



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

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

**Department Name:** Planning and Development  
**Department No.:** 053  
**For Agenda Of:** March 8, 2022  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department Lisa Plowman, Director, Planning and Development Department  
Director(s) (P&D) (805) 568-2086

Contact Info: Dan Klemann, Deputy Director, Long Range Planning Division  
(805) 453-4803

**SUBJECT:** 2021 Comprehensive Plan Annual Progress Report

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**County Counsel Concurrence**

As to form: N/A

Other Concurrence: N/A

As to form: N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:**

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

- a) Receive and file the *2021 Comprehensive Plan Annual Progress Report* (Attachment A), and
- b) Determine that the annual progress report is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(b)(5).

**Summary Text:**

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

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

- (B) *The progress in meeting its share of regional housing needs ... and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing*
- ...
- (F) *The degree to which its approved general plan complies with the guidelines developed and adopted pursuant to Section 65040.2 and the date of the last revision to the general plan.*

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

The *2021 Comprehensive Plan Annual Progress Report* serves two key functions. First, it summarizes the projects that P&D undertook in 2021 to maintain and implement the Comprehensive Plan, including the 2015-2023 Housing Element Update. As discussed in detail below, the County made substantial progress on Housing Element implementation, and initiated comprehensive updates to the Circulation Element and Seismic Safety and Safety Element.

Second, the *2021 Comprehensive Plan Annual Progress Report* discusses the County’s progress in meeting its Regional Housing Needs Allocation (RHNA) in the first seven years of the current 8.75-year (January 1, 2014, to September 30, 2022) RHNA projection period. As discussed further below, the County exceeded its RHNA for the low, moderate, and above moderate-income categories. However, it has only met approximately 43 percent of its RHNA for the very low-income category.

On January 1, 2018, Government Code Section 65913.4 [Senate Bill (SB) 35] went into effect. As discussed further below, Government Code Section 65913.4 established a streamlined, ministerial approval process for qualifying housing projects in jurisdictions that are behind on meeting their RHNA targets. In 2021, the County has not met its pro-rata share of very low-income housing in its 2014-2022 RHNA projection period; therefore, it is currently subject to the streamlining provisions. Please see below for additional information regarding Government Code Section 65913.4.

**Background:**

*Housing Element Implementation*

The 2015-2023 Housing Element Update contains 37 programs to help meet the housing goals and needs of the unincorporated county. The following summarizes the three programs listed in Chapter 5 of the 2015-2023 Housing Element Update that the County implemented in 2021. Table D of Attachment 1 of the annual progress report provides information on the status of other ongoing and completed programs.

- Program 1.4 Tools to Incentivize High-Quality Affordable Housing. *Ongoing*. Program 1.4 directs the County to “... adopt/apply ... land-use tools ... to encourage the development of unit types that are affordable by design ....” The unit types include accessory dwelling units (ADUs) and agricultural employee dwellings (AED). In 2019, the County initiated the implementation of this program through the Housing Bill Implementation Project and ADU ordinance amendments.

From 2016 to 2021, the State amended certain sections of the Government Code related to planning and housing. In spring 2019, the County began analyzing the bills and drafting zoning ordinance amendments for the Housing Bill

Implementation Project. Phase I of the project includes zoning ordinance amendments to comply with the Housing Accountability Act (HAA) (housing development project protections), State Density Bonus Law (SDBL) (density bonuses for affordable housing), and Assembly Bill (AB) 101 (streamlined low barrier navigation centers approvals). Staff plans to finish drafting the amendments and conduct public hearings starting in summer 2022. On March 15, 2022, staff will present options to the Board for preparing zoning ordinance amendments to implement other housing and SDBL as part of Phase II of Program 1.4, starting in late 2022/early 2023. The options will include zoning ordinance amendments to comply with AB 2162 (streamlined supportive housing approvals), the development of objective multifamily design and planning standards, and the creation of a new, ministerial permit for qualifying housing development projects.

On January 1, 2021, new State ADU and junior ADU (JADU) laws went into effect and caused the County's Inland Area ADU ordinances to become null and void. From early 2020 to early 2021, staff drafted zoning ordinance amendments to comply with the new State laws. On May 18, 2021, the Board adopted the ADU and JADU amendments, which went into effect in the Inland Area of the unincorporated county on June 16, 2021. Staff submitted the Local Coastal Program Amendment (LCPA) for the ADU and JADU Coastal Zoning Ordinance (CZO) amendment to the California Coastal Commission (CCC) for review and certification in August 2021. CCC staff has presented questions and requested additional information in order to continue processing the LCPA—particularly with regard to parking requirements for ADUs. In order to continue processing the LCPA, the Board would need to authorize funding for a parking study that CCC staff has requested, and revise the LCPA to change the parking standards that the Board adopted for ADUs based on the findings of the parking study. Staff will be requesting the Board's direction on this matter when staff presents a report on the Long Range Planning Division Work Program to the Board on March 15, 2022. Unless the Board directs staff to do otherwise, activity on the LCPA will remain on-hold at least until the next fiscal year (FY) (beginning on July 1, 2022), given that the remaining tasks that must be completed to address CCC staff's requests are unfunded in the current P&D budget.

In early 2021, the County received grant funding totaling \$307,000 through the SB 2 Planning Grants Program. LRP will use this grant funding to cover the costs of preparing and implementing the Housing Bill Implementation Project across FY 2021-2022 through 2022-2023.

- Program 1.13 Isla Vista Monitoring. *Ongoing*. Program 1.13 directs the County to monitor housing development within the unincorporated community of Isla Vista. Accordingly, the annual progress report (Attachment A to this Board letter, pages 14 and 15) includes housing permit activity within Isla Vista from 2009 through 2021.

