COMMUNITY DEVELOPMENT DEPARTMENT

DRAFT 2023–2031 HOUSING ELEMENT

City Council July 26, 2022

Purpose of Hearing

- Receive a presentation
- Hear public comment
- Provide feedback

Questions for Council

- Which programs do you support?

- What changes would you like to see?

- What are your top priorities for implementation?

Overview of Presentation

- State Requirements
- Public Outreach
- Data Highlights
- Housing Needs and Suitable Sites
- Programs
- Summary of Review and Comments
- Recommendation
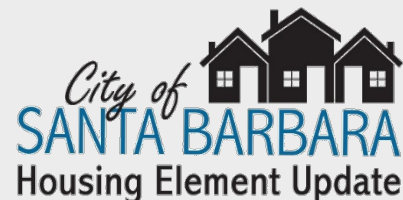
What is a Housing Element?

- Required part of the General Plan
- Recognizes housing as a critical need
- Requires the City to plan for its fair share of Affordable housing
- Undergoes periodic updates per State law

What's in the Housing Element?

- **Goals, Policies, and Programs**
- Demographics
- Housing Needs, Constraints, Resources
- Suitable Sites Inventory
- 2015 Housing Element Review
- Affirmatively Furthering Fair Housing
- Public Outreach Efforts
- Supporting Documentation (Appendices)

State Requirements

Content directed by state Housing Element laws

Updated every 8 years

Last updated in 2015 (5th Cycle)

State Housing and Community Development (HCD) oversight and certification

Timeline to Adoption

July 2022

Public Draft Hearings

Nov – Dec 2022

Revisions per HCD Comments

Feb 2023

Adopted Housing Element to HCD

Aug – Nov 2022

HCD Review of Revised Draft

Jan – Feb 2023

Final Draft Hearings

HCD Review and Certification

Initial 90-day review of revised draft
August – November 2022

Certification review after City Council adoption
February 2023

HCD Certification retains City eligibility for grant funds and local control

Public Outreach

- ~ 38,000 email notifications
- ~ 28 virtual meetings
- Educational video in English and Spanish
- In-person and live-streamed public workshop
- To be continued with subsequent drafts

DATA HIGHLIGHTS

Community Demographics

Population

- ↑~5% since 2010
- Avg. annual growth rate is slowing

Age

- Median: 39
- 18% over 65

Jobs

- 45% in business, management, science, or art

Existing Housing Stock

75% built before 1980

53% in sound condition

6.5% vacant

Households

Renters 59%

- 12% Overcrowded
- 50% Cost Burden
  - 26% Severe Cost Burden

Owners 41%

- 1% Overcrowded
- 32% Cost Burden
  - 17% Severe Cost Burden

Housing Constraints

Governmental

- Zoning Amendments per state law
- Certain Permit Process and Procedures

Non-Governmental

- Financing
- Cost of Land and Construction

Environmental

- Wildfire, Flooding, Coastal, Seismic, Hillside/Slope Hazards
- Biological and Cultural Resources

HOUSING NEEDS AND SUITABLE SITES

Housing by the Numbers

- **Regional Housing Needs Assessment**
  - From State to County (SBCAG) to City
- **Housing Capacity (Suitable Sites Inventory)**
  - Per zoning, accounts for constraints, adds a buffer
- **Quantified Objectives**
  - Units likely to be built under current resources and constraints

City's Regional Housing Needs (2023–2031)

	Very Low (0 – 50% AMI*)	Low (50 – 80% AMI)	Moderate (80 – 120% AMI)	Above Moderate (120+% AMI)	TOTAL
City's Allocation	2,147	1,381	1,441	3,032	8,001

*2022 County Area Median Income (AMI) = $100,100 (based on a family of four)

City's Housing Capacity for RHNA

	Very Low (0 – 50% AMI)	Low (50 – 80% AMI)	Moderate (80 – 120% AMI)	Above Moderate (120+% AMI)	TOTAL
Suitable Sites	2,475	1,505	1,626	2,223	7,829
Pending Projects and ADUs	188	232	171	1,125	1,716
	2,663	1,737	1,797	3,348	9,545

GOALS, POLICIES, PROGRAMS

Goals, Policies, Programs

- Goals (reviewed by City Council)
- Work Group and Staff drafted:
  - Policies that relate to goals
  - Specific programs for next eight years with:
    - *Funding sources*
    - *Timeframe for implementation (TBD)*
    - *Department responsible for implementation*

Goal 1: Create New Housing

Specific Programs

- Facilitate Adaptive Reuse, ADUs, and Innovative Housing Types

- Reduce Governmental Constraints

- La Cumbre Plaza Specific Plan

- Complete Objective Design Standards

Goal 2: Prioritize Affordable Housing

Specific Programs

- Adopt Affordable Housing Overlay
- Evaluate Inclusionary Housing Ordinance and City-owned Land for Housing
- Track ADU Use and Rent
- Ensure Adequate Capacity for Affordable Housing

Goal 3: Provide Housing Assistance

Specific Program

- Create Affordable Housing Trust Fund

Goal 4: Promote Housing Stability

Specific Programs

- Support Rental Housing Mediation
- Study Right of First Refusal Program
- Adopt Short-Term Rental/Hotel Ordinance Amendments
- Evaluate Residential Unit Conversion Ordinance
- Enhance Fair Housing Program

Goal 5: Preserve Housing

Specific Programs

- Provide Technical Assistance
- Fund Home Repairs

Goal 6: Engage the Community

Specific Programs

- Provide Renters Rights Information

- Provide Housing Resources for the Public

- Develop Housing Supply and Affordability Campaign

Goal 7: Coordinate with Regional Partners

Specific Programs

- Advocate for State Legislation
- Consult and Coordinate with Area Schools

Goal 8: Fund Affordable Housing

Specific Programs

- Secure a Permanent Source of Funding
- Support Legislation to Fund Affordable Housing

REVIEW AND COMMENT

How to View and Comment

- Visit SantaBarbaraCA.gov/HEU

- Printed copies at Eastside Library and City Hall

- Email comments by August 3, 2022:
  HEU@SantaBarbaraCA.gov

Themes of Public Comment to Date

- Permanent Funding as Highest Priority

- Affordable Housing Overlay

- Affordable Housing Trust Fund

- Innovative Housing Types

- Tenants' Rights

- Right of First Refusal to Purchase

# Planning Commission Input Summary

Top Priorities

- **Affordable Housing Funding** (HE-25)
- **Short-Term Vacation Rental/Hotel Ordinance** (HE-15)
- **Adaptive Reuse** (HE-1)
- **Affordable Housing Trust Fund** (HE-12)

Add/Change

- Program to require new ADUs and AUD projects to report rents annually, and for ADU owners to report intended use
- Housing Trust Fund priorities recommended for Very Low and Low Income, deed-restricted housing providers (HASB and other nonprofits)

Environmental Review

- Draft Program Environmental Impact Report
  - Available October 2022
  - Will analyze housing growth to 2035
  - Includes Climate Action Plan update
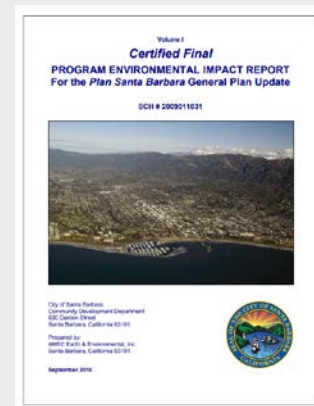
Questions for Council

- Which programs do you support?
- What changes would you like to see?
- What are your top priorities for implementation?

Staff Recommendation

- Receive public comment
- Provide feedback on the Draft Housing Element