

# HOUSING ELEMENT

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2023–2031

6<sup>th</sup> Cycle

Revised Draft

April 10, 2023



*City of*  
**SANTA BARBARA  
PLANNING**

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## Acronyms and Abbreviations

AB - Assembly Bill	LHMP- Local Hazard Mitigation Plan
ACS - American Community Survey	LMI - Low/Moderate Income
ACT - Alliance for Community Transformation	<u>LMIHAF – Low and Moderate Income Housing Asset Fund</u>
ADA - Americans with Disabilities Act of 1990	LUP – Land Use Plan
ADU - Accessory Dwelling Unit	MPO - Metropolitan Planning Organization
AFFH - Affirmatively Furthering Fair Housing	MTD - Metropolitan Transit District
AH - Affordable Housing	OEHHA - Office of Environmental Health Hazard Assessment
AI - Analysis of Impediments to Fair Housing Choice	PATH – People Assisting the Homeless
AMI - Area Median Income	PIT - Point in Time
AUD - Average Unit Size Density Incentive	RCAA - Racially Concentrated Areas of Affluence
CalHFA – California Housing Finance Agency	RDA - Redevelopment Agency
CDBG - Community Development Block Grant	R/ECAP - Racially or Ethnically Concentrated Area of Poverty
CHAS - Comprehensive Housing Affordability Strategy	RGF - Regional Growth Forecast
City - City of Santa Barbara	RHMP - Rental Housing Mediation Program
COPA - Community Opportunity to Purchase Act	RHNA - Regional Housing Needs Allocation
County - County of Santa Barbara	RTP - Regional Transportation Plan
CUP - Conditional Use Permit	SB - Senate Bill
DDS - Department of Developmental Services	SBCAG - Santa Barbara County Association of Governments
DOF - Department of Finance	SBCC - Santa Barbara Community College
ELI - Extremely Low Income	SRO - Single Room Occupancy
FEHA - Fair Employment and Housing Act	SSI - Supplemental Security Income
FHAA - Fair Housing Act - Amended	State - State of California
FHEO - Fair Housing Enforcement and Outreach	TCAC - Tax Credit Allocation Committee
HCD - Department of Housing and Community Development	TCRC - Tri-Counties Regional Center
HOA - Homeowners Association	UCSB - University of California Santa Barbara
HRLP – Housing Rehabilitation Loan Program	USDA - United States Department of Agriculture
HUD - Department of Housing and Urban Development	
LEAP - Local Early Action Planning (Grant)	

## Glossary

### **ADU: Accessory Dwelling Unit**

An attached or detached residential dwelling that provides complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation. An accessory dwelling is an accessory use to the permitted primary residential use and shall be located on the same parcel as the primary residential use.

### **AFFH: Affirmatively Furthering Fair Housing**

Taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

### **Affordable Housing**

Housing is generally considered to be affordable to a household if less than 30% of a household's gross income is spent on housing costs (including rent, utilities, and mortgage interest). Federal, state, and local housing assistance programs establish categories of affordable housing, set maximum incomes for eligibility to live in deed restricted affordable housing, and maximum rents and housing costs that may be charged based on household size. See also AMI and Deed Restricted.

State of California Income Categories for Households:

- *Extremely Low Income*: 0 to 30 percent of Area Median Income (AMI)<sup>1</sup>.
- *Very Low Income*: 30 to 50 percent of AMI.
- *Low Income*: 50 to 80 percent of AMI.
- *Moderate Income*: 80 to 120 percent of AMI.
- *Above Moderate Income*: More than 120 percent of AMI.

City of Santa Barbara Definitions (Inclusionary Housing Ordinance, Santa Barbara Municipal Code Title 30, Chapter 30.160):

- *Middle-Income*: 120 percent to 160 percent of AMI.
- *Upper-Middle Income*: 160 percent to 200 percent of AMI.
- *Workforce*: 30 percent to 160 percent AMI (Very Low Income to Middle Income) (for the purpose of this Housing Element and as stated in Goal 2)

The City's adopted Affordable Housing Policies and Procedures Manual (March 2021) provides additional details on qualifications for affordable housing.

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<sup>1</sup> For Regional Housing Needs Assessment, this is included in the very low-income category.

**AMI: Area Median Income**

The most recent applicable county median family (typically for a household of four people) income published by California Tax Credit Allocation Committee (TCAC).

**AUD: Average Unit-Size Density Incentive Program**

A housing development program adopted by the City in 2013 to encourage the construction of new rental housing with increased densities (up to 63 units/acre) and other incentives.

**City**

City of Santa Barbara.

**Coastal Zone**

That land and water area of the City of Santa Barbara extending seaward to the State’s outer limit of jurisdiction and extending inland to the boundary shown on the official Zoning Maps for the CZ Coastal Overlay Zone, as amended from time to time and adopted by the Coastal Commission.

**CDBG: Community Development Block Grant**

An annual entitlement received by the City from the U.S. Department of Housing and Urban Development (HUD) to be used for activities that benefit low and moderate income persons. Moneys are predominantly used for capital projects located in low-income neighborhoods. The grants also fund activities of social service agencies. See also HOME.

**CUP: Conditional Use Permit**

A discretionary permit that enables the City to consider, on an individual basis, specific land uses that might otherwise have undesirable effects upon an area and to approve such uses when conditions can be placed on them that would avoid those effects.

**Deed Restricted**

For the purpose of this Housing Element, deed restricted refers to housing subject to affordability restrictions or covenants. In the City of Santa Barbara, the developer/owner of deed restricted rental and ownership units must execute and record an “Affordability Covenant” for a term of ninety (90) years from the effective date of the covenant.

**Density**

For the purpose of this Housing Element, density means number of permanent dwelling units per acre.

**Density Bonus**

An increase in maximum allowable density for qualifying projects, in accordance with California Density Bonus Law (California Government Code Sections 65915-65918) or the City’s Density Bonus Program (Santa Barbara Municipal Code Title 30, Chapter 30.145).

**General Plan**

The comprehensive General Plan of the City of Santa Barbara together with all Specific Plans adopted by the City Council. See also Specific Plan.



### **HOME: Home Investment Partnership Program**

An annual entitlement received by the City from HUD for the development and rehabilitation of affordable rental and ownership housing for low- and moderate-income households. The City typically uses HOME funds to assist local housing and service providers to provide security deposit loans and tenant-based rental assistance.

### **Household**

For the purpose of this Housing Element and the census data presented herein, a household includes all the people who occupy a housing unit. (People not living in households are classified as living in group quarters.)

### **HASB: Housing Authority of the City of Santa Barbara**

A local public agency that provides affordable rental housing for low-income families, elderly, and disabled persons. It is an operating arm of the City and also a legally distinct public entity. The HASB provides housing and supportive services that is developed and owned and/or managed for eligible applicants and housing through rent subsidies. See also Housing Choice Voucher Program.

### **Housing Choice Voucher Program**

A federal government program (formerly known as Section 8) for assisting very low-income families, the elderly, and the disabled to afford housing in the private market. Housing choice vouchers are administered locally by the Housing Authority of the City of Santa Barbara (HASB). A housing subsidy is paid to the landlord directly by the HASB on behalf of the participating family.

### **Housing Element Law**

Laws first passed by the California State Legislature in 1969 and periodically amended mandating that housing be included as an element of each jurisdiction's general plan.

### **Landmark**

A structure, site, cultural landscape or feature having historic, architectural, archeological, cultural, or aesthetic significance and designated by City Council as a Landmark under the provisions of Title 30.

### **Land Use Category**

Any of the districts defined by Title 28 and Title 30 of the Santa Barbara, California Municipal Code, which are applied to portions of the City of Santa Barbara for the purpose of identifying areas of land suitable for particular land uses. See also Zoning District.

### **Low and Moderate Income Housing Asset Fund**

Established to conduct the dissolution of operations related to housing assets and activities of former Redevelopment Agency (Housing Successor) of the City of Santa Barbara.

### **Multi-Unit Dwelling**

A building or a portion of a building used and/or designed as a residence for two (2) or more families living independently of each other. Includes: duplexes, triplexes, and apartments; attached ownership units, such as planned developments, condominiums, and townhouses; and rooming and boarding houses (a residential structure where rooms are rented for short or long-term lodging where at least one meal daily is shared in common dining facilities, with 10 or fewer beds for rent).

### **Overlay Zone**

Additional regulations superimposed on existing zoning in specified areas. Subsequent development must comply with the requirements of both the overlay zone and the base district.

### **Persons with Disabilities**

Persons who have a medical, physical, or mental condition, disorder or disability as defined in [Government Code](#) § 12926 or the Americans With Disabilities Act, that limits one or more major life activities.

### **Planning Period**

The time period between the due date for one housing element and the due date for the next housing element.

### **Quantified Objectives**

State-required estimates of the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period.

### **Reasonable Accommodation/Modification**

A change, exception, or adjustment to a rule, policy, practice, or service that may be necessary for a person with disabilities to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. The American with Disabilities Act often refers to these types of accommodations as “modifications”.

Under the Fair Housing Act, a reasonable modification is a structural change made to existing premises, occupied or to be occupied by a person with a disability, in order to afford such person full enjoyment of the premises.

### **RHNA: Regional Housing Needs Allocation**

The Regional Housing Needs Allocation process establishes the total number of housing units that the City must plan for within the eight-year Housing Element planning period.

### **SBCAG: Santa Barbara County Association of Governments**

A voluntary council of governments formed under a joint powers agreement executed by each of the general-purpose local governments. In Santa Barbara County, SBCAG is the designated regional planning agency and the metropolitan planning organization.

### **Single-Unit Dwelling**

A building designed for and/or occupied exclusively by one household. Also includes attached ownership units using common wall development, airspace condominium ownership, and factory built housing.

### **Site**

For the purpose of this Housing Element, site means a parcel or lot.

### Special Needs Groups

For the purpose of this Housing Element, special needs groups are seniors, people with disabilities (including developmental disabilities), large families (households of five or more persons), female headed households, farmworkers, people experiencing homelessness, and students.

### Specific Plan

A Specific Plan is a detailed policy and regulatory document that establishes zoning regulations tailored to the site, consistent with the General Plan. By law it is required to include:

- Land use regulations and development standards;
- A program of implementing measures;
- Planned and needed public works projects to serve the Specific Plan area; and
- Financing measures necessary to implement the Plan and its recommendations.

### Suitable Sites Inventory

An inventory of land suitable for residential development prepared to compare the City's development capacity with its Regional Housing Needs Allocation. The inventory includes specific vacant sites and sites having the potential for redevelopment.

### Structure of Merit

A historic resource designated by the Historic Landmarks Commission that deserves official recognition as having historic, architectural, archeological, cultural, or aesthetic value but does not rise to the level of Landmark status.

### Use By Right

For the purpose of this Housing Element and suitable sites included in two or more consecutive housing element planning periods (i.e., nonvacant sites in the 5th cycle and vacant sites in the 5th and 4th cycle housing element), the phrase "use by right" applies to proposed housing projects on the aforementioned previously identified suitable sites when 20 percent or more of the units are affordable to very-low and low-income households. For these proposed projects, the City shall not require:

- A conditional use permit.
- A planned unit development permit.
- Other discretionary, local-government review or approval that would constitute a "project" as defined in §21100 of the Public Resources Code (California Environmental Quality Act "CEQA").

However, if the project requires a subdivision, it is subject to all laws, including CEQA. The "use by right" phrase does not preclude the City from imposing objective design review standards. However, the review and approval process must remain ministerial and the design review must not constitute a "project" as defined in CEQA.

### Vacant Site

A vacant site is a site without any houses, offices, buildings, or other significant improvements on it. Improvements are generally defined as development of the land (such as a paved parking lot, or

income production improvements such as crops, high voltage power lines, oil-wells, etc.) or structures on a property that are permanent and add significantly to the value of the property.

***Vacant Unit***

A housing unit is vacant if no one is living in it at the time of the [U.S. Census Bureau] interview, unless its occupants are only temporarily absent. In addition, housing units where all the occupants have a usual residence elsewhere are grouped with vacant units.

***Zoning District***

A specifically delineated area of district in the city within which regulations and requirements uniformly govern the use, placement, spacing, and size of land and structures.

# EXECUTIVE SUMMARY

The 2023-2031 Housing Element provides new goals and programs to guide the City over at least the next eight years to better address the gap between housing production and housing need in the community. The programs are informed by current housing conditions, demographic information, and the needs of our residents considering the lack of sufficient access to quality, affordable housing.

Since 1969, the State of California has required that cities and counties adequately plan to meet the housing needs of everyone in the community through preparing a Housing Element as one of the required elements of the General Plan. The City's first Housing Element was adopted in 1979 and has been updated periodically. Subsequent housing element laws require the City's Housing Element to be updated in coordination with Santa Barbara County Association of Governments (SBCAG) every other Regional Transportation Plan update (i.e., at least every eight years). Housing Element planning periods are referred to as "cycles". This Housing Element is for the 6th cycle planning period from February 2023 to February 2031.

