

# 2023-2031 Housing Element Update

Case No. 22GPA-00000-00002

Board of Supervisors

December 5, 2023



*one*  
**COUNTY**  
*one*  
**FUTURE**

County of Santa Barbara  
Planning and Development

# Presentation Overview

- HEU Introduction
- Regional Housing Needs Allocation (RHNA)
- Sites Inventory
- Goals, Policies, and Programs
- Public Outreach
- Environmental Review
- Comprehensive Plan Consistency
- Status and Next Steps

# HEU Introduction

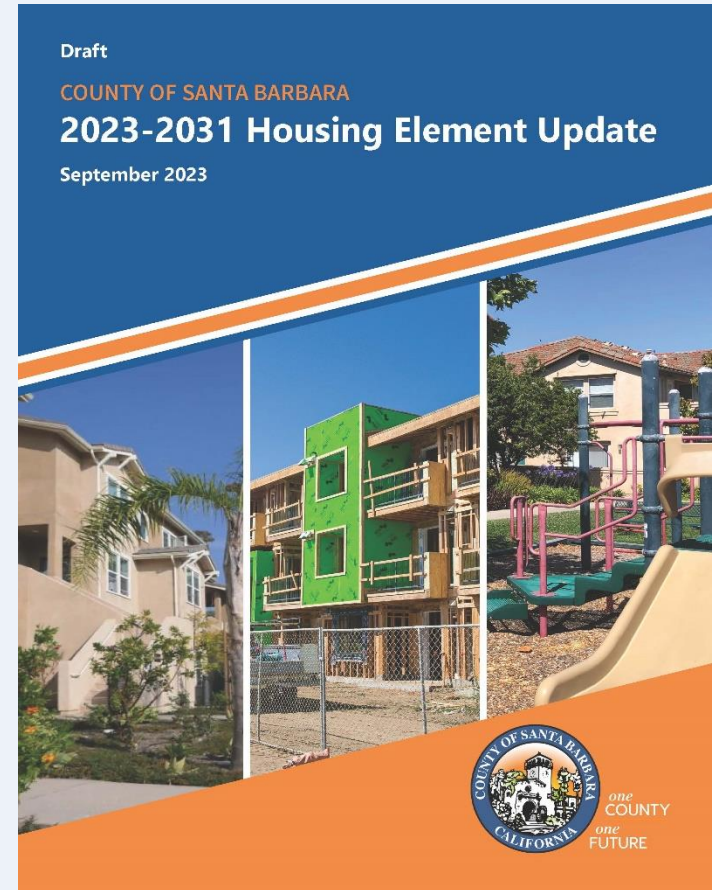
- State-mandated element
- Updated every 8 years
  - 2023-2031 planning period
- State HCD review
  - Compliance with State housing laws

# HEU Two-Step Process

- Existing zoning will not accommodate RHNA
  - HEU identifies potential rezone sites
  - HEU identifies potential County-owned sites
- Separate processes and hearings for HEU and rezones
  - Step 1: Adoption of HEU – December 5, 2023
  - Step 2: Selection County-owned sites and rezones – Early 2024

# HEU Contents

- Housing Element, Chapters 1 - 5
- Attachments, Appendices A - I
- Sites Inventory



# HEU Chapters

- Chapter 1: Vision, Purpose, and Community Input
- Chapter 2: Community Housing Needs Summary
- Chapter 3: Housing Constraints Assessment
- Chapter 4: Sites Inventory
- Chapter 5: Housing Plan and Resources

