/A
Archives Parking Lot	0	59	0	N/A
Above Behavioral Wellness Deck	20	19	0	N/A
Total	1,936	1,109	2,101	
Giorgi	300	456	456	DR-30/40
McCloskey Lelande	100	50	50	DR-30/40

Note: The Planning Commission did not select the sites that are shaded gray. These sites are provided for information purposes and the potential units from these sites do not count toward the County's 2023-2031 RHNA.

Table 11 – South Coast RHNA Surplus by Income Level

Sub-Region/Method of Meeting the RHNA	Units by Income Level		
South Coast	Lower	Moderate	Above Moderate
RHNA	1,766	1,051	1,325
RHNA + 15% Buffer	2,030	1,208	1,325
Current Capacity (Vacant Sites, ADUs, and Pending Projects) and Recommended Rezone Sites	2,139	1,303	3,930
County-Owned Sites	119	159	42
Surplus (+) ¹	+228	+254	+2,647

 $^{^{\}rm 1}$ Surpluses reflect RHNA plus the 15 percent buffer for the lower- and moderate-income levels.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 19

6.0 Public Outreach

State housing element law mandates that cities and counties conduct robust public participation programs throughout the housing element planning process. Over the past two years, the County targeted all segments of the community, including residents, employers, and the public and private sectors. Outreach efforts included the following:

- Maintaining the 2023-2031 HEU webpage;
- Conducting stakeholder meetings and presenting the potential rezone sites to community groups;
- Hosting three public workshops (South Coast and North County);
- Conducting a scoping hearing for the Program EIR;
- Releasing the Draft 2023-2031 HEU for a public review period (509 comments);
- Releasing the Draft Program EIR for public review and comments.
- Conducting two hearings on the Draft Program EIR (South Coast and North County);
- Posting an interactive map of potential rezone sites, County-owned sites, and pending projects;
- Posting the Balancing Act housing simulation tool for public use;
- Presenting draft goals, policies, and programs to the Board (February 14, 2023);
- Presenting changes to the Draft 2023-2031 HEU resulting from public comments to the Board (April 4, 2023);
- Presenting draft policies and programs to the Board (October 17, 2023); and
- Conducting a hearing on rezone criteria with Board (January 19, 2024).

The County promoted Balancing Act to a diverse audience. It publicized the tool through a video, social media, email notices, website postings, and local news outlets and local forums. Nearly 5,000 stakeholders visited the website and approximately 170 stakeholders submitted housing plans, indicating the tool's success in helping the public realize the challenges of selecting sufficient sites to accommodate the County's RHNA plus the 15 percent buffer.

The County provided an extended public comment period for the Draft Program EIR from December 20, 2023, to February 9, 2024. As noted above, the County held two public hearings on the Draft Program EIR (North County and South Coast) in January 2024. Chapter 9, Responses to Comments, of the Program EIR contains all public comments and County responses.

7.0 Environmental Review

7.1 Scope, Environmental Impacts, and Mitigation Measures

The Program EIR analyzes the environmental impacts of the sites inventory, potential rezone sites, County-owned sites, and the 2023-2031 HEU's goals, policies, and programs. It includes approximately 2,100 pages and is available through the following links:

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 20

Final Program EIR (chapters): https://app.box.com/s/y6hdmwz2qubrcm0c862ehs9ddovhehyd Final Program EIR (appendices): https://app.box.com/s/cio1kquvbrgbn3k4kvvznxfpjfhhcr2g

The Program EIR's Executive Summary (pages ES-1 through ES-70) summarizes the project description, environmental impacts, mitigation measures, and alternatives.

The Program EIR analyzes the project at a programmatic level. In part, the County prepares program EIRs for projects that include a series of actions or projects that relate to a large region or the entire county, such as comprehensive plan elements and community plans. Program EIRs are used to analyze a series of actions that can be characterized as one large project because the individual activities are carried out under the same authorizing statutory or regulatory authority (such as the State Housing Element Law) and have generally similar environmental effects which can be mitigated in similar ways. Rather than analyze individual actions or projects, the Program EIR analyzes the potential environmental impacts of the 2023-2031 HEU as a whole. Therefore, the Program EIR does not provide site-specific or project-specific analyses.