The housing needs for the City are determined through the Regional Housing Need Allocation (RHNA) process. The California Department of Housing and Community Development (HCD) is responsible for determining regional housing need, segmented by income levels, for each the state's Councils of Government, including SBCAG which comprises the entire County of Santa Barbara. HCD determines projected household population in consultation with the California Department of Finance (DOF) and adjusts the regional allocation to account for housing vacancy rate, replacement units, overcrowding, and cost burden.

For the 6th cycle RHNA, SBCAG received a regional determination of 24,856 units, which is approximately 125 percent higher than the 5th cycle (2014 – 2022) determination of 11,030 units. This increase in the regional determination reflects the markedly different housing markets in 2021 compared with 2014 as well as the addition of new existing need considerations (overcrowding and cost burden) due to state legislation adopted in 2018 (Senate Bill 828, 2018). The City's 6th cycle RHNA allocation (8,001 units) is 95 percent higher than the 5th cycle (4,100 units).

In the 5th cycle, the total number of housing units that received a building permit up through calendar year 2022~~1~~ is ~~4,592~~ 1,832 units, or ~~45.39~~ percent of the total ~~5th cycle previous~~ RHNA allocation (Table 1). As with previous years, most permitted housing units are in the "Above Moderate" RHNA income category, meaning housing affordable to households making 120 percent or more of the County's Area Median Income (AMI). In 2022~~1~~, accessory dwelling units (ADUs) ~~were the most prevalent type of permitted housing project, accounted ing for just under half nearly two thirds of~~ permitted units that year.

**TABLE 1: REGIONAL HOUSING NEEDS ALLOCATION STATUS (2015 - 2022†)**

RHNA Income Category	2015 – 2022 RHNA	2015 – 2022†* Progress	Remaining Allocation	Percent Remaining
Very Low	962	120	842	87.5%
Low	701	115 2	586 9	84.0%
Moderate	820	124	804 46	98.59.5%
Above Moderate	1,617	1,577 356	36 264	2.516.1%
Total	4,100	1,824	2268	55.361.2%

\*One more calendar year is left in the planning period

There are multiple reasons why affordable units are not being produced at the same level as market rate but lack of financing is one of the key factors. From 1977 to 2012, the largest source of City affordable housing financing was from the City’s Redevelopment Agency (RDA). The state required each RDA to allocate at least 20 percent of annual tax increment revenue to create, protect, or rehabilitate affordable (very low, low, and moderate-income) housing. The state legislature dissolved all RDAs as of February 2012 and since then, no equivalent source of funding for affordable housing has been established. A program in this Housing Element is intended to at least partially replace this lost funding source.

The City government is not required to build the housing assigned through the RHNA process but it is responsible for ensuring that adequate land is zoned to accommodate the projected need and to adopt and implement programs that promote and facilitate housing at all income levels. The City must rely on infill redevelopment since there are very few vacant parcels. The City has the capacity to accommodate the RHNA units within the existing higher density residential and commercial zones that allow mixed-use development. The Sites Inventory and Analysis section demonstrates that the City has at least the capacity to meet the overall 6<sup>th</sup> cycle RHNA of 8,001 units with an additional buffer of approximately 1749 percent to ensure that sufficient capacity will be available to accommodate RHNA income categories throughout the eight-year planning period, as recommended by HCD.

The City’s prior housing elements focused on removing regulatory barriers, incentivizing mixed-use development, supporting affordable housing programs, encouraging smaller units, and increasing residential density downtown. In particular, adoption of the Average Unit-Size Density Incentive (AUD) program in 2013 and new state laws to facilitate accessory dwelling units in 2017 and 2020 resulted in increased production of market rate (i.e., above moderate income level) units. While all these efforts resulted in increasing housing production overall, the number of new deed-restricted units affordable to households making less than 120 percent of AMI has not met demand and the City is falling behind on affordable housing production as the demand increases. In response, the focus of the 6<sup>th</sup> cycle Housing Element programs is to increase the production of deed-restricted affordable units including creating a permanent source of funding for these units and adopting further incentives to encourage inclusion of higher levels of deed-restricted affordable units in new multi-unit housing projects.

A notable addition in this 6<sup>th</sup> cycle Housing Element is the need to “affirmatively further fair housing” as a required objective for local housing elements statewide. The concept of furthering fair housing comes from the Federal Fair Housing Act. It means that the City must take actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. More information on this topic is available in Appendix B.

The City of Santa Barbara is committed to allowing as much housing as possible within resource limits to provide an array of lifestyle options for a demographically and economically diverse resident population. Promoting a diversity of housing types, increasing the feasibility of development of underused and infill sites throughout the City, and focusing new housing near transit and jobs are some of the strategies needed for the City to meet its housing commitment, reduce greenhouse gas emissions, and continue to affirm that housing is a basic human right for all residents. The Housing Element lays out the City’s plan for removing barriers to housing production to counter well-documented housing shortages and helps ensure that the City is planning for its “fair share” of affordable and market rate housing. The Housing Element also continues and expands upon the City’s efforts to preserve existing housing in the community.

## **HOUSING ELEMENT ORGANIZATION**

The Housing Element includes five main sections and appendices listed below. The Housing Plan (Section 5) builds upon and revises the goals, policies, and programs of the 2015 - 2023 Housing Element to ensure that the City can meet the housing needs of all residents through 2031, when the plan is scheduled to be updated again as required by state law.

### **1 INTRODUCTION**

Introduces the purpose of the Housing Element, context, related documents, and summary of public outreach and participation.

### **2 HOUSING NEEDS SUMMARY/COMMUNITY PROFILE**

Describes Santa Barbara’s demographics and existing housing related to the City’s housing needs, including housing type and affordability.

### **3 HOUSING CONSTRAINTS**

Identifies governmental, market, environmental, and other existing obstacles or challenges to increasing and maintaining housing in Santa Barbara.

### **4 HOUSING RESOURCES**

Shows the Regional Housing Needs Allocation (RHNA), or the “fair share” of housing units the City must plan for at different affordability levels as required by law, describes the sites inventory and analysis, and summarizes financial and administrative resources for housing.

### **5 HOUSING PLAN**

Lays out the goals and steps needed to meet the housing needs of current and future residents over the next eight years. Each of the eight goals listed below has associated policies and detailed programs to meet the goal.

- Goal 1: Create New Housing: Create new healthy, safe, and energy-efficient housing that meets community needs, within our resources.
- Goal 2: Prioritize Affordable Housing: Prioritize housing that is affordable to the workforce and vulnerable communities, by the use of deed restrictions and other measures, over other types of development, with special emphasis on housing that meets the needs of extremely low, very low, low, moderate, and middle income, and special needs households.

- Goal 3: Provide Housing Assistance: Provide financial resources and supportive services for members of the community who need housing assistance.
- Goal 4: Promote Housing Stability: Implement tenant protection measures, promote full-time occupancy of existing housing, and discourage conversion of housing to other uses.
- Goal 5: Preserve Housing: Maintain and improve the physical condition of existing housing at all affordability levels.
- Goal 6: Engage the Community: Educate and support the community about housing issues, affordable housing opportunities, and available resources and programs.
- Goal 7: Coordinate with Regional Partners: Coordinate with surrounding communities and regional agency partners to address regional housing issues, homelessness, and the jobs/housing balance.
- Goal 8: Fund Affordable Housing: Develop a permanent source of local funding to produce deed-restricted affordable housing.

## APPENDICES

These are the more detailed, technical analyses and reports prepared to inform the goals, policies, and programs. It includes 1) a review of the 2015 Housing Element; 2) the Affirmatively Furthering Fair Housing assessment; 3) public outreach table; 4) accessory dwelling unit survey results; 5) housing stock survey results; 6) residential development standards; and 7) the suitable sites inventory.

## PUBLIC OUTREACH AND OPPORTUNITIES TO COMMENT

Public outreach is an important part of any General Plan update and, state law requires “...a diligent effort to achieve public participation of all segments of the community in the development of the housing element, and the program shall describe this effort.” A discussion of the City’s robust public outreach and participation effort is included in the Introduction and a detailed list of public outreach meetings and other efforts is in Appendix C.

There are at least ~~four~~<sup>three</sup> drafts planned for the 2023-2031 Housing Element: 1) Public Review Draft (released July 5, 2022); 2) HCD Review Draft (submitted August 19, 2022); 3) Revised HCD Review Draft (submitted April 2023); and ~~34)~~ City Adoption Draft (date to be determined). Public comments are welcome and accepted on each draft. Prior to release of the Public Review Draft, the City received approximately 60 public comments on the Housing Element update. The Public Review Draft Housing Element was available for review from July 5 to August 3 and the City received approximately 67 written comments on the draft. The HCD Draft was available for review from August 19 to present and the City has received approximately 14 written comments to date. A strike through/underline version of each the Public Review draft and a matrix of responses to public comments is available online (see Table 2 below).

Per HCD, if an organization or individual plans to provide comments to HCD on the City’s Housing Element, early contact with the assigned review staff member (HCD Analyst) is encouraged to ensure that HCD is aware of this intent. To ensure that HCD has sufficient time to consider comments in the review of the Housing Element, written comments should be provided within the first 30 days of the review, directly to the assigned HCD Analyst or emailed to [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov).



For more information about the topics listed above, see Table 2.

**TABLE 2: TOPIC LINKS**

Topic	Link
General Plan - 2015 Housing Element	<a href="https://santabarbaraca.gov/government/priorities-policies/general-plan">https://santabarbaraca.gov/government/priorities-policies/general-plan</a>
Draft Housing Element and Public Comments	<a href="https://santabarbaraca.gov/HEU">https://santabarbaraca.gov/HEU</a>
RHNA Allocation Process	<a href="http://www.sbcag.org/rhna.html">http://www.sbcag.org/rhna.html</a>
Housing Element Annual Progress Reports	<a href="https://santabarbaraca.gov/government/priorities-policies/general-plan/general-plan-implementation-annual-progress-reports-apr">https://santabarbaraca.gov/government/priorities-policies/general-plan/general-plan-implementation-annual-progress-reports-apr</a>
Comments to HCD on the draft Housing Element	<a href="mailto:HousingElements@hcd.ca.gov">HousingElements@hcd.ca.gov</a>
Affirmatively Furthering Fair Housing Data and Mapping Resources	<a href="https://affh-data-resources-cahcd.hub.arcgis.com/">https://affh-data-resources-cahcd.hub.arcgis.com/</a>

# 1. INTRODUCTION

## Housing Element Purpose and Context

The State of California has declared the availability of decent and suitable housing to be “a priority of the highest order”. This priority has become increasingly urgent in recent years as communities across the state, including Santa Barbara, struggle to meet the housing needs of all their residents. California Housing Element Law, established in 1969, recognizes the vital role local governments’ play in the supply and affordability of housing and requires all cities and counties in California establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their citizens, including ensuring that the existing and projected demands for housing are adequately met. The Housing Element is the primary tool used by the state to ensure local governments are appropriately planning for and accommodating enough housing across all income levels.

The Housing Element is a mandatory part of a jurisdiction’s General Plan but differs from other General Plan elements in two key aspects. The Housing Element must be updated every eight years for jurisdictions within a metropolitan planning organization (MPO) on a 4-year regional transportation plan (RTP) cycle, such as the Santa Barbara County Association of Governments (SBCAG). The Housing Element must also be reviewed and approved (i.e., certified) by the California Department of Housing and Community Development (HCD) to ensure compliance with statutory requirements.

This Housing Element covers the 2023 to 2031 planning period (referred to as the “6th cycle” in state planning law) and contains updated goals and strategic directions (policies and programs) that the City is committed to undertake to address housing needs. State law requires a review of the prior “5th cycle” 2015 to 2022 Housing Element’s effectiveness in obtaining goals and objectives, including progress in implementation, and appropriateness of goals, policies, and programs to determine if they should be changed or adjusted in the next cycle. This evaluation is found in Appendix A.

Multiple changes to California Housing Element Law have become effective since processing of the City’s 5th cycle Housing Element. In particular, the state increased its ability to enforce Housing Element requirements, and the ability for interested persons to challenge the City’s compliance with Housing Element Law. Pursuant to California Government Code § 65585, the state has a greater range of penalties that can be imposed on jurisdictions for noncompliance. This puts the City at risk of exposure to a variety of fiscal and regulatory impacts that could reduce local control over housing-related decision-making. Jurisdictions that do not comply also risk the state imposing a more frequent Housing Element update cycle. The 6th cycle Housing Element Update was prepared to comply with Housing Element Law, as amended, and all other federal, state, and local requirements as necessary to demonstrate compliance with state law and gain state certification.

Beginning 2019, all housing elements must include a program that promotes and affirmatively furthers fair housing opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (FEHA), Government Code § 65008, and

any other state and federal fair housing and planning law. Under state law, affirmatively furthering fair housing means “taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.”