# Housing Needs

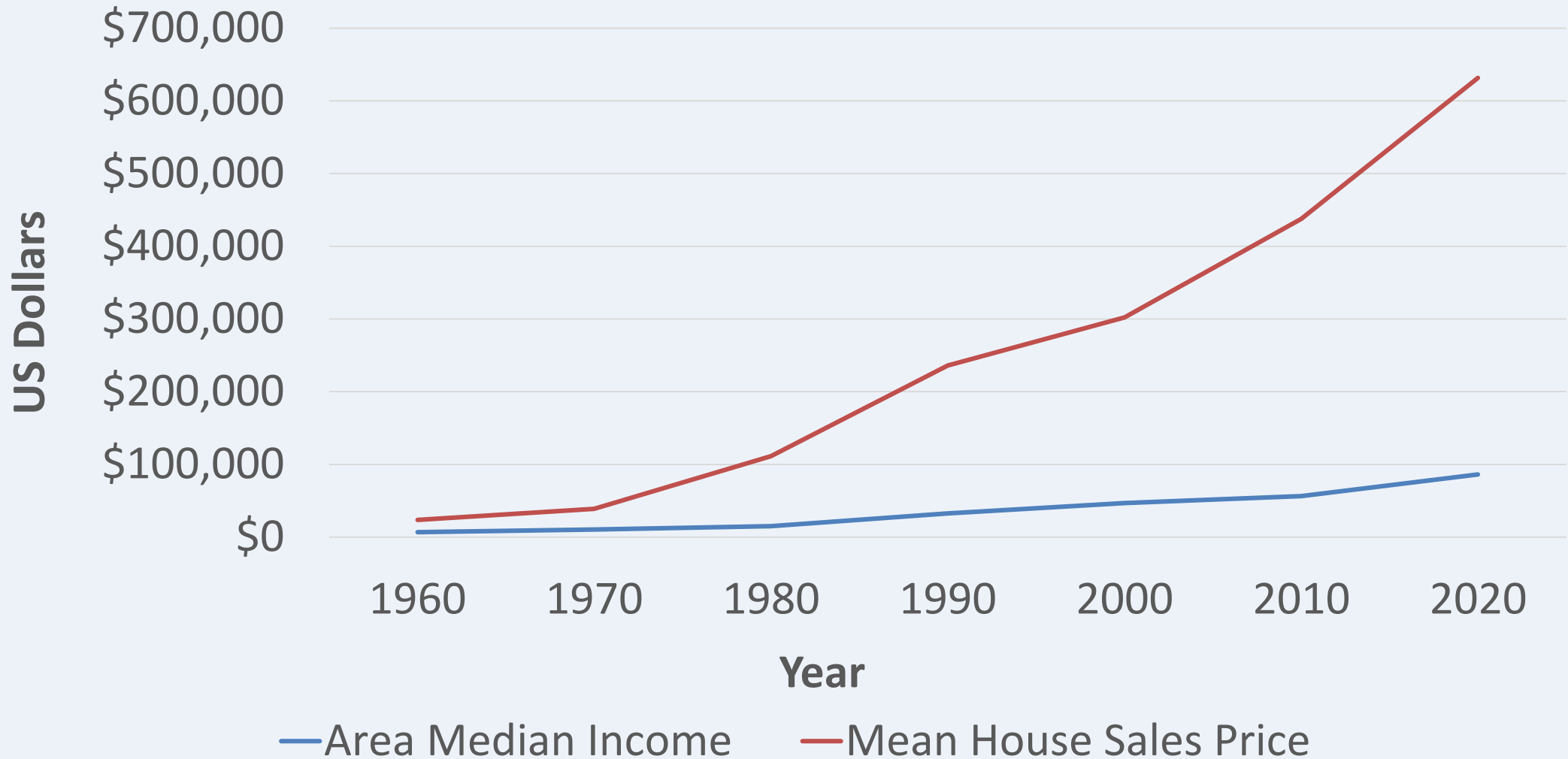
- **Seniors:** **33%** of total households, **37%** lower- or moderate-income
- **Persons with Disabilities:** **43,488** persons; many on fixed incomes
- **Farmworkers:** approx. **27,700** documented laborers; **\$34,000/year**
- **Homeless persons:** **1,962** persons countywide; **1,373** unsheltered

# County Housing Affordability

- **Median Home Value:**
  - Statewide: **\$547,400**
  - North County: **\$565,000**
  - South Coast: **\$1,930,000**
- **Renter Households:** **47%** of total households
- **Housing Cost Burden:** **55%** of renters cost burdened, **29%** severely cost burdened
- **Rental Housing:**
  - Two-bedroom unit cost: **\$2,667/month**
  - Household income to afford: **\$51.29/hour (\$106,680/year)**
  - Average renter household income: **\$29.82/hour (\$62,086/year)**



# Housing Prices and Household Income



# Jobs-Housing Imbalance

- **Population:** **461,000** (2020) to **522,000** (2050), **13%** increase
- **Jobs:** **222,300** (2017) to **280,700** (2050), **26%** increase
- **Declining housing production:** 1,430 units (1980-1999) to 890 units (2000-2020), **37.5%** decrease
- **Commuting:** **31,330** workers commute over 50 miles to South Coast daily
  - Disproportionately affects lower-income workers

# Regional Housing Needs Allocation (RHNA)

Sub-Region	RHNA by Income Level			Total RHNA
	Lower	Moderate	Above Moderate	Total
South Coast	1,766	1,051	1,325	4,142
North County	807	229	486	1,522
<b>Total</b>	<b>2,573</b>	<b>1,280</b>	<b>1,811</b>	<b>5,664</b>

# No Net Loss Law and 15% Buffer

- Purpose: Maintain adequate sites for unmet RHNA
- Trigger: Insufficient sites for any income level
- Deadline: 180 days to rezone
- Proposed County Buffer:
  - 15% lower-income (385 units)
  - 15% moderate-income (191 units)
  - 0% above moderate-income

# Sites Inventory

- Current capacity
  - Vacant sites under existing zoning
  - Projected Accessory Dwelling Units (ADUs)
  - Pending projects
- Selection criteria
- Development trends