The Program EIR considers the maximum potential buildout capacity scenario of the sites inventory, all potential rezone sites, and all County-owned sites to give the Board maximum flexibility in selecting final sites to accommodate the RHNA plus the 15 percent buffer. For example, the Program EIR assumes that all potential rezone sites would develop with the proposed maximum density, not the proposed minimum density. It also assumes that housing projects would use State Density Bonus Law to increase the number of units beyond those allowed by the proposed maximum density. As a result, the maximum potential buildout scenario projects substantially more housing than required to accommodate the RHNA plus the 15 percent buffer, and consequently, the impacts of the project identified in the Program EIR are significantly greater than what is likely to occur as a result of the rezones and selection of County-owned sites.

The Program EIR analyzes 16 resource areas and includes 26 mitigation measures. Table 12, below, shows that the project would result in significant and unavoidable impacts to 11 resources areas. One mitigation measure requires an amendment to the zoning ordinances and another requires an amendment to the County Code. Below is a summary of these two mitigation measures and the proposed amendments.

- MM LU-1 Additional Allowed Uses in Design Residential (DR) Zoning: This mitigation measure amends the DR zone standards to allow all or a portion of the required open space to be public open space and developed as public parks, trails, or other public recreational facilities. (The current standards only allow open space to be reserved as common (private) open for the use of the residents.) Attachments 6 and 9, respectively, include proposed amendments to the LUDC and CZO that effect this mitigation measure. The amendment to the LUDC also includes provisions for the incorporation of limited neighborhood-serving commercial uses (e.g., convenience store and café) within the larger residential developments to promote sustainable communities.
- <u>MM T-3 Funding and Mitigation Fee Programs Update:</u> This mitigation measure requires that the County evaluate and update its transportation impact mitigation fees to ensure that developers pay a fair-share of the costs of transportation improvements necessary to serve housing projects on sites identified in the 2023-2031 HEU. This effort is already underway and will be further informed after the Board selects final rezone sites.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 21

Table 12: Summary of Environmental Impacts and Mitigation Measures

Resource Area	Impacts	Mitigation Measures
Aesthetics and Visual Resources	Significant and Unavoidable	MM AV-1
Agricultural Resources	Significant and Unavoidable	No Feasible Mitigation
Air Quality	Significant and Unavoidable	MM T-1, MM AQ-1, MM AQ-2, MM AQ-3, MM AQ-4, MM HAZ-1
Biological Resources	Significant and Unavoidable	MM BIO-1, MM BIO-2, MM BIO-3
Cultural and Tribal Cultural Resources	Significant but Mitigable	MM CTCR-1, MM CTCR-2, MM CTCR-3, MM CTCR-4
Energy	Insignificant	No Feasible Mitigation
Greenhouse Gas Emissions	Insignificant	No Mitigation Required
Hazards and Hazardous Materials	Significant but Mitigable	MM HAZ-1, MM HAZ-2, MM HAZ-3
Hydrology and Water Quality	Significant and Unavoidable	MM HWR-1
Land Use and Planning	Significant and Unavoidable	MM AV-1, MM BIO-1, MM BIO-2, MM BIO-3, MM HAZ-3, MM HWR-1, MM NOI-1, MM NOI-2, MM T-1, MM T-2, MM T-3, MM WF- 1, MM LU-1
Noise	Significant but Mitigable	MM T-1, MM NOI-1, MM NOI-2
Population and Housing	Significant and Unavoidable	No Feasible Mitigation
Public Services and Recreation	Significant and Unavoidable	MM LU-1
Transportation	Significant and Unavoidable	MM T-1, MM T-2, MM T-3
Utilities and Water Supply	Significant and Unavoidable	MM UWS-1, MM UWS-2
Wildfire	Significant and Unavoidable	MM WF-1

Note: Some mitigation measures apply to multiple resource areas.