Additionally, all housing elements due on or after January 1, 2021, must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Furthering Fair Housing (AFFH) Final Rule of July 16, 2015. The housing element land inventory and identification of sites must be consistent with a jurisdiction’s duty to AFFH and the findings of its AFH. Appendix B includes the AFFH analysis. The City’s Analysis of Impediments to Fair Housing prepared by Root Policy Research in 2020 (the “City AI”) provided extensive data and policy recommendations that informed the AFFH analysis.

## Relationship to Other General Plan Elements

State law mandates the adoption of a general plan (Government Code § 65300), which serves as the blueprint for how a particular city or county will develop. A general plan expresses the community’s development goals and embodies public policy relative to the distribution of future land uses, both public and private. Zoning ordinances, specific plans, development projects, capital improvements, and development agreements are required to conform to the general plan. Preparing, adopting, implementing, and maintaining the general plan serves to identify the community’s land use, circulation, environmental, economic, and social goals and policies as they relate to future growth and development. The City has a long-standing commitment to affordable housing and sound community planning. Protecting and enhancing the quality of life by “living within our resources” have been fundamental goals for Santa Barbara since adoption of the first General Plan in 1964.

A general plan consists of individual elements that address a specific area of concern, but collectively, they make up an integrated planning approach for the jurisdiction. State law requires that general plans include the following seven elements:

- Land Use
- Transportation
- Conservation
- Noise
- Open Space
- Safety
- Housing

A city or county may choose to have additional elements as part of their general plan. The City’s additional elements include Parks and Recreation, Economy and Fiscal Health, and Historic Resources.

In 2011, the City adopted the Plan Santa Barbara General Plan. This process resulted in a new General Plan Introductory Framework, a comprehensively updated Land Use Element, and a new set of goals and policies for the remaining elements. The 2011 General Plan update reorganized the

Elements, consistent with the Introductory Framework for Sustainability (and state law), and compiled six previous volumes into one document as follows:

**TABLE 3: CITY GENERAL PLAN ELEMENTS**

Element	Last Updated	Other Components
Land Use	2011	
Housing	2015	
Open Space, Parks, and Recreation	2011	1972 Open Space Element 1982 Parks and Recreation Element
Economy and Fiscal Health	2011	
Historic Resources	2012	
Environmental Resources (includes Conservation and Noise)	2011	1979 Conservation Element 1979 Noise Element
Circulation (Transportation)	2011	1997 Circulation Element
Safety	2013	

To meet the City’s Regional Housing Needs Allocation (RHNA) of 8,001 new units over the next eight years and to affirmatively further fair housing, the Housing Element includes programs to amend adopted development standards and policies. As required by State law, elements of the General Plan should form an integrated, internally consistent plan, and inconsistencies cannot be remedied by a statement giving one element precedence over the others (Gov. Code § 65300.5; Sierra Club v. Board of Supervisors of Kern County (1981) 126 Cal.App.3d 698). Therefore, adoption of the Housing Element may require amendments to other General Plan elements to ensure internal consistency. In addition, the City will review for and confirm internal consistency as part of its annual General Plan Implementation Report required under Government Code § 65400.

Pursuant to State law, adoption of this Housing Element will trigger revision of the City’s Safety Element. The Safety Element was last updated and adopted in 2013. Since that time, the State has established new requirements pertaining to safety element updates as follows:

- The safety element must be revised to identify new information on fire hazards, flood hazards, and climate adaptation and resiliency strategies applicable to the city or county that was not available during the previous revision of the safety element.
- The revision must occur upon each revision of the housing element or Local Hazard Mitigation Plan (LHMP), but not less than every eight years.

The Safety Element update is anticipated to commence once the 2023 Housing Element is certified. After City Council initiation of the General Plan amendment for the Housing Element and Safety Element updates in March 2022, the City also initiated formal notification to California Native American Tribes per state law.

## Community Context

Affordable housing on the South Coast is currently provided by a combination of local government agencies and programs, private nonprofit housing developers, and federal government rental subsidies, and privately-owned housing that may be more affordable than typical market rate housing (e.g., mobile

homes, or accessory dwelling units provided free of rent or at a low cost to family members or caregivers). The City of Santa Barbara has provided, to developers and nonprofit sponsors, financial and/or land use incentives in exchange for long-term recorded affordability agreements ensuring that subsidized units will remain affordable for a specified number of years. Additional units are subsidized under the Housing Choice Voucher program (Section 8). In total, there are approximately 5,543 affordable and Housing Choice Voucher assisted units within the City.

The South Coast region housing market area extends from the City of Carpinteria and the Ventura County line to the City of Goleta, including the City of Santa Barbara and all the region's unincorporated communities. The County of Santa Barbara and the cities of Goleta, Carpinteria and Santa Barbara have regulatory authority over housing and job growth, as well as the provision of affordable housing. Although the South Coast is a single housing market, median single-unit housing ownership prices vary by city or region, ranging from \$1.2 million in Goleta to over \$2 million in the City of Santa Barbara (median listing price for April 2022, realtor.com). However, even in the few areas of the City or South Coast where lower median home values exist, the price is generally unaffordable to the vast majority of households. Every year, the City publishes data on active rental housing listings across the South Coast. As of April 2022, median rent for a 2-bedroom apartment was \$3,475 in Santa Barbara (up 28 percent from April 2021) and \$4,545 in Goleta (up 95 percent from April 2021). Median rent for a 2-bedroom house was \$4,500 in Santa Barbara (up 58 percent from April 2021). In April 2021, the median rent for a 2-bedroom house was \$2,995 in Goleta. There was no sample data for 2-bedroom houses in Goleta in the 2022 survey (City of Santa Barbara 2022 and 2021 Rent Surveys for the South Coast, June 2022 & May 2021). Santa Barbara exhibits the same trend as much of the state and nation: home and rent prices are up significantly and the supply of available homes and apartments is severely insufficient.

While the amount of new commercial development has been limited in the City since 1990 through the Nonresidential Growth Management Program, the region has not adopted similar control measures, nor managed to produce enough levels of affordable housing. Regional cooperation in addressing the jobs/housing balance issues that affect the South Coast region continue to be an important goal of this Housing Element. Policies and programs recognizing and promoting the City's commitment toward a coordinated regional effort in addressing the South Coast region's housing market are included in the Element.

## Public Outreach and Participation

California law requires local governments to engage the public in developing the Housing Element. Specifically, Government Code § 65583(c)(7) states "that the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." State law does not specify the means and methods for participation; however, it is generally recognized that the participation must be inclusive. Throughout the preparation of the 2023 – 2031 Housing Element, the City conducted numerous outreach efforts to engage all segments of the community.

## Virtual Meetings, Online Outreach, and In-person Events

Learning from experience in public outreach during COVID-19, the City adapted public outreach to be a variety of virtual meetings, online outreach, live streaming video, and in-person events (Appendix C). One of the greatest challenges of community engagement, especially during COVID-19, is diversity and involvement from those not typically engaged in city planning efforts. This is especially true for marginalized and disadvantaged populations in our community. To achieve the greatest level of participation, the City:

- Ensured noticing of meetings and the website were bilingual for our residents who are not fluent in English and used guidelines from the California Web Accessibility standards for ADA compliance.
- Built an interested parties list by advertising on City newsletters and social media (Facebook, Nextdoor, Twitter, and LinkedIn) and leveraging our partnerships with housing advocates, neighborhood groups, and professional organizations, reaching over 38,000 residents.
- Educated and partnered with community groups on the importance of the Housing Element, including virtual and in-person meetings with over 40 nonprofit organizations who serve our residents, neighborhood groups, and faith-based organizations to increase engagement and build relationships.
- Leveraged new relationships with stakeholders, neighborhood groups, and faith-based organizations to use their digital communications channels to inform residents throughout the process (social media, electronic newsletters, and websites) to distribute information and events to their served communities.

The City also developed events and activities designed to allow the public to participate in a way that was easy, user-friendly, and accessible to everyone. Some of the key activities used throughout the process were:

- Developed a project website in both English and Spanish on informative materials, project progress, public outreach events, staff reports, draft documents, a live suitable sites GIS map, and other relevant links (<https://santabarbaraca.gov/heu>).
- Created educational videos in both English and Spanish on the Housing Element Process.
- Held a joint City Council and Planning Commission meeting to establish the Housing Element goals.
- Collaborated with the Cities of Goleta, Carpinteria, and the County of Santa Barbara on an in-person and live-streamed public workshop to review local housing element updates and regional housing issues<sup>2</sup>.
- Conducted a community survey on the use of Accessory Dwelling Units.

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<sup>2</sup> Over 140 people attended the in-person event and over 30 attended the live-stream

- Formed a Planning Commission Working Group to help guide the Housing Element's policies and programs.
- Presented the Public Review Draft Housing Element to the City Council and Planning Commission during the public comment period to gather feedback from decision-makers.

### **Outreach**Public Comments on the Draft Housing Element

The first public draft of the Housing Element was released in July 2022 for a 30-day public review period. The draft was available in hard copy at the Eastside and Central libraries and City Hall and posted on the project website. The Planning Commission held a public hearing to take input on the public draft on July 14 with 16 written public comments and nine speakers, followed by City Council on July 26, 2022, with 22 written public comments and 19 speakers. Public notice of the two public hearings, with information about how to access the Public Review Draft, and all related materials were advertised in the newspaper, and communicated via an e-bulletin to the interested parties' list of over 370 subscribers and to City News in Brief that reaches approximately 30,000 people.

The City received over 120 comments on the Draft Housing Element. Public comments were considered for a minimum of 10 business days after the close of the public comment period. City staff reviewed each public comment submitted during the outreach process to determine if changes should be made to incorporate them into the City's housing strategy. Where appropriate, feedback received was ~~and~~ incorporated into the August 2022 draft for submittal to the State of California Department of Housing and Community Development (HCD). Staff prepared responses to comments in three categories: 1) Anonymous Comments from the Online Workshop (April 15 – July 18, 2022); 2) Written Comments from Joint County and Cities Housing Element Workshop on June 22, 2022; and 3) Comments Received on the Draft Housing Element Prior to Release and During the Public Comment Period of July 5 – August 3, 2022. A "Global Responses" to public comments was prepared for questions or concerns that were included in multiple public comment letters. A strike through/underline version of the Public Review Draft, public comment letters, and the City's response to the comments were posted on the project website. Notification of the availability of the HCD Review Draft and responses to comments were sent to the interested parties list and published in the American Institute of Architects Newsletter.

Public outreach is ongoing over the course of the 6<sup>th</sup> Cycle Housing Element process. During the HCD 90-day review period and beyond, the City held five presentations and one radio interview about the Housing Element's policies and programs, with a specific focus on special needs of persons with disabilities, people experiencing homelessness, and lower income households. To date, an additional 14 comment letters were received. As described above, the City reviewed the comments, incorporated them as appropriate into the Revised Draft, and posted the responses.

## 2. HOUSING NEEDS SUMMARY/COMMUNITY PROFILE

This section provides information related to the City’s demographic, household, and housing characteristics and an analysis of the community’s housing needs. Many demographic factors affect the demand for housing and the type of housing needed or preferred. Factors such as age, presence of children, size of household, and income all contribute to housing needs.

This section uses data from the U.S. Census, California Department of Finance, California Employment Development Department, the Santa Barbara County Association of Governments (SBCAG) Housing Element Data Package (this package was provided to the County and each incorporated jurisdiction and mainly uses American Community Survey [ACS] 5-year estimates<sup>3</sup> from 2015 – 2019), and other relevant sources. While every attempt was made to use the most recent or relevant data source available, the 2016 – 2020 ACS was not used due to the impact of the COVID-19 pandemic on data quality in 2020. There were fewer ACS interviews in 2020 and respondents had higher levels of education and income and were more likely to be married than respondents in prior years. As such, sources may differ among population characteristics and from those cited in the City’s 2015 Housing Element.

### Population Trends

#### Population Growth Trends

In 2010 the City’s population was 88,410 and by January 2022~~4~~ the State Department of Finance (DOF) estimated the City’s population to be 86,591 ~~93,055~~, representing a 2.5 percent ~~decrease~~ increase over that ~~12.1~~-year period. Table 4 illustrates how the City’s population has changed over time. The largest population growth occurred between 2010 and 2016, with an increase in 4,467 people (5.1 percent), representing an average annual growth rate of 1.5 percent. However, in the years since 2016, the City’s population rate of growth has been considerably slower, with occasional decreases in population.

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<sup>3</sup> The 5-year estimates from the ACS are “period” estimates that represent data collected over a period of time. Multi-year estimates provide an increased statistical reliability of data in less populated areas and for small population subgroups.



