



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 19, 2019
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Dianne M. Black, Director, Planning and Development,
Director(s) (805) 568-2086
Contact Info: Dan Klemann, Deputy Director, Long Range Planning
(805) 568-2072
SUBJECT: 2018 Comprehensive Plan Annual Progress Report

County Counsel Concurrence:

As to form: N/A

Auditor-Controller Concurrence:

As to form: N/A

Other 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 *2018 Comprehensive Plan Annual Progress Report* (Attachment 1), 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 *2018 Comprehensive Plan Annual Progress Report* serves two key functions. First, it summarizes the projects that the Planning and Development Department undertook in 2018 to maintain and implement the Comprehensive Plan, including the 2015-2023 Housing Element Update. The 2015-2023 Housing Element Update contains 37 programs to help meet the housing goals and needs of the unincorporated county. The County made significant progress implementing three of these programs in 2018. The County also initiated comprehensive updates to the Circulation Element and Seismic Safety and Safety Element.

Second, the annual progress report discusses the County's progress in meeting its Regional Housing Needs Allocation (RHNA) in the first four years of the current eight-year (2015-2023) housing element planning period. The table in the Background section, below, shows that the County has already exceeded its RHNA for the moderate- and above moderate-income categories. However, it has only met approximately 46 percent of its RHNA for the lower-income (very low- and low-income) categories.

On January 1, 2018, Senate Bill (SB) 35 and Assembly Bill (AB) 879 went into effect. In part, these bills substantially increased the permit data required for annual progress reports (Government Code Section 65400). The new data requirements include the number of housing development applications submitted, planning permits approved, and building permits finalized (i.e., final building inspection completed) in the prior calendar year.

SB 35 also established a streamlined, ministerial approval process for qualifying housing projects in jurisdictions that are behind on meeting their RHNA targets (Government Code Section 65913.4). The County has not met its pro-rata share of lower-income housing (i.e., combined very low- and low-income categories) thus far in its housing element cycle and, therefore, is currently subject to this SB 35 streamlining. In spring 2019, staff will begin processing zoning ordinance amendments to create objective design standards for qualifying SB 35 projects, consistent with SB 35 streamlining requirements.

Background:

Housing Element Implementation

The following summarizes the three programs listed in Chapter 5 of the 2015-2023 Housing Element Update that the County implemented in 2018. 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. *Inland Area, complete; Coastal Zone, pending California Coastal Commission (CCC) certification.* Streamlines the permit process for accessory dwelling units (ADUs) and agricultural employee dwellings (AEDs).
- Program 1.13 Isla Vista Monitoring. *Ongoing.* Monitors housing permit activity in Isla Vista.

- Program 2.4 Farmworker Housing. *Inland Area, complete; Coastal Zone, pending CCC certification.* Streamlines the permit process for AEDs in the Agriculture I and Agriculture II zones.

RHNA Progress

The table 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 2015 through 2018. The final row of the table lists the County’s 2014-2022 RHNA.

Housing production increased substantially in 2018. The County issued building permits for 328 units in 2018 compared to 208 units in 2017.

2018 Residential Units by Income Category (Building Permits)					
Year	Very Low	Low	Moderate	Above Moderate	Total
2015	49	41	44	94	228
2016	0	7	13	31	51
2017	8	1	54	145	208
2018	1	14	82	231	328
Total	58	63	193	501	815
RHNA	265		112	284	661

SB 35 Streamlined Ministerial Approval Process

SB 35 established a streamlined, ministerial approval process for qualifying housing developments in jurisdictions that have not met their pro-rata share of regional housing needs (Government Code Section 65913.4). In part, qualifying developments must be located on urban infill sites that allow residential or mixed residential/nonresidential uses and provide a certain percentage of the total units for lower-income households. For jurisdictions not meeting their above moderate-income RHNA, qualifying developments must include at least 10 percent affordable units, and for jurisdictions not meeting their lower-income RHNA, qualifying developments must include at least 50 percent affordable units.

On June 4, 2018, HCD determined that the County had not met its pro-rata share of lower-income housing thus far in its 2015-2023 housing element cycle. The County’s lower-income RHNA target for the first half of the housing element cycle (2015 – 2018) was approximately 133 units, or 50 percent. However, the County only met 46 percent of its lower-income RHNA by the end of 2018. As a result, the County became subject to SB 35 streamlining for proposed developments with at least 50 percent affordability [Government Code Section 65913.4(a)(4)(B)(ii)]. The County has not received applications for any qualifying projects to date.

HCD will update SB 35 determinations annually starting in June 2019. These determinations will include data from this annual progress report, which shows that the County still has not met its pro-rata share of lower-income housing. Therefore, the County will likely remain subject to SB 35 streamlining throughout 2019.

To plan for potential SB 35 development, staff is processing zoning ordinance amendments to create objective design standards for SB 35 projects as part of the current Fiscal Year 2018-2019 and Fiscal Year 2019-2020 Work Programs.

Planning Commission Hearings

On February 20 and 27, 2019, respectively, the Montecito and County Planning Commissions voted unanimously 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, 2019. The Montecito and County Planning Commission staff reports (Attachments 2 and 3) and action letters (Attachments 4 and 5) 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 and is not subject to CEQA.

Fiscal Analysis:

Funding for the *2018 Comprehensive Plan Annual Progress Report* is budgeted in the 2018-2019 Long Range Planning Work Program as reflected in the Department's approved FY 2018-2019 budget. To date, staff has expended approximately 300 hours 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 the Planning and Development Department, Attention: Jessi Steele, Long Range Planning Division.

Authored By:

Jessi Steele, Planner, Long Range Planning Division, (805) 884-8082

Attachments:

1. *2018 Comprehensive Plan Annual Progress Report*
2. Montecito Planning Commission Staff Report (dated February 12, 2019)
3. County Planning Commission Staff Report (dated February 19, 2019)
4. Montecito Planning Commission Action Letter (dated February 20, 2019)
5. County Planning Commission Action Letter (dated February 27, 2019)