



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 & Development
Department No.: 053
For Agenda Of: 10/19/10
Placement: Set Hearing
Estimated Time: 120 min. on 11/2/10
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Glenn Russell, Ph.D., Director, Planning & Development, 568-
Director(s) 2085
Contact Info: Nathan Eady, Planner, Office of Long Range Planning, 568-2019

SUBJECT: 2009-2014 Housing Element Update

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:

That the Board of Supervisors:

Set a hearing for November 2, 2010 to consider Case Number 10GPA-00000-00003 for approval of an amendment to the Santa Barbara County Comprehensive General Plan through adoption of the proposed 2009-14 Housing Element.

The Board of Supervisors should take the following actions at its November 2, 2010 hearing:

- a) Adopt the required findings for the project specified in Attachment A of this Board Letter, including CEQA findings;
- b) Adopt the Final Negative Declaration (10NGD-00000-00015) (included as Attachment B);
- c) Adopt a Resolution (included as Attachment C) approving the 2009-2014 Housing Element (included as Exhibit A of Attachment C).

Background:

General Housing Element Information

The project consists of an update to the County's Comprehensive General Plan Housing Element for the 2009-14 planning cycle. The primary purpose of the update is to comply with State housing law, which currently requires that the Housing Element be updated every five years to help meet the County's housing needs.

The 2009-2014 Housing Element update has incorporated recent changes in State law affecting a variety of housing policies, including those related to density bonus, residential second units (RSUs), farmworker housing, transitional housing, and emerging statewide policies on green house gas reduction and sustainable communities. The Housing Element update also evaluates the efficiency and effectiveness of existing policies and programs. Several factors have made this planning cycle dissimilar to the previous one. Three key points frame this Housing Element update within the existing policy environment:

- The **current economy** has changed the housing outlook. Impacts to the housing market from the recession that began in 2008 resulted in increased housing affordability in many communities of the County, especially the Lompoc and Santa Maria Valleys. Yet, even with a decrease in housing prices, other challenges persist that have kept attainment of affordable housing a struggle for many County residents. In particular, the cost of housing on the South Coast remains above affordable levels as defined by the State. As a result, the County must tailor its housing policies to address housing affordability which varies widely among market areas.
- A **new planning paradigm** has emerged. Changes in State housing law and the State's long term planning and funding priorities have emphasized the need for a jobs and housing balance. As a result, a greater portion of the regional housing allocations are targeted for incorporated cities with job centers. This new paradigm is one that mirrors many locally held planning traditions—those that help to preserve the rural heritage of the unincorporated County, along with the values expressed in each of the County's unique community planning areas. Simultaneously, this new planning paradigm provides the basis for a growth scenario that can be used to preserve the regional quality of life as characterized by economic sustainability, service delivery capacity, and the preservation of open space and agricultural land.
- Ongoing efforts to increase **customer service** have resulted in simplification, streamlining, and consolidation of numerous County planning documents. Accordingly, the policy framework in the prior 2003-2008 Housing Element has been evaluated and changes are proposed to consolidate and remove redundant and/or irrelevant goals, objectives, and policies. This has resulted in a new, "user friendly" housing element that can be easily understood and utilized by County staff, housing developers, and members of the general public.

This transitional environment has produced a simplified Housing Element that identifies the ability of the County to address its share of the regional housing need, while continuing to facilitate affordable and special needs housing options through the County's well-established tradition of "community-up" planning.

In this context, the unincorporated areas across the County will continue to determine appropriate housing solutions through ongoing community planning efforts, and by leveraging the use of public financial resources to maintain and improve the existing housing stock.

The policies and programs included in this Housing Element are driven by five goals:

Goal 1: Enhance the Diversity, Quantity, and Quality of the Housing Supply.

Goal 2: Provide Housing for Special Needs Groups.

Goal 3: Provide Fair Access to Housing.

Goal 4: Preserve the Affordable Housing Stock and Cultivate Financial Resources.

Goal 5: Foster Cooperative Relationships and Efficient Government.

Regional Housing Need and County Land Inventory

As part of the periodic update cycle, the State Department of Housing and Community Development (SHCD) issues a Regional Housing Needs Assessment (RHNA) which quantifies the projected housing needs in each region of California. The RHNA is given to the regional association of governments, which in turn must allocate the housing needs to its member jurisdictions. In the case of Santa Barbara County, this task falls to the Santa Barbara County Association of Governments (SBCAG). In allocating RHNA numbers, SBCAG identifies the number of housing units the County must plan for, as well as the affordability level of those units based on SHCD-defined income categories.