**TABLE 4: POPULATION GROWTH TRENDS (2010-2021)  
CITY OF SANTA BARBARA**

Year	Population	Numerical Change	Percent Change	Average Annual Growth Rate
2010	88,410			
2011	88,877	467	0.5%	0.05%
2012	89,474	597	0.7%	0.07%
2013	90,640	1,166	1.3%	0.1%
2014	91,629	989	1.1%	0.1%
2015	92,358	729	0.8%	0.08%
2016	92,877	4,467	5.1	0.54
2017	92,663	-214	-0.2%	-0.02%
2018	92,759	96	0.1%	0.01%
2019	92,927	168	0.2%	0.02%
2020	93,255	298	0.3%	-0.03%
2021	93,055	1,023	-0.2%	-0.02%
2022	86,591	-1,908	-2.2%	-0.2%

State of California, Department of Finance, E-54 Population Estimates 2010 – 2020 and 2020-2022-

**TABLE 5: POPULATION FORECASTS  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Year	City of Santa Barbara			Santa Barbara County		
	Population	Numerical Change	Percent Change	Population	Numerical Change	Percent Change
2025	97,300	2,200		478,600	17,700	
2030	98,600	1,300	1.3%	489,900	11,300	2.4%
2035	99,900	1,300	1.3%	501,500	11,600	2.4%
2040	101,100	1,200	1.2%	513,300	11,800	2.4%
2045	101,600	500	0.5%	517,500	4,200	0.8%

Year	City of Santa Barbara			Santa Barbara County		
	Population	Numerical Change	Percent Change	Population	Numerical Change	Percent Change
2050	102,000	400	0.4%	521,700	4,200	0.8%

SBCAG, Regional Growth Forecast 2050 Santa Barbara County

## Projected Regional Population Growth

The Regional Growth Forecast (RGF) 2050 (Santa Barbara County Association of Governments 2018) forecasts demographic changes for the major economic and demographic regions and the eight incorporated cities of Santa Barbara County. The population forecast is based on projected job growth. The RGF estimates that from 2025 to 2050, population in the County will increase by approximately 43,100 persons (9 percent) to a total of 521,700. Significant population increases are projected in the North County (i.e., west and north of Gaviota, including Lompoc, Santa Maria, Santa Ynez, and Cuyama Valleys), while population increases in the South Coast region are expected to be substantially less. During the entire forecast period (2017 – 2050), the South Coast region is forecast to grow in population by about 15,850, or approximately 7 percent, while North County is expected to grow by about 52,410, or approximately 22 percent.

The City of Santa Barbara’s population is projected to reach 102,000 by the year 2050. This represents a 4.8 percent total change or a 0.19 percent annual average increase from 2025 to 2050. For context, the 20-year annual average increase from 1990 to 2010 was approximately 0.17 percent. From 2010 to 2017, the population increased from 88,410 to 94,800 ~~92,663~~, a ~~7.23~~ 4.8 percent total increase (or a ~~4.03~~ 0.7 percent annual average increase).

According to ~~recent the~~ Department of Finance estimates (DOF), from 2018 to 2024~~2~~, the City’s population ~~increased actually decreased~~ from 92,759 to ~~93,055~~ 86,591, a ~~0.32~~ 6.6 percent total ~~decrease increase~~ (or a ~~0.08~~ 1.3 percent annual average ~~decrease increase~~). ~~Recent Department of Finance population estimates show a revised 2021 population total of 88,499 and an estimated 2022 population of 86,591, a decrease in population of 2.2 percent (California Department of Finance E-45 Population and Housing Estimates and Report E-1, Population Estimates).~~

## Age Characteristics

Housing needs are influenced by the age characteristics of the population. Different age groups have different housing needs based on lifestyle, family types, income levels, and housing preference. For the purpose of this analysis, the age groups are generally defined as preschool (0-4), school age (5-19), college / early workers, young adults (20-24), prime workforce and child rearing years (25-54), mid-life / pre-retirement (55-64), and senior / retirees (65+ years of age).

Table 6 below illustrates how the City’s age distribution from 2015 to 2019 compared to the County as a whole. This table shows that the City’s population is older than the County’s population as a whole, with a median age of 39 years compared to 33.8 years for the County. A population composed of older residents has implications regarding the type and size of future housing needs as well as for accessibility.

**TABLE 6: AGE DISTRIBUTION  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Age Group	City of Santa Barbara		Santa Barbara County	
	Number	Percentage	Number	Percentage
0-4 years	4,333	4.7%	28,159	6.3%
5-19 years	13,858	15.2%	92,555	20.8%
20-24 years	8,566	9.4%	49,023	11%
25-54 years	36,036	39.4%	158,345	35.6%
55-64 years	11,525	12.6%	50,184	11.3%
65+ years	17,058	18.7%	66,563	14.9%
<b>Total</b>	<b>91,376</b>	<b>100%</b>	<b>444,829</b>	<b>100%</b>
Median Age	39		33.8	
2015-2019 ACS, Table DP05				

## Employment Trends

### City Residents Jobs by Industry

Information on jobs and employment gathered during the 2015 to 2019 ACS is keyed to where people live. Table 7 shows the distribution of employed City residents by industry compared to Santa Barbara County as a whole. The most notable differences between City and County employment as seen in this table are the lower proportion of City residents employed in agriculture and the higher proportion of City residents employed in professional occupations and the arts and entertainment.

**TABLE 7: EMPLOYMENT BY INDUSTRY  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Industry	City of Santa Barbara		Santa Barbara County	
	Number	Percentage	Number	Percentage
Agriculture, forestry, fishing and hunting, and mining	408	0.8%	19,435	9.1%
Construction	2,948	5.8%	12,302	5.8%
Manufacturing	2,931	5.7%	14,552	6.8%

Industry	City of Santa Barbara		Santa Barbara County	
	Number	Percentage	Number	Percentage
Retail trade	4,586	9.0%	20,456	9.6%
Educational services, and health care and social assistance	12,510	24.5%	49,462	23.2%
Arts, entertainment, and recreation, and accommodation and food services	7,789	15.3%	26,591	12.5%
Other services, except public administration	3,122	6.1%	11,823	5.5%
Public administration	1,447	2.8%	8,742	4.1%
Transportation and warehousing, and utilities	1,323	2.6%	6,484	3.0%
Information	1,428	2.8%	3,942	1.8%
Finance and insurance, and real estate and rental and leasing	2,656	5.2%	9,911	4.6%
Professional, scientific, and management, and administrative and waste management services	9,167	17.9%	25,849	12.1%
Wholesale trade	760	1.5%	3,889	1.8%
Total Employed City Residents	51,075	100%	213,438	≈ 100%

2015-2019 ACS, Table DP03

### City Resident Jobs by Occupation

According to the 2015 to 2019 ACS, the majority (64.4 percent) of City residents are employed in white-collar occupations, including management, business, science, arts, sales, and office occupations. Compared to the County of Santa Barbara, City residents held white-collar jobs at a slightly higher rate during this period (Table 8).

**TABLE 8: RESIDENTS IN WORKFORCE BY OCCUPATION  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Occupation Category	City of Santa Barbara		Santa Barbara County	
	Number	Percentage	Number	Percentage
Management, business, science, and arts occupations	23,174	45.4%	76,726	35.9%
Service occupations	11,726	23.0%	45,491	21.3%
Sales and office occupations	9,719	19.0%	40,877	19.2%
Natural resources, construction, and maintenance occupations	3,362	6.6%	30,562	14.3%
Production, transportation, and material moving occupations	3,094	6.1%	19,782	9.3%
Total Employed City Residents	51,075	≈ 100%	213,438	100%

2015-2019 ACS, Table DP03

## Housing Stock Characteristics

### Housing Conditions

The age and exterior condition of housing is one indicator of overall housing conditions. Approximately 87 percent of the housing stock in the City was built prior to 1990 (Table 9), which can raise housing maintenance issues. Housing units older than 30 years typically need some rehabilitation work to address issues with roofing, siding, and plumbing and electrical systems.

**TABLE 9: HOUSING UNIT AGE  
CITY OF SANTA BARBARA**

Year Structure Built	City of Santa Barbara		Santa Barbara County	
	Estimate	Percentage	Estimate	Percentage
Built 2014 or later	241	0.6%	2,406	1.5%
Built 2010 to 2013	798	2.0%	3,078	2.0%
Built 2000 to 2009	1,682	4.2%	12,308	7.8%
Built 1990 to 1999	2,313	5.8%	15,497	9.9%
Built 1980 to 1989	4,189	10.5%	23,414	14.9%
Built 1970 to 1979	5,587	14.0%	29,155	18.6%
Built 1960 to 1969	6,665	16.7%	31,650	20.1%
Built 1950 to 1959	7,319	18.3%	20,148	12.8%
Built 1940 to 1949	2,829	7.1%	6,058	3.9%
Built 1939 or earlier	8,309	20.8%	13,447	8.6%
<b>Total Housing Units</b>	<b>39,932</b>	<b>100%</b>	<b>159,317</b>	<b>100%</b>

2015-2019 ACS, Table DP-4

To further understand characteristics of the City’s existing housing stock, City staff conducted visual surveys to estimate the number of substandard units. If existing housing units fall into substantial disrepair or become dilapidated, they risk being removed from the City’s housing supply.

In April and May 2022, the City performed walking surveys of eight residential neighborhoods. These neighborhoods are a representative sample to provide for a general sense of the housing stock condition and were not intended to be a comprehensive City-wide survey. Housing units were surveyed from the street for the exterior condition of roofing, walls, windows, driveway, fencing, landscaping, and accumulated belongings in the yard. The condition of these elements was rated from one to three: one being “sound/good condition”, two being “minor/moderate need of repair”, and three being “substantial/major need of repair”.

- Roofing was rated based on its need for patching or replacement of damaged roof shingles or tiles.
- Walls were rated based on their apparent structural integrity, paint condition, and noticeable damages, such as cracking. For instance, walls that received a score of one and were considered in “sound/good” condition had few to no cracks, minimal peeling, and appeared structurally sound. Walls that received a score of two and were considered in “minor/moderate need of repair” had noticeable cracking and peeling, but nothing

substantial. Walls that received a score of three and were considered in “substantial/major need of repair” had significant cracking, peeling, and damage covering more than 50 percent of the housing unit, or appeared structurally unsound.

- Windows were rated based on if they were broken, cracked, or boarded up.
- The driveway was rated based on the severity of cracking.
- Accumulated belongings in the yard was rated based on the presence of inoperable machinery or personal belongings that were kept in the yard.
- Fencing was rated based on sagging, missing slats, or visible rusting.
- Landscaping was rated based on if it appeared to be maintained.

The ratings for each exterior condition were averaged and units were determined to be in “sound” to “dilapidated” condition.

The housing condition survey included a total of 1,584 housing units (Table 10). The majority of units were single-unit dwellings, followed by multi-unit complexes, and duplexes. Of the 1,584 units surveyed, 833 were found to be sound, 727 were found to be in minor need of repair, 22 were found to be in moderate need of repair, and two in substantial need of repair. None of the units surveyed were considered to be dilapidated.

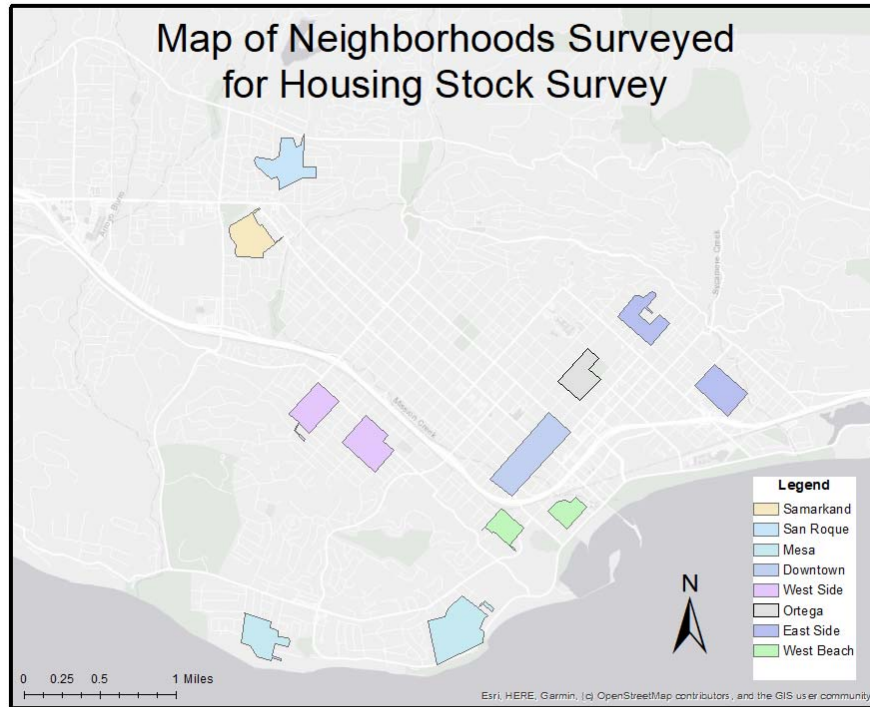
**TABLE 10: HOUSING CONDITIONS SURVEY  
CITY OF SANTA BARBARA (2022)**

Housing Type	Sound	Minor	Moderate	Substantial	Dilapidated	Total
Single-unit	690	557	17	2	0	1,266
Duplex	60	72	3	0	0	135
Multi-unit	83	98	2	0	0	183
<b>Total Units</b>	<b>833</b>	<b>727</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>1,584</b>
Percentage	52.6%	45.9%	1.4%	0.1%	0.0%	

2022 City Housing Stock Condition Survey

The eight surveyed neighborhoods include Laguna, Eastside, Westside, the Mesa, San Roque, Samarkand, Downtown, and West Beach (Figure 1). The Laguna area is a mixed residential neighborhood that transitions to denser multi-unit, institutional, and office uses closer to Santa Barbara Street and the Downtown. The Eastside neighborhood is mainly residential, with most of its commercial activity located along the Milpas Street corridor. The majority of the Eastside neighborhood is designated for medium density housing, but also contains single-unit homes in the northeast and

**FIGURE 1: HOUSING STOCK NEIGHBORHOODS SURVEYED**



southeast corners and medium-high density housing in the southern portion near Highway 101. The Westside neighborhood transitions from single unit to duplex to multi-unit housing as it moves west to east towards the City’s urban center and Highway 101. The Mesa neighborhood is predominately single-unit housing with a commercial center dividing the Mesa into East Mesa and West Mesa. The San Roque and Samarkand neighborhoods primarily consist of single-unit housing and are located near the Upper State Street district. The Downtown area is dominated by commercial buildings and denser multi-unit housing. The West Beach neighborhood consists of dense multi-unit housing alongside motels and hotels.

