



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 12, 2024
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors

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

Contact Info: Alex Tuttle, Deputy Director, Long Range Planning Division
(805) 568-2072

SUBJECT: 2023 Comprehensive Plan Annual Progress Report

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 *2023 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 *2023 Comprehensive Plan Annual Progress Report* serves two key functions. First, it summarizes the projects that the Planning & Development Department (P&D) undertook in 2023 to maintain and implement the Comprehensive Plan, including the 2015-2023 Housing Element Update and recently adopted 2023-2031 Housing Element Update, which was adopted by the Board of Supervisors on December 5, 2023 and received its final compliance determination from State HCD on January 22, 2024. Given the 2023-2031 Housing Element Update was not adopted until December 5, 2023, this report focuses on the 2015-2023 Housing Element Update for the purposes of reporting progress towards implementing the Comprehensive Plan. 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 several of these programs in 2023. The County also prepared significant updates to the Housing Element, Seismic Safety and Safety Element, and the new Environmental Justice Element. The County also initiated and completed accessory dwelling unit ordinance amendments and made significant progress towards completing various housing bill ordinance amendments in 2023.

Second, the *2023 Comprehensive Plan Annual Progress Report* discusses the County's progress in meeting its Regional Housing Needs Allocation (RHNA) in the first year of the current 8.75-year (June 30, 2022 to February 15, 2031) RHNA projection period. The allocation for the unincorporated areas of Santa Barbara County for the 2023-2031 RHNA projection period is 5,664 housing units. For the first time, the Santa Barbara County Association of Governments (SBCAG) apportioned the County's RHNA into two sub-regions – South Coast and North County. The County must accommodate 74 percent (4,152 units) of its RHNA in the South Coast and 26 percent of its RHNA in the North County (1,522 units). Section 4.3, below, further discusses the County's RHNA progress by income level.

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 two programs listed in Chapter 5 of the 2015-2023 Housing Element Update that the County implemented in 2023. 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

(AEDs). In 2023, the County worked on two projects aligned with this program, the Housing Bill Implementation Project and ADU ordinance amendments.

In early 2021, the County was awarded grant funding totaling \$307,000 through the SB 2 Planning Grants Program. The grant funding covered a portion of the costs for preparing and implementing the Housing Bill Implementation Project and the ADU ordinance amendments in FY 2022-2023 and FY 2023-2024.

In spring 2023, staff continued the Housing Bill Implementation Project with drafting zoning ordinance amendments to comply with changes related to By Right Supportive Housing (AB 2162); Low Barrier Navigation Centers (AB 101); State Density Bonus Law (AB 1763, AB 2345, AB 634, SB 728, SB 290, AB 682, AB 1287, AB 2334, AB 323); Multiple-Unit and Mixed-Use Housing Objective Design Standards (applicable to housing developed under various state laws; and Qualifying Housing Streamlined Review (SB 35, AB 831, and AB 168). Staff presented the zoning ordinance amendments to the Montecito Planning Commission on December 20, 2023, the CPC on January 10, 2024, and to the Board for adoption on February 13, 2024.

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 presented questions and requested additional information in order to continue processing the LCPA—particularly with regard to replacement parking requirements for ADUs.

Since that time, new State ADU and JADU laws were adopted and became effective on January 1, 2023. To comply with legislation, staff initiated and presented amendments to the MPC on September 15, 2023, and the CPC on October 4, 2023. On November 7, 2023, the Board considered and voted unanimously to adopt the County Land Use and Development Code (LUDC), Montecito Land Use and Development Code (MLUDC), and Article II, Coastal Zoning Ordinance (CZO) amendments. The amendments took effect within the Inland Area on December 7, 2023. In accordance with Government Code Section 65852.2(h)(1), P&D staff submitted the ADU ordinance amendments to HCD for review on November 27, 2023.

On December 21, 2023, P&D staff submitted the Board-adopted CZO amendments to the CCC to begin the certification process. Staff anticipates the CCC certification to be completed in February 2024.

P&D staff completed additional ordinance amendments to comply with recent changes in state housing law. On January 11, 2023, ordinance amendments to the LUDC were presented to the CPC to implement a State-mandated streamlined, ministerial permit review process for certain affordable housing projects; and provide objective design standards for multiple-unit and mixed use housing projects to be consistent with the requirements of the Housing Accountability Act, SB 330, SB 35, and AB 2162. The recommended ordinance amendments were adopted by the Board on January 24, 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, page 18) includes housing permit activity within Isla Vista from 2009 through 2023.

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 2023, these two divisions took steps to implement 12 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

Annual progress reports track annual housing production to show the County’s progress in meeting its RHNA. Table 1 and Table 2 below lists the number of building permits the County issued for new residential units (organized by income category) within the unincorporated areas of the South Coast and North County for the calendar year of 2023. The final row of the table lists the County’s 2023-2031 RHNA.

The County issued building permits for 242 units in 2023. Of the 242 units, 85 were located in the South Coast and 157 were in North County.

Table 1 South Coast 2023 to 2031 RHNA Projection Period Residential Units by Income Category (Issued Building Permits)					
Year	Very Low	Low	Moderate	Above Moderate	Total
2023	0	0	0	85	85
RHNA	809	957	1,051	1,321	4,142

Table 2 North County 2023 to 2031 RHNA Projection Period Residential Units by Income Category (Issued Building Permits)					
Year	Very Low	Low	Moderate	Above Moderate	Total
2023	0	68	9	80	157
RHNA	564	243	229	486	1,522

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.

As of June 2023, HCD determined that, based upon data from the 2022 Comprehensive Plan Annual Progress Report, the County had not met its pro-rata share of very low- and low-income housing. As a result, the County is subject to the streamlining provisions for proposed developments with at least 50 percent affordability [Government Code Section 65913.4(a)(4)(B)(ii)]. In 2023, the County approved a planning application for a 61-unit 100 percent affordable housing project subject to SB 35. The County also granted a final building inspection clearance for a 60-unit senior housing facility subject to SB 35. The County remained subject to the streamlining provisions throughout 2023 and will likely remain so through 2024.

Planning Commission Hearings

On February 28, 2024, the County Planning Commission voted 4-0 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, 2024. The County Planning Commission staff report (Attachment B) and action letter (Attachments C) 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 *2023 Comprehensive Plan Annual Progress Report* is budgeted in P&D's Long Range Planning Budget Program on page 318 of the County of Santa Barbara Adopted Budget, Fiscal Year 2023–2024. There are no fiscal impacts.

Special Instructions:

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

Attachments:

- A. *2023 Comprehensive Plan Annual Progress Report*
- B. County Planning Commission Staff Report (dated February 20, 2024)
- C. County Planning Commission Action Letter (dated February 28, 2024)

Authored by:

Breanna Alamilla, Planner, Long Range Planning Division, (805) 568-2042