# Sites Inventory: Vacant Sites

## Unit Affordability Assumptions

Region/ Sub-Region	Density (units per acre)	Income Level Percentages		
		Lower	Moderate	Above Moderate
South Coast	≥ 20	50%	25%	25%
North County	20 to 25	65%	25%	10%
North County	25 to 30	70%	25%	5%
North County	≥ 30	75%	25%	0%

# Current Capacity and RHNA Shortfall/Surplus

## South Coast

Method of Meeting the RHNA	Units by Income Level		
	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)	363	348	2,102
Surplus (+)/Shortfall (-)	-1,667	-860	+777

# Current Capacity and RHNA Shortfall/Surplus

## North County

Method of Meeting the RHNA	Units by Income Level		
	Lower	Moderate	Above Moderate
RHNA	807	229	486
RHNA + 15% Buffer	928	263	486
Current Capacity (Vacant Sites, ADUs, and Pending Projects)	450	611	1,632
Surplus (+)/Shortfall (-)	-478	+348	+1,146



# Actions to Accommodate the RHNA

- The County must accommodate 100% of the shortfall of lower- and moderate-income units
- Methods to accommodate the RHNA plus 15% buffer:
  - Potential rezone sites
  - County-owned sites

# Potential Rezone Sites

- Selection criteria:
  - Prioritized infill development in Urban Areas
- Rezones - South Coast:
  - 5,848 potential units
- Rezones - North County:
  - 2,300 potential units
- County owned sites – South Coast:
  - 9 sites 320 potential units
- Identified more sites than necessary for flexibility



# Goals, Policies, Programs, and Actions

- Goals (6) and policies (17)
  - Objectives, overall strategy for meeting housing needs
- Programs (25) and actions (99)
  - Implement goals and policies
  - Specific, measurable
  - Timelines
  - Responsible department(s)

# Goals

- Goal 1:** Enhance the affordability, diversity, quantity, and quality of the housing supply and promote livable communities.
- Goal 2:** Promote, encourage, and facilitate housing for special needs groups.
- Goal 3:** Affirmatively further fair housing.

# Goals, cont'd

- Goal 4:** Preserve the affordable housing stock and cultivate financial resources for the provision of affordable housing ...
- Goal 5:** Foster cooperative relationships and efficient government.
- Goal 6:** Promote homeownership and/or the continued availability of affordable housing units ... including extremely low-, very low-, low-, moderate-, and/or upper moderate-income households ...

# HEU Programs

- Program 1: Adequate Sites for RHNA and Monitoring of No Net Loss
- Program 2: Use by Right Approval
- Program 3: Replacement Housing
- Program 4: Inclusionary Housing
- Program 5: Tools and Incentives for High-Quality Affordable Housing
- Program 6: Housing for Farmworkers and Other Employees

# HEU Programs, cont'd

- Program 7: Project Homekey
- Program 8: Housing for the Homeless
- Program 9: Sites for Emergency Shelters
- Program 10: Accessory Dwelling Units
- Program 11: SB 9 Implementation
- Program 12: Priorities for Disposal of County Land

# HEU Programs, cont'd

- Program 13: Density Bonus Provisions
- Program 14: Water and Sewer Services
- Program 15: Water and Sewer Service Priority for Affordable Housing
- Program 16: Reduction of Governmental Constraints
- Program 17: Tenant Protection and Fair Housing Services



# HEU Programs, cont'd

- Program 18: Preservation of Affordable Housing at Risk of Conversion to Market Rate
- Program 19: Short-Term Rentals
- Program 20: Housing Rehabilitation
- Program 21: Local Preference
- Program 22: Recreational Amenities for Housing Projects

# HEU Programs, cont'd

- Program 23: Workforce Housing Study
- Program 24: Rental Housing Incentive Program
- Program 25: Lower-Income Community Revitalization

# Program 1

- **Adequate Sites for RHNA and Monitoring of No Net Loss**
  - “By February 15, 2024, select ... County-owned sites to be developed or redeveloped to help accommodate ... RHNA plus the 15 percent buffer ...”
  - “By February 15, 2024, complete ... rezoning ... to fully accommodate ... RHNA plus the 15 percent buffer ...”
  - “By July 2026, revise the development standards ... to ensure that maximum densities can be achieved.”
  - “Biannually, report on the status of the sites inventory to the Board ...”
  - “... maintain sufficient sites throughout the planning period to accommodate its remaining unmet RHNA for each income level. If ... parcels are developed with fewer units than identified in the sites inventory or with fewer lower- or moderate-income units ... and the remaining sites in the sites inventory provide a buffer of 5 percent or less, the County shall initiate a process to identify, rezone, and add additional sites to its sites inventory.”