### Tenure and Vacancy Rates

According to ACS 2015-2019 estimates, the owner occupancy rate in the City of Santa Barbara is significantly lower than in Santa Barbara County. Approximately 40.7 percent of households own their homes in the City whereas approximately 52.1 percent of households own their homes in the County. This indicates that the City continues to be a prominent place for renter occupied households.

**TABLE 11: EXISTING HOUSEHOLDS BY TENURE  
CITY OF SANTA BARBARA VS SANTA BARBARA COUNTY**

Existing Households by Tenure	City of Santa Barbara	Percentage	Santa Barbara County	Percentage
Owner Occupied	15,180	40.7%	75,945	52.1%



Renter Occupied	22,153	59.3%	69,911	47.9%
<b>Total Households</b>	<b>37,333</b>	<b>100%</b>	<b>145,856</b>	<b>100%</b>

2015 – 2019 ACS, Table B25003

Table 12 shows the housing type mix for the County and City in 2006 to 2010 compared to 2015 to 2019. In the City, while multi-unit housing types have been steadily increasing, the breakdown in unit type has been very consistent over the last 20 years (i.e., about 55 percent single-units, 15 percent 2-4 units, 29 percent five or more units, and one percent mobile home and other), reflecting the City’s age and historic development patterns. The five-year ACS data presented in Table 10 is based on 60 months of collected data. The unit numbers do not necessarily match the housing unit data the City provides annually to the State Department of Housing and Community Development, which is based on number of housing permits issued.

**TABLE 12: HOUSING UNITS BY TYPE - CHANGE OVER TIME  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Housing Type	City of Santa Barbara			Santa Barbara County		
	2006-2010	2015-2019	Percent Change	2006-2010	2015-2019	Percent Change
One-unit, detached	18,185	18,984	4.4%	89,468	91,003	1.7%
One-unit, attached	3,437	2,843	-17.3%	10,154	10,641	4.8%
2 units	2,191	2,452	11.9%	5,080	4,946	-2.6%
3 or 4 units	3,254	3,143	-3.4%	9,859	9,575	-2.9%
5 to 9 units	3,493	3,803	8.9%	11,612	11,826	1.8%
10 to 19 units	3,488	3,287	-5.8%	8,942	8,951	0.1%
20 or more units	3,749	5,096	35.9%	9,467	13,271	40.2%
Mobile home	372	324	-12.9%	7,660	6,875	-10.2%
Boat, RV, van, etc. <sup>4</sup>	22	0	-100.0%	139	73	-47.5%
<b>Total Units</b>	<b>38,191</b>	<b>39,932</b>	<b>4.6%</b>	<b>152,381</b>	<b>157,161</b>	<b>3.1%</b>

2006-2010 and 2015-2019 ACS, Table DP-4

<sup>4</sup>Staff has been unable to determine why boat, recreational vehicle, and van housing types were reported as decreasing from 22 in 2006 – 2010 to zero in 2015 – 2019.

The total number of housing units have increased in both the City and County over the two five-year spans (2006 to 2010 and 2015 to 2019). The total number of units increased by a slightly higher rate in the City than in the County (4.6 percent vs. 3.1 percent).

**TABLE 13: OCCUPANCY STATUS  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Housing Units	City of Santa Barbara			Santa Barbara County		
	2006-2010	2015-2019	Percent Change	2006-2010	2015-2019	Percent Change
Occupied	35,335	37,333	5.7%	141,793	145,856	2.9%
Vacant	2,856	2,599	-8.9%	10,588	11,305	6.8%
<b>Total Units</b>	<b>38,191</b>	<b>39,932</b>	<b>4.6%</b>	<b>152,381</b>	<b>157,161</b>	<b>3.1%</b>

2006-2010 and 2015-2019 ACS, Table B25002

The City and County have similar vacancy rates (6.5 percent and 7.2 percent, respectively from the 2015 to 2019 data) among existing housing units. Based on comparisons between the two five-year spans (2006 to 2010 and 2015 to 2019), both the City’s and County’s number of occupied housing units has increased (5.7 percent and 2.9 percent, respectively). While the City’s number of vacant housing units has decreased (8.9 percent), the County’s number of vacant housing units has increased (6.8 percent). For the purposes of this analysis, housing units may be deemed “vacant” for a variety of reasons, which are shown in in Table 12 and further discussed below.

**TABLE 14: HOUSING STOCK BY TYPE OF VACANCY  
CITY OF SANTA BARBARA VS. SANTA BARBARA COUNTY**

Type of Vacancy	City of Santa Barbara			Santa Barbara County		
	2006-2010	2015-2019	Percent Change	2006-2010	2015-2019	Percent Change
For Rent	606	386	-36.3%	2,479	1,872	-24.5%
Rented, Not Occupied	546	218	-60.1%	1,290	797	-38.2%
For Sale Only	251	98	-60.9%	1,243	613	-50.7%
Sold, Not Occupied	60	66	10%	356	488	37.1%
For Seasonal, Recreational, or Occasional Use	975	1,067	9.4%	2,960	4,088	38.1%
For Migrant Workers	0	0	0%	4	208	5,100%
All Other Vacants	418	764	82.8%	2,256	3,239	43.8%
<b>Total</b>	<b>2,856</b>	<b>2,599</b>	<b>-8.9%</b>	<b>10,588</b>	<b>11,305</b>	<b>6.8%</b>

2006-2010 and 2015 – 2019 ACS, Table B25004
---------------------------------------------

The ACS definitions of vacancy are as follows:

- For rent: “Vacant units offered for rent and vacant units listed for rent or for sale”.
- Rented, not occupied: “Vacant units that have been rented (i.e., compensation has been paid or agreed upon) but where the renter has not yet moved in”.
- For sale only: “Vacant units offered for sale only (i.e., does not include vacant units that are listed for sale or for rent)”.
- Sold, not occupied: “Vacant units that have been sold but where the new owner has not yet moved in”.
- For seasonal, recreational, or occasional use: “Vacant units used or intended for use part time or occasional use throughout the year. This includes units used seasonally or recreationally, such as second or non-primary housing units, and timeshares”.
- For migrant workers: Vacant units designated for migrant workers (not specifically defined by the ACS).
- All other vacants: “Vacant units that don’t fall into any of the categories above. This can include units held vacant for personal or family reasons, units requiring or undergoing repair, corporate housing, units held for use by a caretaker or janitor, units subject to legal proceedings, units being kept vacant for a future sale, etc.”

The reasons for housing stock vacancy in both the City and the County were relatively diverse. That being said, units for seasonal, recreational, or occasional use made up the highest percentage of vacant units in both the City and the County, although that type of vacancy made up a higher percentage of total vacant units in the City than in the County (approximately 41.1 percent vs. 36.2 percent from the 2015 to 2019 data). Over the two five years spans (2006 to 2010 and 2015 to 2019), both the City’s and County’s “For Rent”, “Rented, Not Occupied”, and “For Sale Only” vacancy types have decreased. The City’s and County’s “Sold, Not Occupied”, “For Seasonal, Recreational, or Occasional Use”, and “All Other Vacants” vacancy types have increased. The City’s “For Migrants Workers” vacancy type had no change, while the County’s increased significantly.

## Household Characteristics

### Household Growth Trends 1990-2019

Table 15 shows that between 1990 and 2000, the number of City households increased by 1,257, representing a slight annual increase of 0.4 percent. The 2010 Census reported a net loss of 156 households in the City between 2000 and 2010. The 2015 - 2019 ACS estimated the number of households in the City to be 37,333, an average annual increase of 0.97 percent since 2010.

**TABLE 15: HOUSEHOLD GROWTH TRENDS (1990-2019)  
CITY OF SANTA BARBARA**

Year	Households	Numerical Change	Annual Percentage Change
1990	34,348		
2000	35,605	1,257	0.4%
2010	35,449	-156	-0.04%
2015 - 2019	37,333	1,884	0.6%

1990, 2000, 2010 Census, 2015 - 2019 Census ACS, Table B25003

## Housing Affordability

### Housing Affordability Criteria

State law establishes six income categories for purposes of designated housing programs based on the area (i.e., county) median income (“AMI”).

- Acutely Low (15 percent or less of AMI)<sup>5</sup>
- Extremely Low (16-30 percent of AMI)
- Very Low (31-50 percent of AMI)
- Low (51-80 percent of AMI)
- Moderate (81-120 percent of AMI)
- Above Moderate (over 120 percent of AMI)

Acutely and extremely low-income households are subsets of the very low-income households as it relates to RHNA and are defined as 30 percent of AMI and below. In addition to these categories, the City has identified “Middle-Income” (121-160 percent AMI) and “Upper-Middle” (161-200 percent AMI) in recognition of the high housing costs in the South Coast area. These income categories are used in the Inclusionary Housing Ordinance for ownership units to meet the needs of these households, which are typically not met with traditional local or state density bonus programs of government tax incentives.

Housing affordability is based on the relationship between household income and housing expenses. According to the U.S. Department of Housing and Urban Development (HUD) and HCD, housing is considered “affordable” if the monthly payment is no more than 30 percent of a household’s gross income. In some areas, these income limits may be increased to adjust for high housing costs.

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<sup>5</sup> Per 2021 state law (AB 1043 [2021]). State Income Limits apply to designated programs and are used to determine applicant eligibility (based on the level of household income) and may be used to calculate affordable housing costs for applicable housing assistance programs.

Table 16 shows 2022 affordable rent levels and estimated affordable purchase prices for housing in Santa Barbara County by income category. Maximum purchase prices are more difficult to determine due to variations in mortgage interest rates and qualifying procedures, down payments, special tax assessments, homeowner association fees, property insurance rates, etc. With this caveat, the maximum home purchase prices by income category shown in Table 16 have been estimated based on typical conditions.

**TABLE 16: INCOME CATEGORIES AND AFFORDABLE HOUSING COSTS  
SANTA BARBARA COUNTY**

<b>2022 County Median Income = \$100,100</b>	<b>Income Limits</b>	<b>Affordable Rent<sup>1</sup></b>	<b>Affordable Price (estimated)<sup>1</sup></b>
Acutely Low (15% and below)	\$15,015	\$375	-
Extremely Low (16-30%)	\$41,900	\$1,048	\$85,100
Very Low (31-50%)	\$69,850	\$1,746	\$221,600
Low (51-80%)	\$111,900	\$2,798	\$427,600
Moderate (81-120%)	\$120,120	\$3,003	\$467,700
Above Moderate (>120%)	>\$120,120	>\$3,003	>\$467,700

Revised April 2022  
Based on a 4-person household  
<sup>1</sup>Equal to 30% of gross income for rent or mortgage principle/interest/taxes/insurance (PITI)

### Extremely Low-Income Households

State housing law requires a quantification and analysis of existing and projected housing needs of extremely low-income (ELI) households as a subset of the very low-income group, defined as households with income 30 percent or less of Area Median Income (AMI). AMI, as established by HUD, corresponds to the income for a four-person household. According to the 2022 Income Limits published by the California Department of Housing and Community Development, a 4-person household with an annual income of \$41,900 or less is considered an extremely low-income household. ELI households have a variety of housing needs. Many families and individuals who receive public assistance, social security insurance, or disability insurance benefits are considered extremely low-income households. In addition, employed households earning 30 percent or less of the AMI are also considered ELI.

