



**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: Board of Supervisors
Department No.:
For Agenda Of: 10/17/2023
Placement: Departmental
Estimated Time:
Continued Item: N/A
If Yes, date from:
Vote Required: N/A

TO: Board of Supervisors
FROM: Board Member(s) Bob Nelson, Fourth District
Contact Info: Aaron Hanke 805-346-8422
SUBJECT: Santa Barbara County Housing Element Policy Discussion

County Counsel Concurrence

As to form: N/A

Other Concurrence: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

- a) Receive and file a presentation on the status of the Santa Barbara County Housing Element Update by the Fourth District Office and Planning Staff.
- b) Direct staff to explore various policy options and amendments to the methodology used in the County's Housing Element.
- c) Determine pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) that the above action is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and therefore is not a project subject to environmental review

Summary Text:

The County submitted the draft housing element to the State of California Department of Housing and Community Development (State HCD) for review on March 31, 2023. After receiving preliminary comments from the State on June 30, 2023, after their 90-day review period, the County worked with the State to address their questions and comments over the summer and submitted a formal revised draft on September 22, 2023. State HCD had a few minor questions that were addressed on October 4th and now the Department anticipates receiving a comment letter from State HCD the week of October 9th indicating that the Housing Element Update is in substantial compliance with State law and authorizing the county to move forward with adoption hearings. If the County is authorized to move on to adoption hearings, the Department is planning to take the HEU to the Planning Commission in early November and to the Board in December.

The proposed draft of the Housing Element employs various tools and methodologies to ensure the County's compliance with California's No Net Loss Law (SB 166, Government Code Section 65863). This law mandates jurisdictions to consistently maintain adequate sites to address the unmet RHNA across all income categories throughout the designated planning period.

Key policy tools integrated into the proposal include conservative projections for the future adoption of Accessory Dwelling Units (ADUs), a 15% buffer on re-zones, and a predefined percentage distribution of units across low, moderate, and above-moderate income categories for re-zonings. These instruments aim to address the State Office of Housing and Community Development's requirements, ensuring that the County of Santa Barbara adheres to the No Net Loss Law.

Both the role of Accessory Dwelling Units and the 15% buffer were subjects of deliberation by the Board of Supervisors during their February 14, 2023, meeting and have been incorporated into the current Housing Element draft. However, the distribution of units by income category remains an open item for discussion. This distribution carries significant weight, influencing the County's forthcoming re-zone process, which will be initiated post the State's certification of the Housing Element.

The current Housing Element draft proposes a standardized allocation for all re-zoned properties: 50% for low-income, 25% for moderate-income, and 25% for above-moderate-income units. Given the diverse nature of the housing rental market across the County of Santa Barbara, this universal approach might not be apt. There are concerns that it could lead to over-zoning in certain areas and under-zoning in others. Such inconsistencies could exacerbate the County's existing jobs-housing imbalance, potentially compromising affordable housing availability and placing the County at risk of non-compliance with the No Net Loss Law.

Notably, other jurisdictions in the State with similarities to Santa Barbara County have either adopted a 20-unit-per-acre standard for their low-income requirements or implemented location-specific affordable housing allocations.

In letter dated February 28, 2023, the League of Women's Voters of Santa Barbara communicated to the Planning Department their apprehensions about the potential inefficacy of the present methodology for projects in the South Coast region. Moreover, research conducted by the Fourth District office, in collaboration with the Santa Maria Association of Realtors, indicates that the existing rental market in some northern county regions already aligns with the needs of low-income households at prevailing market rates.

In conclusion, the affordability strategies to be embedded in the final Housing Element rest as a policy determination for the Board of Supervisors. It is imperative that this matter undergo comprehensive discussion, enabling the Board's insights to shape the County's ultimate proposal.

Background:

The State of California has identified the availability of decent and suitable housing for every Californian as a "matter of vital statewide importance and a priority of the highest order" (Government Code Section 65580). This objective has become increasingly urgent in recent years as communities across the state, including Santa Barbara County, struggle to meet the housing needs of all of their residents. State housing element law, established in 1969, recognizes for the private market to adequately address housing needs and demand, local governments, including the County of Santa Barbara (County), must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing production within their jurisdictions. All cities and counties must meet their "fair share" of regional housing needs, which are determined by the California Department of Housing and Community Development (State HCD) through a Regional Housing Needs Allocation (RHNA) for every housing element planning period.

Housing elements are the primary tools used by the state to ensure local governments are appropriately planning for and accommodating sufficient housing across all income levels and special needs groups. The Housing Element is a mandatory component of the Santa Barbara County General Plan (known as the County Comprehensive Plan), and the County's Housing Element must be updated every eight years per Government Code Section 65588.

Performance Measure:

N/A

Contract Renewals and Performance Outcomes:

N/A

Fiscal and Facilities Impacts:

Budgeted: N/A

Fiscal Analysis:

N/A

Key Contract Risks: N/A

Staffing Impacts: N/A

Legal Positions: N/A

FTEs: N/A

Special Instructions: N/A

Attachments:

Attachment A: Funding Application

Authored by: Aaron Hanke

cc: