



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: Community Services
Department No.: 057
For Agenda Of: January 7, 2014
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Herman D. Parker, Community Services Director (805) 568-2467
Director(s):
Contact Info: Margo Wagner, Housing Specialist II (805) 568-3529
SUBJECT: County Inclusionary Housing Ordinance - Affordable Housing Inclusionary
Housing Requirements and In-Lieu Inclusionary Housing Fees Annual Updates

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Planning and Development

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Receive and file the "2013-2014 Affordable Housing In-Lieu Fee Update" memorandum (Attachment A), providing the Board with an annual update and adjustments of the County's in-lieu inclusionary housing fees, pursuant to the recently adopted County of Santa Barbara Inclusionary Housing Ordinance No. 4855, with fees reflective of current market values, effective July 23, 2013;
- B. Receive and file the "2013-2014 Annual Adjustment of Inclusionary Housing Requirements" memorandum (Attachment B), providing the Board with an annual update and adjustments of the County's inclusionary housing requirements; and
- C. Determine that receipt and filing of annual updates and adjustments to Inclusionary Housing requirements and In-Lieu Inclusionary Housing Fees are exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline section 15061(b)(3), finding that the activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment, and where it can be seen with certainty that there is no possibility that the activities in question may have a significant effect on the environment, the activities are not subject to CEQA, and direct staff to file a Notice of Exemption. (Attachment C).

Summary Text:

In the past, the Community Services Department (CSD) notified the Board concerning changes to the County's in-lieu fee schedule via a memorandum from the CSD Deputy Director. Based on new requirements contained in the County's Inclusionary Housing Ordinance (IHO), this in-lieu fee schedule will now come to the Board annually as a "receive and file" Board letter.

Background:

The County's IHO directs that a report of County's inclusionary housing requirements and any needed adjustments and in-lieu inclusionary housing fees and any needed adjustments be received and filed by the Board no later than August 31st of each fiscal year. (The IHO does not require the Board to approve the adjustments to the 2013/2014 inclusionary housing requirements or the 2013/2014 in-lieu fees which were effective on August 31, 2013.) Providing the adjustments to the 2013/2014 inclusionary housing requirements and the 2013/2014 in-lieu fees to the Board in a Board letter format delayed the release of the annual adjustments to the 2013/2014 inclusionary housing requirements and the in-lieu fee payment schedule. Projects located within the Cuyama Housing Market Area (HMA) are exempt from inclusionary housing requirements as provided in Section 46A-3 of the Inclusionary Housing Ordinance.

The County's IHO allows developers to satisfy the County's inclusionary housing requirements by paying in-lieu fees instead of providing affordable units on-site. The fees are utilized to fund the development or rehabilitation of very low and low income housing, special needs housing, senior housing and to assist non-profit organizations to provide or preserve affordable housing in the County. The adjustments to the 2013/2014 in-lieu fees are based on data from the most recent condominium sales activity in Fiscal Year 2012/2013, which CSD obtained from the County Tax Assessor's Office.

Section 46A-6(a) of the IHO provides for CSD to annually review inclusionary housing requirements (Attachment B). Inclusionary housing requirements for moderate and/or workforce household income categories may be waived entirely by the County when the median sales price of all housing units in each non-exempt HMA over a twelve-month period is affordable to either moderate and/or workforce income categories.

Section 46A-6(b) 1 of the IHO provides for CSD to annually report to the Board on the status of In-Lieu inclusionary housing fees paid pursuant to section 46A-4(b) and affordable housing and special needs housing activities undertaken with the In-Lieu Inclusionary Housing Fees. That report will be provided to the Board at a future meeting date.

Fiscal and Facilities Impacts:

Any change of the in-lieu fees or the annual adjustment of the inclusionary housing requirements will impact the amount which will be collected by the County and allocated to future affordable housing projects.

Attachments:

Attachment A – Memorandum, "Affordable Housing In-Lieu Fee Update"

Attachment B – Memorandum, "2013-2014 Annual Adjustment of Inclusionary Housing Requirements"

Attachment C – CEQA Notice of Exemption

Authored by: Margo Wagner

cc: Glenn S. Russell, PhD, Director, Planning and Development