# Program 4

- **Inclusionary Housing**

- “By the end of 2026, amend the IHO to (1) replace the residential second unit provision to include ADUs, (2) increase the length of time the unit retains the sales price restriction from 45 to 90 years, (3) consider applying the IHO to rental housing developments, and (4) make any other changes required to comply with state law.”
- “Annually, prepare a report that monitors the effectiveness of the IHO in providing housing affordable to lower-income households.”

# Program 16

- **Reduction of Governmental Constraints**

- “Within three years of ... adoption, ... adopt ... zoning ordinance amendments to allow multi-level housing ... in residential and other appropriate zones ...”
- “Within one year of ... adoption, ... expand the Objective Design/Development Standards to the MLUDC and the CZO.”
- “Annually, review and identify necessary amendments to the zoning ordinances to ensure compliance with new state laws.”
- “Within three years of ... adoption, ... modernize the multifamily residential and commercial zone ... districts to facilitate the development of multifamily housing ...”

# Program 21

- **Local Preference**

- “By June 2025, study the development of an ordinance or guidelines that establish a local preference for people who live and/or work within the county regions over other persons to rent or purchase affordable and upper moderate-income (120-200 percent of the AMI) housing units that are subsidized by the County or are provided through the IHO ...”

# Program 22

- **Recreational Amenities for Housing Projects**
  - “Annually, update the development impact fees for parks.”
  - “By December 2024, ... consider a tiered reduced fee for affordable housing projects (e.g., greater fee reduction for dedication of land for and construction of onsite public recreation facilities or a greater percentage of affordable units) and the creation of further incentives for the inclusion of on-site recreational facilities.”
  - “By 2026, adopt the Countywide Recreation Master Plan that identifies needs and goals for recreational facilities across the county and identifies incentives to encourage the inclusion of public recreational opportunities within future housing developments.”

# Program 23

- **Workforce Housing Study**
  - “By December 2024, complete the workforce housing study.”



# Work Program Implications

- P&D to implement 17 programs and 47 actions through June 30, 2027
- Average 2.75 FTEs annually
- No additional environmental review anticipated
- Review as part of FY 2024-2025 work program

Programs Implemented through June 30, 2027	P&D Lead Role or Support Role	State Mandate?
Program 1: Adequate Sites for RHNA and Monitoring of No Net Loss	Lead	Yes
Program 2: Use by Right Approval	Lead	Yes
Program 3: Replacement Housing	Lead	Yes
Program 4: Inclusionary Housing	Support	No
Program 5: Tools and Incentives for High-Quality Affordable Housing	Lead	Yes
Program 6: Housing for Farmworkers and Other Employees	Lead	Yes
Program 9: Sites for Emergency Shelters	Lead	Yes
Program 10: Accessory Dwelling Units	Lead	Yes
Program 11: SB 9 Implementation	Lead	No
Program 12: Priorities for Disposal of County Land	Lead and Support	Yes
Program 13: Density Bonus Provisions	Lead	No
Program 14: Water and Sewer Services	Lead and Support	Yes
Program 15: Water and Sewer Service Priority for Affordable Housing	Lead	Yes
Program 16: Reduction of Governmental Constraints	Lead	Yes
Program 17: Tenant Protection and Fair Housing Services	Support	Yes
Program 22: Recreational Amenities for Housing Projects	Support	No
Program 24: Rental Housing Incentive Program	Lead	No

# Public Outreach

- Website (English and Spanish)
  - YouTube videos (English and Spanish)
  - Interactive map
  - Virtual housing simulations (North and South)
- Mailing list (790 HEU contacts, 10,000 total contacts)
- Housing Needs Survey (538 responses)
- EIR scoping hearing
- Stakeholder meetings
- Public workshops (3, North and South)
- Public hearings (3 Board, 1 CPC)
- Public review of draft HEU (509 comments)

# Environmental Review

- Notice of Exemption
- Section 15061(b)(3)
  - “Common sense exemption”
  - “... no possibility that the activity ... may have a significant effect on the environment ...”
- Program Environmental Impact Report for rezones and programs

# Comprehensive Plan Consistency

- Goals and Policies
  - Comply with State housing element law
  - Housing-specific topics
  - Written consistent with non-housing provisions
  - In the public interest
- Programs
  - Housing-related actions
  - Generally complement or little effect on non-housing provisions
  - Some may conflict, but required by State housing element law
  - Amend Comprehensive Plan, as necessary

# Status and Next Steps

- State HCD preliminary determination of compliance – October 16
- PC recommendation – November 8
- Board adoption – December 5
- State HCD final determination – 90 days
- Rezones – Early 2024
  - Separate process and hearings



# Recommendations

1. Make the required findings for approval, including CEQA findings
2. Determine the HEU is exempt from (CEQA) pursuant to Section 15061(b)(3)
3. Adopt a resolution to adopt the HEU
4. Authorize staff to submit the adopted HEU to State HCD