- Program 2.4 Farmworker Housing. *Ongoing*. Program 2.4 directs the County to consider actions that further streamline the permit process for AEDs. In December 2018, the Board adopted zoning ordinance amendments to streamline the permit process for AEDs in the Agricultural I (AG-I) and Agricultural II (AG-II) zones in the unincorporated areas of Santa Barbara County. These amendments (1) allow certain AEDs with a Zoning Clearance in the Inland Area and Coastal Development Permit (CDP) in the Coastal Zone, (2) increased the number of employees allowed to occupy AEDs at each permit level, and (3) modified the AED employment/location requirements within certain zones and permit levels. The amendments also clarified that AEDs may include mobile homes, manufactured homes, and park trailers that comply with State law. The LUDC amendment went into effect in the Inland Area in January 2019, and Coastal Zone in May 2021.

In addition, the Community Services Department Sustainability Division and Housing and Community Development Division continue to coordinate with P&D to maintain and implement Housing Element programs. In 2021, these two divisions took steps to implement 13 programs. For example, these programs include providing incentives for energy-efficient and green building techniques, educating first-time homebuyers, and promoting affordable housing opportunities. Table D of Attachment 1 to the Annual Progress Report provides information on this progress. Finally, P&D staff continues to participate in the County Executive Office’s Homelessness Inter-Agency Policy Council (HIAPC), which consists of a working group of County departmental representatives who strategize and advise on County programs to reduce homelessness.

RHNA Progress

Table 1 below lists the number of building permits that the County issued for new housing units (organized by income category) within the unincorporated areas of the county from calendar year 2014 through 2021. The final row of the table lists the County’s 2014-2022 RHNA.

Housing production significantly increased in 2021. The County issued building permits for 390 units in 2021 compared to 205 units in 2020. Of the 390 units, 275 were located in North County and 115 in South County.

<b>Table 1</b> <b>2014 to 2022 RHNA Projection Period</b> <b>Residential Units by Income Category</b> <b>(Building Permits)</b>					
Year	Very Low	Low	Moderate	Above Moderate	Total
2014	0	0	59	80	139
2015	49	41	44	94	228
2016	0	7	13	31	51
2017	8	1	54	145	208

<b>Table 1</b>					
<b>2014 to 2022 RHNA Projection Period</b>					
<b>Residential Units by Income Category</b>					
<b>(Building Permits)</b>					
<b>Year</b>	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Moderate</b>	<b>Total</b>
2018	1	14	82	231	328
2019	0	26	21	195	242
2020	0	30	60	115	205
2021	10	79	72	229	390
<b>Total</b>	<b>266 (68 Very Low + 198 Low)</b>	<b>405</b>	<b>405</b>	<b>1,120</b>	<b>1,791</b>
<b>RHNA</b>	<b>265 (159 Very Low + 106 Low)</b>	<b>112</b>	<b>112</b>	<b>284</b>	<b>661</b>

Government Code Section 65913.4 Streamlined Ministerial Approval Process

In addition to amending annual progress report requirements, Government Code Section 65913.4 established a streamlined, ministerial approval process for qualifying housing developments in jurisdictions that have not met their pro-rata share of regional housing needs. In part, qualifying developments must be located on an urban infill site zoned for residential or mixed uses and provide at least 10 or 50 percent of the units for lower-income households. In addition, all projects over 10 units must pay prevailing wages and larger projects must provide skilled and trained labor.

On June 25, 2019, HCD determined that, based upon data from the *2018 Comprehensive Plan Annual Progress Report*, the County had not met its pro-rata share of very low- and low-income housing thus far in its 2014 to 2022 RHNA projection period. As a result, the County became subject to the streamlining provisions for proposed developments with at least 50 percent affordability [Government Code Section 65913.4(a)(4)(B)(ii)]. As of January 3, 2022, the County remained subject to the streamlining provisions based upon data from the *2020 Comprehensive Plan Annual Progress Report*. In 2021, the County received three new applications and approved one for very low- and low-income housing projects. However, the County remained subject to the streamlining provisions throughout 2021 and will likely remain so through 2022.

In order to plan for qualifying housing developments and facilitate increased housing production for very low- and low-income categories, staff applied for and received grant funding in order to process zoning ordinance amendments to create objective design standards for qualifying projects during Fiscal Year 2022-2023.

Planning Commission Hearings

On February 16 and 23, 2022, respectively, the Montecito and County Planning Commissions voted 5-0 and 5-0 to receive, file, and recommend that the County Planning Commission provide the annual progress report to the Board, OPR, HCD, and City of Santa Barbara by April 1, 2022. The Montecito and County Planning Commission staff reports (Attachments B and D) and action letters (Attachments C and E) are enclosed.

**Environmental Review:**

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

**Fiscal Analysis:**

Funding for the *2021 Comprehensive Plan Annual Progress Report* is budgeted in P&D’s Long Range Planning Division Budget Program on page D-301 of the County of Santa Barbara Adopted Budget, Fiscal Year 2021-22. To date, staff has expended approximately 290 hours (or \$25,350 in allocated General Fund revenue) to prepare and process the annual progress report. There are no facilities impacts.

**Special Instructions:**

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

**Attachments:**

- A. *2021 Comprehensive Plan Annual Progress Report*
- B. Montecito Planning Commission Staff Report (dated February 8, 2022)
- C. Montecito Planning Commission Action Letter (dated February 16, 2022)
- D. County Planning Commission Staff Report (dated February 15, 2022)
- E. County Planning Commission Action Letter (dated February 23, 2022)

**Authored by:**

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