According to the HUD Comprehensive Housing Affordability Strategy (CHAS) data (2015~~4~~ – 2019~~8~~ ACS), the City had approximately 4,860 ~~395~~ ELI owner and renter households, representing approximately 13.4 ~~2~~ percent of all households. Of these 4,860 ELI households, 1,065 (21.9 percent) are owner households and 3,795 (78.1 percent) are renter households. Approximately 75.7 ~~8~~ percent of ELI owners and 73.7 ~~4~~ percent of ELI renters were reported to be overpaying for housing (cost burden greater than 30 percent of household income). Furthermore, approximately 69 percent of ELI owners and 67 percent of ELI renters are severely cost burdened (cost burden greater than 50 percent of household income). Many ELI households also face other housing problems, such as overcrowded living conditions and/or living without complete kitchen or plumbing facilities.

## EXISTING NEEDS

The City's 2020-2024 Consolidated Plan for allocating federal HUD formula grants includes an analysis of ELI household problems and needs. The Plan includes an assessment of ELI households that are experiencing one or more housing problems/severe housing problems, defined as:

1. Lacks complete kitchen facilities.
2. Lacks complete plumbing facilities.
3. More than one person per room/more than 1.5 persons per room (severe).
4. Cost burden greater than 30 percent/cost burden exceeds 50 percent (severe).

The analysis shows that 86 percent of ELI households have at least one of four housing problems, and 79 percent of all ELI households have a severe housing problem. The analysis also reviewed the need of any racial or ethnic group that has a disproportionately greater need in comparison to the needs of that category as a whole and found that for ELI households, no single racial/ethnic group experiences a disproportionately<sup>6</sup> high rate of need relative to the City as a whole.

The major obstacles to meeting the needs of ELI households include the high and sustained demand for public services, as well as the lack of funding. During the last 12 years, the City's CDBG allocation has dropped by 26 percent and the HOME allocation by 33 percent. These cuts, along with the state's elimination of Redevelopment Agencies, with no subsequent replacement, are the main obstacles to meeting underserved needs.

## PROJECTED NEEDS

To determine the projected housing needs for ELI households, the City assumed that 50 percent of the 2,147 very low-income RHNA units (1,073 units) are for ELI households. As discussed previously, ELI households typically experience overpayment, overcrowding, or substandard housing. In addition, some of these households may have physical and mental disabilities, which require special housing needs.

## RESOURCES

To address the array of housing needs for ELI households, the City continues to fund and promote affordable housing opportunities for its special needs population. Financial assistance is provided via the Low and Moderate Income Housing Asset Fund (LMIHAF), which has expended a total of 47 percent of the fund for development of rental housing affordable to ELI households since 2016. In addition, the federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program formula grants allocated to the City are prioritized to the needs of the lowest income residents, based on the assumption that due to the extremely high cost of rental and ownership housing, they are at greatest risk of displacement, homelessness, or other serious housing situations. In Program Year 2021, 1,950 ELI persons were served by CDBG and HOME funds where information of income by family size is required to determine eligibility.

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<sup>6</sup> [According to HUD, disproportionate need occurs when a household category has a level of need that is at least 10 percentage points higher than the level of need of all households in a particular income category.](#)

According to the CDBG and HOME Annual Action Plan, the City helped prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless through continued support of programs such as the Rental Housing Mediation Program, Fair Housing Enforcement Program, Legal Aid, PATH, and Transition House, all of which have substantial programs to assist in homeless prevention. Transition House offers a homelessness prevention program to assist very low-income households increase their earning potential and improve their household finance management. The Housing Rehabilitation Loan Program rehabilitates substandard multi-family buildings and implements affordability controls. The Rental Housing Mediation program assists and/or mediates disputes between tenants and landlords to prevent the possibility of displacement/homelessness. The Fair Housing Enforcement Program investigates reported cases of housing discrimination and educates the public on housing rights and responsibilities. Legal Aid provides legal services regarding uninhabitable residences, evictions, and unlawful detainers. PATH coordinates with Cottage Hospital to receive homeless individuals who need respite beds.

In addition, the City contracted with SB ACT to establish a citywide collaboration between homeless service providers; elected representatives; community leaders; and advocacy groups, which is intended to prevent duplication of effort and better serve homeless individuals, families and persons at risk of homelessness. One of the workgroups facilitated by SB ACT is a homelessness-prevention workgroup.

Non-entitlement resources the City makes available to, or are received by the City's partners to meet ELI needs include:

- Housing Authority of the City of Santa Barbara:
  - Housing Choice Voucher (Section 8): 2,869 units/households, 75 percent serving ELI households.
  - Workforce Housing: 200 units/households, 60 percent serving ELI households.
  - Senior Housing: 630 units/households, 63 percent serving ELI households.
  - Supportive Housing: 189 units/households, 88 percent serving ELI households.
- Continuum of Care Funds: The City is a partner in the County's Continuum of Care.
- Low-Income Housing Tax Credits: The federal 4 percent and 9 percent tax credit is the principal source of funding for construction of affordable rental housing.
- General Fund: The City budget commits approximately \$700,000 in Human Services Grants annually from the General Fund for programs that provide basic human needs, such as food and shelter, and programs that are preventative in nature.
- Permanent Local Housing Allocation: The City commits state funds to support street outreach services to persons experiencing homelessness, and to support the Rental Housing Mediation Program.

Smaller units can be one strategy to meet the needs of single ELI households. In 2004, the state Building Code was amended to reduce the size requirement for single room occupancy (SRO) units to a minimum of 150 square feet to facilitate their construction. The City's Municipal Code allows small units, including 150 square feet ~~and~~ ADUs and Junior ADUs (maximum 500 square feet) that would function similar to SROs, and possibly ~~which could~~ meet the needs of some ELI households. To date,

~~units of that size are rarely proposed or included in housing projects. In addition, supportive and transitional housing is an important component of meeting the needs of ELI individuals. The City has established partnerships and working relationships with nonprofit developers, such as the Mental Health Association of Santa Barbara and the City Housing Authority to provide housing opportunities for ELI households. Further, g~~Goals, policies, and programs intended to address the housing needs of all income levels, including ELI households, are included as part of this Housing Element. In addition to continuing the City’s partnerships and existing support for the resources and programs listed above, consistent funding for affordable housing one of the greatest needs, which is reflected in Program HE-29 Affordable Housing Funding.

## Housing Challenges

### OVERCROWDING

The U.S. Census has no official definition of a crowded unit but considers an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded. Overcrowding can serve as an indicator that a community does not have an adequate supply of affordable housing and/or lacks housing units of adequate size to meet the need of large households. Overcrowding can also result when high housing costs relative to income force too many individuals or families to share housing. Overcrowding can accelerate deterioration of the housing stock and associated infrastructure.

Table 17 indicates that approximately 8 percent of the City’s occupied housing units were considered overcrowded. Overcrowding was more common among renters (12 percent) than for owners (1 percent). About 4.8 percent of renter households reported severe overcrowding.

**TABLE 17: OVERCROWDED HOUSEHOLDS BY TENURE  
CITY OF SANTA BARBARA**

Housing Type	Owner		Renter		Total	
	Households	Percentage	Households	Percentage	Households	Percentage
Person per room						
1.00 or fewer	14,995	98.78%	19,393	87.55%	34,388	92.11%
1.01 to 1.50	135	0.90%	1,695	7.65%	1,830	4.90%
1.51 or more	50	0.32%	1,065	4.80%	1,115	2.99%
Total	15,180	100%	22,153	100%	37,333	100%
% Overcrowded by Tenure	185	1.20%	2760	12.45%	2945	7.88%
2015 - 2019 ACS, Table B25014						

According to the City’s Analysis of Impediments to Fair Housing Choice<sup>7</sup> (2020), many residents and stakeholders (i.e., organizations that provide housing and human services, fair housing enforcement and advocacy, services to residents with disabilities, residents in poverty, workforce development, and

<sup>7</sup> The City, as a recipient of Community Development Block Grant funds, is required to complete an assessment of fair housing, known as an Analysis of Impediments, or AI.



transportation) who were engaged in interviews and focus groups described situations of extreme overcrowding in the City—stemming from the shortage of affordable, appropriately sized units. In many cases families are sharing a single room and individuals are renting what stakeholders described as “closets” for hundreds of dollars per month.

**OVERPAYMENT**

A household is considered to be overpaying for housing (or cost burdened) if it spends more than 30 percent of its gross income on housing. Severe housing cost burden occurs when a household pays more than 50 percent of its income on housing. The prevalence of overpayment varies significantly by income, tenure, household type, and household size. For lower-income renters, severe cost burden can require families to double up, resulting in overcrowding and related problems.

**Renter Households Overpaying**

The HUD Comprehensive Affordable Housing Strategy (CHAS) data source estimates the percentage of household income paid for rent by total household income. High rents in the City have the most significant negative effect on lower income households. As shown in Table 18, 50 percent of renter households are cost burdened and 26 percent of all renters have a severe cost burden. Among lower-income renters, overpayment was estimated to effect 77 percent of households.

This information is especially somber when one considers that the City estimates that 14 percent of the housing stock is publicly subsidized. According to the City’s Analysis of Impediments to Fair Housing Choice (2020), 70 percent of renters worry about their rent going up to a level they can’t afford and 70 percent want to buy a house but are unable to afford it. Renters are also concerned about landlord behavior: 31 percent said they worry if they request a repair their rent will go up or they will be evicted. Low income respondents (those with household incomes below \$25,000) are particularly concerned about costs (rising rents and struggles to pay rent/mortgage) as well as overcrowding (units not large enough for their family).

**TABLE 18: COST BURDEN BY TENURE AND INCOME CATEGORY  
CITY OF SANTA BARBARA**

Category	Extremely Low	Very Low	Low	Moderate	Above Moderate	Totals	Total Lower Income Overpaying
Ownership Households	905	950	1515	950	10,770	<b>15,090</b>	3,370
Paying Over 30%	710	675	745	460	2,260	<b>4,850</b>	2,130
Percentage	78.5%	71.1%	49.2%	48.4%	21%	<b>32.1%</b>	63.2%
Paying Over 50%	625	535	470	255	630	<b>2,515</b>	1,630
Percentage	69.1%	56.3%	31%	26.8%	5.8%	<b>16.7%</b>	48.4%
Renter Households	3490	2,710	3,970	2,330	9,110	<b>21,610</b>	10,170
Paying Over	2575	2,105	3,175	1395	1,695	<b>10,945</b>	7,855

Category	Extremely Low	Very Low	Low	Moderate	Above Moderate	Totals	Total Lower Income Overpaying
30%							
Percentage	73.8%	77.7%	80%	59.9%	18.6%	<b>50.6%</b>	77.2%
Paying Over 50%	2,370	1,600	1,230	170	185	<b>5,555</b>	5,200
Percentage	67.9%	59%	31%	7.3%	2%	<b>25.7%</b>	51.1%
HUD CHAS Dataset, 2014 – 2018 ACS							

### Owner Households Overpaying

The picture is also troubling for many who live in owner-occupied housing in the City. Overall, about 32 percent of owner-occupied households are cost burdened and 17 percent of all owners have a severe cost burden. An estimated 63 percent of lower-income households are overpaying for housing ownership.

### Coastal Zone Housing

State law requires jurisdictions within Coastal Zone boundaries to review coastal zone affordable housing obligations including the preservation of existing units affordable to low- and moderate-income households and, where feasible, to include low- and moderate-income housing in new development. The following information is provided per Government Code § 65588(d):

- Since January 1982, 234 new housing units have been approved for construction in the City’s Coastal Zone, including 72 accessory dwelling units.
- 24 units for low- and moderate-income households were required to be provided as a result of projects approved either within the Coastal Zone or within three miles of it.
- 18 units were occupied by low- and moderate-income households and were authorized to be demolished or converted in the Coastal Zone since January 1, 1982.
- 1 unit for low- and moderate-income households was required either within the Coastal Zone or within three miles, in order to replace those being demolished or converted.

The City’s Coastal Land Use Plan (LUP) allows increased densities for affordable housing proposals using density bonus, inclusionary housing, or lot area modification, as long as the development is found consistent with the policies of the Coastal LUP. Furthermore, the City’s accessory dwelling unit ordinance was locally adopted and certified by the Coastal Commission for use in the Coastal Zone. Policies and programs to protect and provide affordable housing in the City (including the Coastal Zone) are provided in the Goals, Policies, and Programs section.

## Assessment of “At Risk” Assisted Units

Section 65583(a)(9) of the Government Code requires that the Housing Element include an analysis of existing assisted housing at-risk of changing to non-low-income housing uses during the next 10 years and, if necessary, the development of programs to preserve or replace those assisted housing units.

### At-Risk Affordable Rental Housing

Except for public housing and other Housing Authority units, the City does not own any affordable housing units. In return for the financial assistance the City provides, the developer/owners of the City’s affordable rental housing stock are required to make the units affordable to low-income households for a specified period of time. The City provides most of its financial assistance to local nonprofit organizations, since few for-profit firms have approached the City for assistance in building affordable housing. Regardless of whether they are for profit or nonprofit, all developer/owners of affordable housing units sign affordability covenants that specify allowable rent and income levels for the project.

Upon expiration of a project’s affordability controls, the affordable units are at risk of being sold or converted to market rate housing. Based on a review of the City’s records, the ~~45880~~ affordable rental housing units listed below in **Error! Reference source not found.** have affordability controls that will expire during the next 10 years (2023 through 2033).