The regional RHNA total for the 2009-2014 planning period is 11,600 units. Santa Barbara County is responsible for 1,017 of these units. This number constitutes 9% of the total regional allocation. By comparison, the 2003-2008 RHNA allocation was 17,500 units, 6,064 of which Santa Barbara County needed to accommodate. This number represented 36% of the total allocation. The significant reduction in County RHNA allocation from the last to the current housing cycle reflects the previously mentioned changes in State planning goals which directs housing production to areas proximate to jobs and transportation options.

In order to show that the County could meet its RHNA obligation, staff conducted a land inventory (which is discussed in Chapter 6 and reproduced in full in Appendix D of the 2009-2014 Housing Element). The County's inventory of suitable land available for residential development includes vacant sites and sites with high potential for redevelopment through the 2007-2014 planning period, as defined by State law. The following table summarizes the inventory and compares it to the County's RHNA allocation by income level to show that there is sufficient, appropriately zoned land in the unincorporated County to meet the RHNA obligation for the 2009-2014 planning period. Based on this analysis, no rezoning of land will be necessary under this Housing Element to meet State housing requirements. Pursuant to Government Code 65583, the County conducts an annual review of housing production to ensure that the goals set out in the Housing Element are being met.

Land Inventory Summary, Number of Units at Each Affordability Level

	ExL/VL/L	Moderate	Above-Moderate	Total Realistic Unit Capacity
Units Built /Approved	66	2	179	247
Underutilized Sites	425	0	150	575
Vacant Land	400	125	300	825
Special Unit Type	0	91	14	105
Total Units	891	218	643	1,752
RHNA	407	160	450	1,017
Unaccommodated Need	172	0	0	172
Total RHNA & Unnac. Need	579	160	450	1,189
Adjustment for Annexations	1	0	187	188
Final Adjusted Housing Need	578	160	263	1,001
Final Inventory Surplus	313	58	380	751

Environmental Review

The proposed project consists of an update of the County's Housing Element. The completion of this update does not require any rezones or other land use changes. Therefore, the Negative Declaration does not identify any significant environmental impacts that would result from the project.

Planning Commission Deliberations

At its September 8, 2010 hearing, the Planning Commission voted 4-0 (Commissioner Blough was absent) to recommend that the Board of Supervisors approve the project in conformance with staff's recommendation. Please refer to the Planning Commission staff report for more information regarding this recommendation and detailed project background. During this hearing, five members of the public commented on the project.

The predominant subject of public comment and Commissioner deliberation was the need to revise the County's Inclusionary Housing Program (IHP) to address current economic conditions. Members of the public and the Commission remarked that these market conditions are providing increased housing opportunities which are affordable to moderate income households without the need for deed restrictions or other County regulation. This is especially true for the Santa Maria and Lompoc housing market areas. Therefore, the County needs a more flexible IHP which can respond to such market fluctuations. Staff has recommended that actions be taken to review and revise the County's IHP as part of the implementation of the 2009-14 Housing Element (see proposed Program 1.2). Implementation of this program would begin immediately following Board adoption of the Element.

Conclusion

In summation, adoption of the proposed 2009-14 Housing Element would provide an updated set of housing goals and policies which would address both the County's current housing needs and the unique effects of the current economy and environmental legislation. Additionally, implementation of the proposed 2009-14 Housing Element programs would provide an opportunity for the County to revise its Inclusionary Housing Policy to more effectively promote the development of affordable housing, would alleviate conflicts between State Density Bonus Law and the County's local ordinances, and would promote the County's community planning process as the primary resource for creating housing solutions which are compatible with unique unincorporated communities.

Fiscal and Facilities Impacts:

Budgeted: Yes

Processing of the proposed General Plan Amendment project and its implementation measures was included in the Planning and Development Fiscal Year 2010-11 adopted budget for the Long Range Planning Division on page D-328.

Staffing Impacts:

All anticipated staffing which will be required to complete implementation of the 2009-14 Housing Element is included in Long Range Planning's Annual Work Program.

Special Instructions:

The Clerk of the Board shall complete noticing for the project in a newspaper of general circulation in the County of Santa Barbara ten (10) days prior to the hearing (mailing labels are attached).

The Clerk of the Board shall forward a copy of the Minute Order to Planning & Development, Attention: David Villalobos, Hearing Support.

Planning & Development will prepare all final action letters and notify all interested parties of the Board of Supervisors final action.

Attachments:

Attachment A: Findings

Attachment B: Final Negative Declaration

Attachment C: General Plan Amendment Resolution

Exhibit A – 2009-2014 Housing Element

Attachment D: Planning Commission Staff Report, dated August 13, 2010

Attachment E: Planning Commission Action Letter, dated September 8, 2010

Authored by:

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Office of Long Range Planning, Planning and Development Department