7.2 Alternatives

The Program EIR analyzes the following five alternatives:

- <u>No Project Alternative.</u> Assesses the effects of not implementing the 2023-2031 HEU. This alternative is infeasible since State housing element law requires that the County rezone sites to accommodate its RHNA and otherwise implement the 2023-2031 HEU's goals, policies, and programs.
- <u>Sustainable Communities Strategy Alternative.</u> Assesses the effects of siting new housing on rezone sites in high-quality transit corridors within the South Coast and Santa Maria Valley. This alternative removes 10 potential rezone sites that significantly increase vehicle miles traveled, including Glen Annie, St. Vincent's East, St. Vincent's West, Van Wingerden 1, and Van Wingerden 2 in the South Coast and Fong 1, Fong 2, Alexander, Chumash LLC, and Blue Sky Center in the North County. This alternative is feasible and would meet the project's objectives since it would accommodate the County's RHNA plus the 15 percent buffer.

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 22

Reduced Project Alternatives A, B, and C. The 2023-2031 HEU includes more sites than necessary to accommodate the RHNA plus the 15 percent buffer. The project for purposes of the Program EIR includes all of these sites. Reduced Project Alternatives A, B, and C reduce the number of rezone sites in different combinations but still accommodate the County's RHNA plus the 15 percent buffer. Therefore, each alternative is feasible and would meet the project's objectives.

The Program EIR identifies Reduced Project Alternative A as the environmentally superior alternative. This alternative eliminates nine potential rezone sites – Saint Athanasius, Scott, Ekwill, Caird 1, Caird 2, Caird 3, Key Site 26, North Point HOA, and Boys and Girls Club. Regarding the alternatives, Reduced Project A has reduced adverse impacts compared to the other three alternatives. Regarding the project, Reduced Project A reduces the relative severity of the impacts to the following resource areas with significant and unavoidable impacts: aesthetics and visual resources, agricultural resources, air quality, hydrology and water quality, population and housing, public services and recreation, and utilities and water supply. Nonetheless, the impacts to these seven resource areas remain significant and unavoidable. With the exception of the No Project Alternative, none of the alternatives reduced significant impacts to less than significant levels, and in most cases, the reduction in impacts was largely due to the reduced scope of the alternatives compared to the maximum buildout scenario that was analyzed under the proposed project. Table 4-20 in Chapter 4, Alternatives Analysis, of the Program EIR, summarizes the impacts to each resources area.

7.3 Statement of Overriding Considerations

The project and the four feasible alternatives would result in significant and unavoidable environmental impacts. According to CEQA Guidelines Section 15093, Attachment 1 includes a Statement of Overriding Considerations that documents why the project's legal, social, economic, and environmental benefits outweigh its significant and unavoidable environmental impacts. Legal benefits include compliance with State housing law. Social and economic benefits include increasing the supply of affordable housing and addressing the North County/South Coast job/housing imbalance. Environmental benefits include reducing greenhouse gas emissions and VMTs. Given these benefits, the Board may consider the significant and unavoidable impacts "acceptable," certify the Program EIR, and approve the project.

8.0 Comprehensive Plan Consistency

Staff reviewed the 2023-2031 HEU rezone amendments for consistency with the applicable policies of the Comprehensive Plan, including the Coastal Land Use Plan and applicable community plans. Attachment 17 presents the policy consistency analysis. Staff concluded that the 2023-2031 HEU rezone amendments would be consistent with the Comprehensive Plan.