**TABLE 19: PROJECTS WITH AFFORDABLE RENTAL HOUSING AT RISK (2023-2033)  
CITY OF SANTA BARBARA**

Address	Owner	Affordable Units/Income Level	Funding Sources <sup>1</sup>	Earliest Exp. Date
1104 Carpinteria Street	Borgatello	2/Moderate	Zoning Mod	2023
521 W Victoria	Shelter Services	15/Low	HOME/CDBG/RDA	2023
47 Broadmoor Plaza	Santa Barbara Community Housing Corporation (SBCHC)	15/Low	RDA	2023
82 N La Cumbre	Housing Authority Santa Barbara (HASB)	11/Low	RDA	2024
107 E Micheltorena	PathPoint	11/Low	CDBG	2024
1409 Castillo Street	SBCHC	14/Low	CDBG/RDA	2024
125 W Anapamu	Sanctuary Psychiatric Ctrs of Santa Barbara	27/Low	RDA/CDBG	2025
429 Stanley	DeVore	1/Low	Zoning Mod	2025
1511 Bath	Smagala	2/Low	RDA	2026
1610 Cliff	Berenstein Family Trust	1/Low	Zoning Mod	2027
2044 Chino	Lugo	1/Low	Zoning Mod	2028
816 Vine	HASB	6/Low	CDBG	2028
322 Ladera	Peoples Self Help Housing Corporation (PSHHG)	51/Low	HOME/CDBG/RDA	2028
<b>Total:</b>	<b>103 Projects</b>	<b>15880 Units</b>		
City of Santa Barbara 2022 <sup>1</sup> CDBG stands for the federal Community Development Block Grant Program; RDA stands for the City's Redevelopment Agency Housing Set-Aside funds; Zoning Mod does not stand for any source of funding, but rather for <u>lot area</u> modifications to the City's zoning code that were granted in return for dedication of affordable housing units.				

As indicated in the Assessment of Conversion Risk section below, nonprofit owners are considerably more likely than for-profit owners to maintain affordable housing units beyond the expiration of affordability controls. Only seven (4.4 8.8 percent) of the ~~158~~ 80 at-risk affordable rental units are owned by for-profit owners firms.

### At-Risk Affordable Ownership Housing

The City also ~~requires provides~~ affordable ownership housing opportunities in certain cases, such as conversion of apartments to condominiums, for mostly moderate-income households. Most of the early ownership projects were developed by two nonprofit organizations, Homes for People and Santa Barbara Community Housing Corporation, with financial assistance from the City and its Redevelopment Agency. Covenants on units in these projects were typically 30-year covenants. Since then, affordability periods for ownership units were extended to 90 years. Should the owner sell before the 30-year term concluded, then the next owner would sign on for a new 90-year covenant.

Listed below in Table 20 are 19 ownership projects in which covenants for 119 individual affordable ownership units could expire during the next ten years (2023-2033); the covenants for the remaining 94 units in the 19 projects will not expire until later (since these units were sold to new qualifying homeowners before the end of their affordability period). It is possible that owners in some of the 119 units with expiring covenants may end up selling before the end of their affordability period, which would trigger an additional period of affordability up to a maximum of 90 years.

Most of the new affordable ownership housing projects are currently built by for-profit developers without financial assistance from the City or its Successor Housing Entity to the Redevelopment Agency, pursuant to the City’s Inclusionary Housing Ordinance requirements (Title 30, Chapter 30.160) and Density Bonus incentives (Title 30, Chapter 30.145).

**TABLE 20: PROJECTS WITH AFFORDABLE OWNERSHIP HOUSING AT RISK (2023-2033)  
CITY OF SANTA BARBARA**

Address	At Risk Units	Total Units	Funding Sources <sup>1</sup>	Earliest Exp. Date
2001-11 Elise Way Maravillas	2/Moderate	3	RDA	2022
3708-3773 Gregory Way Franciscan Villas	14/Moderate	33	Zoning Mod	2023
1838 San Andres Street Pinecone	5/Moderate	5	RDA	2023
33 Ocean View Avenue Pueblo Andaluz	8/Moderate	10	RDA	2023
1920 Robbins Street Robbins Court	5/Moderate	6	Zoning Mod	2023
211 W. Gutierrez St. El Zoco	7/Moderate	16	RDA	2024
3902-3930 Vía Diego/402- 432 Vía Rosa La Colina Village	15/Moderate	25	Zoning Mod	2024
1019 Quinientos St. La Ventura	7/Moderate	9	RDA	2024
831 W. Anapamu Street 7 Oaks	4/Moderate	5	Zoning Mod	2025
414 W. De la Guerra St. Casa Chula	1/Moderate	3	RDA	2025
802-1141 Westmont Rd. Las Barrancas	14/Moderate	41	n/a	2026
3558-3578 Modoc Rd. Arroyo Verde	2/Moderate	8	Zoning Mod	2027
1024-1030 Quinientos/2-12 S. Voluntario St. Campos Feliz	4/Moderate	8	RDA	2027
3800-3839 La Cumbre Hills Ln. La Cumbre Hills	19/Middle	22	Zoning Mod	2027

Address	At Risk Units	Total Units	Funding Sources <sup>1</sup>	Earliest Exp. Date
2014-2016 Modoc/2041-2051 Oak Avenue Oak Creek	2/Moderate	4	RDA	2027
315 W. Los Olivos St. Los Olivos Village	6/Moderate	9	RDA	2028
417 W. Anapamu St. Villa Anapamu	1/Moderate	2	RDA	2028
915, 917 Bath Street Old Vic	1/Moderate	2	RDA	2032
329 W. Ortega Street Ortega Homes	2/Moderate	2	RDA	2031
<b>Total: 19 Projects</b>	<b>119 Units</b>	<b>213 Units</b>		

City of Santa Barbara 2022

<sup>1</sup>Zoning Mod does not stand for any source of funding, but rather for modifications to the City's zoning code that were granted in return for the dedication of affordable housing units; RDA stands for the City's Redevelopment Agency Housing Set-Aside funds.

### Affordable Rental Housing Projects with Expired Affordability Covenants

Table 21 below lists 10 projects with a total of 64 units where affordability covenants expired since the City's last Housing Element Update (from 2015 through 2022). In 2010, the City changed its policies to extend the affordability period for rental projects from 60 to 90 years.

**TABLE 21: AFFORDABLE RENTAL HOUSING WITH EXPIRED AFFORDABILITY COVENANTS  
(2015-2022)  
CITY OF SANTA BARBARA**

Project	Units	Status
1409 Kenwood Road	1	Covenant with the City of Santa Barbara expired in 2015
401-404 Transfer Avenue	8	<del>Covenant with a nonprofit owner expired in 2016 – HASB</del>
1426 Euclid Avenue	1	Covenant with a private owner expired in 2017
1215 Cacique Street	5	Covenant with a private owner expired in 2019
811-815 Salsipuedes Street	13	Covenant with a private owner expired in 2018
821 Bath Street	12	Covenant with a <del>the</del> nonprofit <u>Community Housing Corporation owner</u> expired in 2020; <u>however, loan terms are being renegotiated and the affordability terms will be extended – CHC</u>
<del>221-223 W. Victoria Street</del>	<del>12</del>	<del>Covenant with a nonprofit owner expired in 2020 – HASB</del>
432 W. Valerio	2	Covenant with a private owner expired in 2021
114 La Paz	2	Covenant with a private owner expired in 2021
1306 Garden Street	4	Covenant with a private owner expired in 2021
1910-1912 Robbins Street	2	Covenant with a private owner expired in 2021
222 Meigs Road	2	Covenant with a private owner expired in 2022
<b>Total Units</b>	<b><u>64</u></b>	
City of Santa Barbara 2022		

### Monitoring At-Risk Affordable Units

All affordable housing units are monitored throughout the affordability period established as part of their recorded affordability covenants. No later than 12 months prior to the expiration of an affordability covenant for rental properties, the property owner is contacted to discuss and identify ways to extend the affordability period. For ownership projects, the City sometimes offers rehabilitation funds in exchange for extended affordability covenants; however, the City cannot unilaterally extend ownership covenants. In the case of rental projects, the affordability term can be extended by refinancing the loan agreement. For example, in 2021, the City extended two affordability covenants by an additional 30 years each through loan subordinations. The City encourages the Housing Authority and other nonprofits to acquire units with affordability limits that are due to expire.

If the affordability period is not extended, notices are sent to tenants with information regarding the impending expiration of the affordability period. Tenants are made aware that rents could be raised and are provided information on rules established by State law regarding rent increases, noticing requirements, City rental mediation services, and other affordable housing providers in the area.

### Estimated Replacement Costs

Because producing new housing in Santa Barbara is very expensive, it can be more cost-effective to protect existing covenant-controlled units than build new units. Rents for low-income units simply do not

support the conventional financing needed to acquire property and build affordable housing; therefore, deep subsidies are required. Land costs are high, even in areas with high concentrations of low-income households. Nevertheless, the City works closely with nonprofit developers to leverage additional funds and permit as many new units for lower income households as possible. As noted above, the City works with nonprofits to extend affordability covenants typically by renegotiating 30-year loan terms. In exchange for extending the loan term, the developer is required to extend the affordability covenant. Costs to the City of preserving units in this manner are difficult to quantify but they include loss of repayment on the loans, deferred interest, or forgiving interest payments.

If the at-risk affordable units were to be replaced by new affordable units, based on new construction figures for the next affordable housing project to be built in the City (29 units at Vera Cruz Village), the cost per unit is \$702,413. This amount includes land and building acquisition, construction “hard costs”, contractor and developer fees, and soft costs (i.e., architectural, engineering, financing, permit, and legal fees, etc.). In leveraging other funds, such as tax-exempt bond financing, conventional loans, and contributions from the developer, the City subsidy for affordable housing projects is relatively low. Using the total per unit development cost cited above (without subsidies), it would cost nearly \$139.95 million to replace the 277 199 at risk units with new units.

## Assessment of Conversion

As enumerated in Table 20 and Table 21 above, there are 10 3 affordable rental housing projects with 458 80 at-risk units and 19 affordable ownership housing projects with 119 at-risk units. Affordable rental housing units under for-profit ownership are perceived as being at higher risk of conversion to market rate housing when affordability controls expire. Most of the at-risk affordable rental housing units (91 6 percent) are owned by nonprofit organizations.

The affordable rental housing units considered at the highest risk of conversion are the remaining seven units that are owned by for-profit firms. Fortunately, two of these seven units (28 percent) are in projects where either tenancy restrictions (such as senior housing) will continue for the life of the project, or the owner actively participates in the Housing Choice Voucher Program (or both).

The City has taken steps to extend the life of recorded covenants for affordable housing units. As mentioned above, the term for new affordability covenants is now 90 years. The City also works nearly exclusively with nonprofit firms for the creation of its affordable rental housing, which effectively extends the affordability period in perpetuity (or at least for as long as the nonprofit organization is in existence). The City relies mostly on for-profit firms to create the affordable ownership housing through density bonus incentives and inclusionary housing requirements. Covenant terms for ownership units were also extended to 90 years.

## Qualified Entities and Resources to Preserve “At-Risk Units”

The resources needed to preserve at-risk units are typically either 1) funding to purchase existing units or develop replacement units; 2) nonprofits with the intent and ability to purchase and/or manage at-risk units; or 3) programs to provide replacement funding for potentially lost Housing Choice Voucher Program rent subsidies.



**FINANCIAL RESOURCES FOR REPLACEMENT HOUSING**

The City is proud of its affordable housing record. Since 1973, the City has provided approximately \$150 million in grants and loans for the production and preservation of about 4,316 affordable housing units. As detailed below, the City receives affordable housing funds from several sources. The remainder of the funds will be used to continue the City’s strong commitment to providing affordable housing.

**The City’s Redevelopment Agency Housing Set-aside Funds**

From 1977 to 2012, the largest source of City affordable housing financing was the City’s Redevelopment Agency (RDA). As required under state redevelopment law, the RDA dedicated at least 20 percent of its “tax increment” income generated from its downtown redevelopment project area for affordable housing (for very low, low, and moderate-income households). Since the City’s Redevelopment Agency began operating in 1977 until the state dissolved the RDA in 2012, the RDA provided \$66.1 million in loans and grants of redevelopment funds to approximately 70 affordable housing projects (rentals, ownership, and group/transitional housing) in the City. In June 2011, the California Legislature adopted Assembly Bill 1X26 (the “Dissolution Act”) resulting in the dissolution of all redevelopment agencies in California as of February 1, 2012. The Bill included provisions for the City, in which the agency was located, to assume all right, title, and responsibility for the housing assets of the dissolved agency. In January 2012, the Santa Barbara City Council designated the City of Santa Barbara as the Successor Housing Entity to the Redevelopment Agency of the City of Santa Barbara and in November 2012, the City adopted Resolution No. 12-083 and assumed all right, title, and interest in all housing assets of the former Redevelopment Agency.

