

Attachment C

June 16, 2008 Letter to Santa Barbara County from the California State Department of Housing and Community Development

~~STATE OF CALIFORNIA - BUSINESS, TRANSPORTATION AND HOUSING AGENCY~~

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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~~ARNOLD SCHWARZENEGGER, Governor~~



June 16, 2008

Mr. John McInnes, Director
Office of Long Range Planning
County of Santa Barbara
30 East Figueroa
Santa Barbara, CA 93101

Dear Mr. McInnes:

RE: Compliance Status of County of Santa Barbara's Adopted Housing Element

This letter responds to the County's request regarding alternative sites strategies to accommodate the County's share of the regional housing need and comply with Policy 1.10, Action 1 in the adopted element. In addition, the County has requested written direction on continuing with the County's rezone program accounting for residential capacity in the Isla Vista Master Plan (IVMP), or alternatively amending the housing element to identify sites in the IVMP and continuing the rezone program based on the capacity identified in the element. As the element does not identify sites in the IVMP and does not include analysis to demonstrate their suitability and availability during the planning period, the County should amend its housing element to reflect the potential capacity in the IVMP and demonstrate adequate sites to accommodate the County's share of the regional housing need. In addition, the County should proceed with its rezone program (Policy 1.10, Action 1) concurrently and reflecting the realistic capacity identified in the IVMP.

As you are aware, the Department's August 2, 2006 finding of compliance was conditioned on **Policy 1.10, Action 1** to demonstrate adequate sites and rezone a minimum of 62 acres to a designation allowing at least 20 dwelling units per acre by the end of May 2007. On May 10, 2007, the Department received a written request to extend the completion date and granted an extension to December 31, 2007. In August 2007, the County submitted information regarding revision of the adequate sites strategy. Rather than rezone the vacant opportunity sites identified, generally ranging from 1-10 acres in size, the County indicated it would utilize redevelopment sites in the IVMP, mostly comprised of small, nonvacant sites. The County suggested the adopted IVMP provides redevelopment opportunities for 1,415 multiple family units, ranging in densities between 25-45 dwelling units per acre.

Mr. John McInnes, Director
Page 2

However, as discussed with County staff, the IVMP strategy must demonstrate compliance with by-right and size requirements pursuant to Government Code Section 65583.2 (h) and (i). The County has since proposed using only a portion of the capacity in the IVMP and to continue the rezone program of identified opportunity sites to address the County's remaining share of the regional housing need.

Since the adequate sites strategy has been revised, the County should amend its housing element to identify and analyze the suitability and availability of sites in the IVMP. Specifically, the element should demonstrate how the sites in the IVMP comply with statutory requirements for adequate sites pursuant to Government Code Section 65583(a)(3) and 65583.2, including:

- **Sites Inventory** - Identify sites by parcel number or unique reference, zoning, general plan designation, size, calculation of capacity and existing uses for nonvacant sites. The listing of existing uses should be sufficiently detailed to demonstrate the likelihood for redevelopment in the planning period.
- **Realistic Capacity** - Analyze the realistic capacity of sites, accounting for land use controls and the extent to which other uses are allowed on the identified sites. This analysis should also address the preponderance of smaller sites in the IVMP and demonstrate their potential for more intense residential development capacity in the planning period, including the potential for lot consolidation. The element could evaluate development trends to facilitate this analysis. This is particularly important given the necessary economies of scale to facilitate development of housing affordable to lower-income households. For example, assisted housing developments utilizing State or federal financial resources typically include at least 50 to 80 units.
- **Nonvacant Sites** - Analyze the suitability of nonvacant sites based on the extent to which existing uses may impede development, market conditions, development trends and regulatory incentives.

The amendment to the housing element should include appropriate revision of the County's rezone program. Please see the Department's latest technical assistance tool, *Building Blocks for Effective Housing Elements*, including information on the adequate sites requirement at http://www.hcd.ca.gov/hpd/housing_element/index.html.

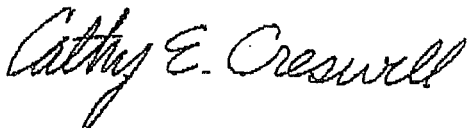
Pursuant to the County's request, the Department granted an extension to complete the necessary rezones until December 31, 2007. As of this date, the required rezones have not been completed and the element does not demonstrate adequate sites to accommodate the County's share of the regional housing need. Given the recent shift in the adequate sites strategy, the County should amend its element to demonstrate the adequacy of sites within the IVMP within 90 days and should concurrently continue the rezone program pursuant to the schedule (Attachment 4) outlined in the County's March 27, 2008 correspondence.

Mr. John McInnes, Director
Page 3

If the County fails to amend the housing element within 90 days (September 15, 2008) to demonstrate adequate sites, or fails to continue the rezone program pursuant to all dates in the County's schedule (Attachment 4), the Department will have to rescind its conditional compliance finding as the element will no longer identify adequate sites and comply with State housing element law.

The Department remains committed to working in partnership with you and your staff. If you have any questions, please contact Paul McDougall at (916) 322-7995.

Sincerely,



Cathy E. Creswell
Deputy Director