Fiscal and Facilities Impacts:

Budgeted: Yes. Two State grants and the County General Fund have provided funding for the preparation of the 2023-2031 HEU, including identification of potential rezone sites and County-owned sites, and the Program EIR. In 2020, State HCD awarded the County \$500,000 in Local Early Action Planning (LEAP) grant funding and \$164,403 in Regional Early Action Planning (REAP) grant funding to help cover the costs of preparing the 2023-2031 HEU and Program EIR. All grant funds have been expended. The County General Fund covered the remaining costs from Fiscal Year (FY)

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 23

2021-2022 through FY 2022-2023. The County Adopted Budget FY 2023-2024, page 318, includes funding for the 2023-2031 HEU, including the selection of rezone and County-owned sites, as part of P&D's LRP Division Budget Program.

Special Instructions:

The Planning and Development Department will satisfy all noticing requirements. The Clerk of the Board will provide copies of the Minute Order and signed resolutions and ordinances to the Planning and Development Department P&D, attention Jessi Steele-Blossom.

Attachments:

- 1. Findings for Approval and Statement of Overriding Considerations
- 2. Program EIR
- 3. Board of Supervisors Resolution Amending the Land Use Element (Case No. 24GPA-00003)
 - A. Land Use Element Amendments
 - B. Orcutt Community Plan Amendments
 - 3B-1. Figure KS11-1, Site #11 George
 - C. Eastern Goleta Valley Community Plan Amendments
 - D. APNs for Land Use Designation Map Amendments
 - 3D-1. Apollo Land Use Designation Map
 - 3D-2. Key Site 10 Land Use Designation Map
 - 3D-3. Key Site 11 Land Use Designation Map
 - 3D-4. Boys and Girls Club Land Use Designation Map
 - 3D-5. Blue Sky Center Land Use Designation Map
 - 3D-6. Glen Annie Land Use Designation Map
 - 3D-7. Montessori Land Use Designation Map
 - E. APNs for Goleta Community Plan Land Use Designation Map Amendments
- 4. Board of Supervisors Resolution Amending the Circulation Element (Case No. 24GPA-00005)
- 5. Board of Supervisors Ordinance Amending the County Land Use and Development Code Zoning Map (Case No. 24RZN-00001)
 - A. APNs for Zoning Map Amendments
 - 5A-1. Apollo Way Zoning Map
 - 5A-2. Key Site 10 Zoning Map

Case Nos.: 24GPA-00003, 24GPA-00004, 24GPA-00005, 24RZN-00001, 24RZN-00002, 24ORD-00007, 24ORD-00008

Hearing Date: April 30 and May 3, 2024

Page 24

- 5A-3. Key Site 11 Zoning Map
- 5A-4. Boys and Girls Club Zoning Map
- 5A-5. Blue Sky Center Zoning Map
- 5A-6. Glen Annie Zoning Map
- 5A-7. Montessori Zoning Map
- 6. Board of Supervisors Ordinance Amending the County Land Use and Development Code (Case No. 24ORD-00007)
- 7. Board of Supervisors Resolution Amending the Coastal Land Use Plan (Case No. 24GPA-0004)
- 8. Board of Supervisors Ordinance Amending the Article II Coastal Zoning Ordinance Zoning Map (Case No. 24RZN-00002)
- 9. Board of Supervisors Ordinance Amending the Article II Coastal Zoning Ordinance (Case No. 24ORD-00008)
- 10. Board of Supervisors Resolution Selecting County-Owned Sites
- 11. Board Resolution and Ordinance Flowchart
- 12. North County Potential Rezone Sites
- 13. South Coast Potential Rezone Sites
- 14. County-Owned Sites
- 15. Builder's Remedy Sites
- 16. County Planning Commission Action Letter
- 17. Comprehensive Plan Policy Consistency Analysis

Authored by: Allen Bell, Supervising Planner; Jessi Steele-Blossom, Planner; and Eva Marrero, Planner

 $G:\GROUP\COMP\Comp\ Plan\ Elements\Housing\2024-32\ Housing\ Element\Implementation\Program\ 1\ (Rezones)\BOS\ 4.30.24\Final\ Board\ Agenda\ Letter\ -\ 4.22.24.docx$