

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 Submitted on: (COB Stamp)

Department Name: Community Services

Department No.: 057

Agenda Date: May 13, 2025

Placement: Departmental Agenda

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Estimated Time: 45 minutes

Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Director(s): Jesús Armas, Community Services Department (CSD)

Contact Info:

Joe Dzvonik, Deputy Director, Housing and Community Development (HCD)

Lucille Boss, Housing Programs Manager

SUBJECT: Prohousing Designation

County Counsel Concurrence

<u>Auditor-Controller Concurrence</u>

As to form: Yes As to form: Yes

Other Concurrence: Planning & Development

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Receive a presentation on the proposed application to the State of California Prohousing Designation Program (Attachment C);
- b) Adopt a resolution authorizing the application and participation in the State of California Prohousing Designation Program (Attachment A); and
- c) Determine that the proposed action does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(5) of the CEQA Guidelines, because it consists of an organizational or administrative activity of government which will not result in direct or indirect physical changes in the environment.

Page 2 of 3

Summary Text:

Increasing the availability of housing statewide is critical to improving the quality of life of all Californians and ending homelessness. The State of California's 2019-2020 Budget Act provided a spectrum of support, incentives, and accountability measures to meet California's housing goals, and provided for the establishment of the Prohousing Designation Program. Participation in the Program signals that a jurisdiction has implemented or intends to implement policies that go above and beyond the requirements of State law to encourage the development of housing, as detailed in the Housing Element Update approved in 2024. Local governments with Prohousing Designation are eligible to apply for, and can also receive priority processing or funding points, when applying for several competitive grant programs. Moreover, some funding categories may be limited to agencies with a Prohousing designation. The purpose of the recommended Board action is to allow the County of Santa Barbara to apply for the Prohousing Designation.

Background:

Local governments with Prohousing Designation are eligible to apply for, and can also receive priority processing or funding points, when applying for the following funding programs:

- Prohousing Incentive Program (PIP)
- Affordable Housing & Sustainable Communities (AHSC)
- Infill Infrastructure Grant (IIG)
- Transformative Climate Communities (TCC)
- Solutions for Congested Corridors
- Local Partnership Program
- Transit and Intercity Rail Capital Program (TIRCP)

County Planning & Development (P&D) and Community Services (CSD) departments collaborated with State Housing & Community Development (CA HCD) staff to draft an application (Attachment B), which includes Threshold Requirements, Favorable Zoning and Land Use, Acceleration of Housing Production Timeframes, Reduction of Construction and Development Costs, Providing Financial Subsidies, Enhancement Factors, and Appendices.

It should be noted that acquiring Prohousing Designation aims to promote housing production by streamlining approval processes and reducing regulatory barriers. As a result, local jurisdictions must meet specific criteria to be designated, which may influence local policies and some might interpret this as relinquishing a degree of local control. For example, applicants must acknowledge and confirm they will continue to comply with applicable housing laws and refrain from enacting laws, developing policies, or taking other local governmental actions that may inhibit or constrain housing production. Examples of such local laws, policies, and actions include moratoriums on development; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures. A more through comparison of the pros and cons of applying for, and obtaining, Prohousing Designation is presented here:

Potential cons of the Prohousing Designation Program:

- The points-based scoring system may not fully reflect the nuances of local policies and their effectiveness in meeting local housing needs.
- The need for ongoing monitoring and evaluation may prompt additional, unknown administrative duties.
- Policies aimed at housing production might conflict with other local priorities.
- Community members who are concerned about the potential impacts of increased housing development may express opposition.

Page 3 of 3

Potential benefits of the Prohousing Designation Program:

- Priority processing or additional funding points for various state funding programs, including the Affordable Housing and Sustainable Communities (AHSC) program, the Infill Infrastructure Grant (IIG) program, the Transformative Climate Communities (TCC) program, and others.
- The Prohousing Incentive Program (PIP) offers additional state funding specifically for Prohousing Designated jurisdictions to accelerate affordable housing production and preservation, thereby help the County achieve Housing Element goals.
- The designation can lead to increased funding opportunities for housing, development, and infrastructure projects.
- Policies enacted as part of Housing Element and Prohousing designation implementation can help foster a more favorable environment for housing development, leading to increased housing availability and a boost to the local economy.

A duly adopted and certified Formal Resolution for the Prohousing Designation Program (Attachment A) is required to be included in the application package. This board letter includes a resolution that requests the Board authorize application to, and participation in, the State of California Prohousing Designation Program. If the Resolution is approved, the County will be authorized to participate in the Program.

Performance Measure:

The resolution accompanying this Board Letter acknowledges and confirms that it will continue to comply with applicable housing laws and to refrain from enacting laws, developing policies, or taking other local governmental actions that may or do inhibit or constrain housing production, to be affirmed by an Annual Progress Report.

Special Instructions:

Please return a signed Resolution and a copy of the Minute Order to Lucille Boss via email at LBoss@countyofsb.org.

Attachments:

Attachment A - Resolution for the PROHOUSING Designation Program

Attachment B – Prohousing Designation Program Application

Authored by:

Lucille Boss Housing Programs Manager LBoss@countyofsb.org