State law requires unencumbered Housing Asset Funds (HAF) to be used as previously required for monies in the Low and Moderate Income Housing Asset Fund established under the RDA (also known as “set-aside” funds). Subsequent amendments expanded the requirement to include specified types of services within permissible categories of homeless prevention and rapid rehousing.

Since dissolution of the RDA, the City has invested \$32.15 million of set-aside funds in 11 affordable housing projects intended to serve seniors/special needs/homeless populations with low, very low, and extremely low-income levels. Table 22 lists the affordable housing projects totaling 288 very low and low income units.

**TABLE 22: AFFORDABLE HOUSING PROJECTS USING SET-ASIDE FUNDS  
CITY OF SANTA BARBARA (2014 – 2022)**

Project	Status	Amount (Millions)	Low	Very Low	Total Units
Transition House (Mom’s Place) 421-425 E. Cota	Completed	\$1.6	2	14	16
Bradley Studios 512-518 Bath Street	Completed	\$8.4	0	54	54
Habitat #3 822 and 824 Canon Perdido Street	Completed	\$0.93	12	0	12
233 W. Ortega/630 Bath Street	Completed	\$0.30	2	4	6

Project	Status	Amount (Millions)	Low	Very Low	Total Units
2904 State Street	Completed	\$1.15	8	0	8
Jardin de las Rosas 510 – 520 N. Salsipuedes	Completed	\$2.0	39	0	39
Grace Village 3869 State St.	Completed	\$0.50	57	0	57
Presidio Park Apartments 420 E. De La Guerra St.	Completed	\$11.19	49	0	49
Johnson Court 813 E. Carrillo St.	Completed	\$2.00	0	16	16
817 N. Salsipuedes St.	Completed	\$0.53	3	0	3
Vera Cruz Village 110-116 E. Cota St.	Construction	\$3.55	2	26	28
<b>Total</b>		<b>\$32.15</b>	<b>174</b>	<b>114</b>	<b>288</b>
City of Santa Barbara 2022					

### Federal Home Investment Partnerships (HOME) Program Funds

The City is a Participating Jurisdiction under the HOME Program and has received funding since the inception of the program in 1992. Since 2018, annual allocations have remained relatively steady at approximately \$500,000. By law, HOME funds must be spent on producing or preserving housing or providing tenant-based rental assistance for low and very low-income households.

### Federal Community Development Block Grant (CDBG) Funds

The City is a CDBG Entitlement Jurisdiction and receives an annual allotment of funds accordingly. Since 2018, this annual funding has also remained relatively steady at approximately \$900,000. The funds must benefit low and very low-income individuals. The City spends most of its CDBG entitlement funds on capital improvements and related social services. As mentioned above, CDBG program income (loan repayments) is used for rehabilitation of nonprofit rental projects.

### Housing Choice Voucher Program

The Housing Choice Voucher Program (formerly called the Section 8 Program) is a valuable resource that provides housing for low income and special needs households and helps preserve some at-risk units with long term contracts. Both nonprofit organizations and for-profit firms/owners participate in this program, which is operated by the Housing Authority of Santa Barbara. Under this program, federal funds are used to help low income households pay rent for both affordable and market rate housing. There are two housing options, each with their own waiting list: tenant-based vouchers and project-based vouchers. Tenant based vouchers allow assisted households to use a voucher at open rental market units. Project-based vouchers offer rental housing options at specific locations. Property owners receive direct payments equal to the difference between the market rent and the tenant’s contribution to the rent (30 percent of household income). There are currently 2,536 Housing Choice Vouchers used in the City (R. Fredericks, City of Santa Barbara Housing Authority, June 2022).

The Housing Authority has an ongoing relationship with the Santa Barbara Rental Property Owners Association whereby they provide free advertisement on the program for landlord outreach on their

website and in their monthly magazine. Additionally, the Housing Authority was selected by HUD to be in their innovative Move-To-Work Program under the Landlord Incentives Co-hort. The Housing Authority provides the following incentives to landlords to take advantage of the Housing Choice Voucher Program:

- \$1,000 for new landlords (who haven't participated in last 5 years or a new property);
- \$2,000 mitigation fund for unpaid rent or damages;
- Up to 10.5 days vacancy payment (between consecutive Section 8 tenancies); and
- Security deposit loan program.

## Special Housing Needs

California Government Code § 65583(a), requires an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. Per § 65583(a)(7), this section analyzes the needs of seniors, people with disabilities (including developmental disabilities), large families, families with female heads of households, students, farmworkers, and families and persons in need of emergency shelter in the City. These specific groups typically encounter more difficulty in finding decent, affordable housing due to special circumstances. Special needs may be related to one's employment type and income, family characteristics, medical condition or disability, or household characteristics.

These households may require special accommodations, such as on-site supportive services, unique building design, or spatial accommodations. Special considerations should be taken to ensure adequate housing for seniors, single parent households, people with disabilities, people living below the poverty line, students, and people experiencing homelessness. Furthermore, many of these groups overlap. For instance, many seniors live with a disability, and many single mothers are homeless. Generally, these groups would be assisted by an increase in affordable housing, especially housing located near public transportation and services.

### Consolidated Action Plan

The City of Santa Barbara prepared a 2020–2024 Consolidated Plan and 2020 Annual Action Plan (Consolidated Action Plan) to comply with HUD's federal block grant funding requirements. The Consolidated Action Plan identifies overall housing and community development needs for the City. In addition to the data used in this section, the Consolidated Action Plan was used to determine housing needs and goals.

### Seniors

The number of elderly persons as a percentage of total U.S. population is expected to continue to increase over the coming decades due to the aging "Baby Boom" generation, lower birth rates in recent years, and longer life expectancies. In 2019, the national population aged 65 or older numbered 54.1 million, or 16 percent of total population. The number of older Americans has increased by 14.4 million (or 36 percent) since 2009, compared to an increase of 3 percent for the under-65 population (Administration for Community Living, 2020 Profile of Older Americans, May 2021).

Housing affordability is an important consideration for older residents, as they typically live on fixed incomes. Persons aged 65 and older often have special needs related to housing, such as particular construction and location requirements to facilitate mobility and access. For instance, they may require ramps, handrails, lower cabinets, and counters to allow greater access and mobility. In addition, due to limited mobility, seniors need close proximity and access to public facilities (e.g., medical and shopping) as well as public transit. Housing for this age group is often constructed at higher densities and typically consists of one- and two-bedroom apartment units.

According to the 2015 to 2019 ACS, nearly 19 percent of the City’s 91,376 population was age 65 years or older. Based on that, the percentage of residents 65 years and older is estimated to have increased from 14.2 percent in 2006 to 2010 to 18.6 percent in 2015 to 2019.

**TABLE 23: CITY POPULATION BY AGE**

Age	2006 -2010	Percentage	2015 - 2019	Percentage
Up to 64 Years	75,837	86%	74,318	81%
65 Years +	12,573	14.2%	17,058	18.6%
<b>Total</b>	<b>88,410</b>		<b>91,376</b>	

2015 - 2019 ACS, Table DP05

The City has a greater share of residents over the age of 65 (18.6 percent) compared to Santa Barbara County (14.9 percent) and California as a whole (14.8 percent).

As a special needs group, the elderly are in some respects unique. According to the 2015 to 2019 ACS, the majority of elderly households in the City are homeowners, representing 61.9 percent of all elderly households.

**TABLE 24: ELDERLY HOUSEHOLDERS BY TENURE AND AGE**

Householder Age	Owners	Renters	Total Households
65 – 74 Years	3,600	2,309	5,909
75 Plus Years	3,191	1,864	5,055
<b>Total</b>	<b>6,791</b>	<b>4,173</b>	<b>10,964</b>

2015 – 2019 ACS, Table B25007

This is a high rate of ownership for a population comprising about 19 percent of the total population in the City. However, of elderly homeowners, 1,039 households pay more than 30 percent of their monthly income on housing costs, and 770 households pay more than 50 percent of their monthly income on housing costs (2011- 2015 CHAS). Senior households may be less able to cope with increasing housing costs (rents for renters and property taxes for owners) as they are more likely to be living on a fixed retirement income. Most seniors desire to age in place but may need accessibility modifications as they age and may need additional support services in order to properly maintain their home and property. Many may also require transportation services and easy access to health services and home health care options and support related to aging in place such as home modification, home repair, and assistance with maintenance.

In the City of Santa Barbara, there are three continuing care retirement communities for the elderly with a capacity for 1,192 persons and 19 residential care facilities with a capacity for 529 persons.

The City's Human Services and CDBG programs allocate grants to support local nonprofit organizations that provide services to low- and moderate-income seniors, including those with disabilities. Table 25 provides a partial listing of these organizations.

**TABLE 25: COMMUNITY DEVELOPMENT BLOCK GRANT RECIPIENTS**

Organization	Services
Foodbank Older Adult Nutrition Program (formerly known as Brownbag Program)	Home food delivery for low-income seniors
Family Services Agency	Long Term Care Ombudsman to advocate for the rights of residents in skilled nursing homes and assisted living facilities. Senior Services free case management and support for people 60 and older or those caring for older residents
Area Agency on Aging (Central Coast Commission for Senior Citizens)	Programs that promote health, dignity, and well-being of older adults. Produces the Senior Resource Directory. One member on the Board of Directors is recommended by Santa Barbara City Council.
Friendship Adult Day Care Center	Classes and programs for seniors and dependent adults with Alzheimer's/dementia/other health conditions of aging and their family caregivers
City Parks and Recreation Senior Programs	Exercise programs and classes at the Carrillo Recreation Center and Louise Lowry Davis Center
Center for Successful Aging	Provides peer counseling and support programs
Santa Barbara Meals on Wheels	Delivers meals to those who might otherwise go without, due to the inability to shop or cook for themselves.
Housing Authority	Provides multiple affordable housing opportunities for seniors, and the Housing Choice Voucher Program.

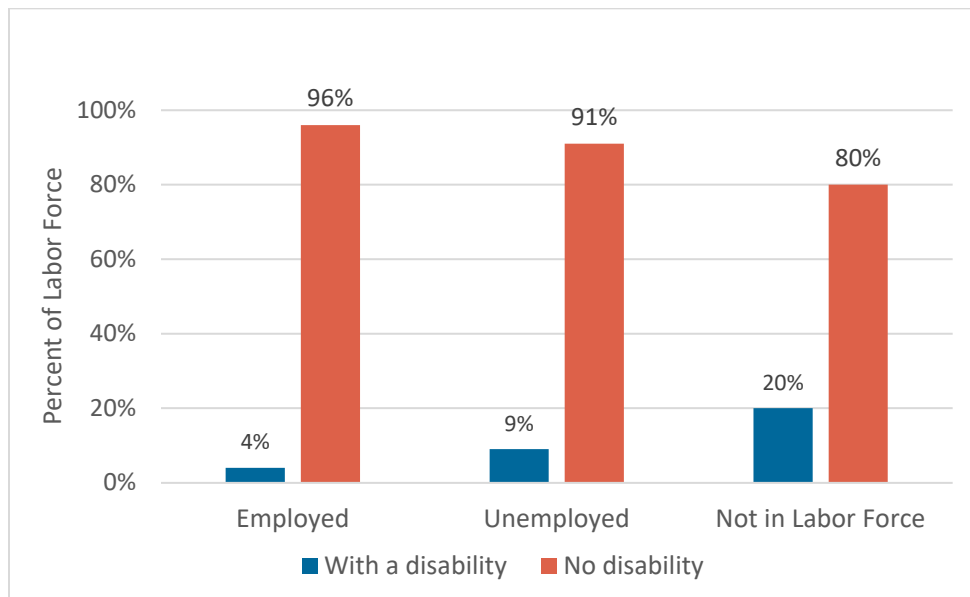
## Persons with Disabilities

Persons with disabilities have special housing needs and face unique problems in obtaining affordable and adequate housing. Persons with disabilities often have particular requirements due to accessibility issues, fixed or lower income and high health care costs. There are different types and levels of disabilities, including physical (mobility impairments, sight impairments, hearing impairments or speech impediments), mental, and developmental disabilities. Because of this broad range of types of disabilities, identifying and meeting housing needs is challenging.

Individuals with disabilities require conveniently located housing in close proximity to transit, retail, and commercial services, as well as their place of employment. Housing adapted for wheelchair accessibility, ramps, lower sinks, grip bars, wider doorways, etc., is required for the physically disabled. Making a new or existing dwelling unit accessible requires different features depending on the type of disability. The Fair Housing Act requires buildings with four or more new units to meet accessibility requirements. All federally assisted new housing projects with five or more units must design and construct 5 percent of the units, or at least one unit, to be accessible for persons with mobility disabilities. The Americans with Disabilities Act of 1990 (ADA) requires public and common use areas in housing developments to be accessible to persons with disabilities. However, housing developments built prior to the Fair Housing Act (after March 13, 1991) or prior to ADA rarely include accessible features and some of these units can be difficult to retrofit.

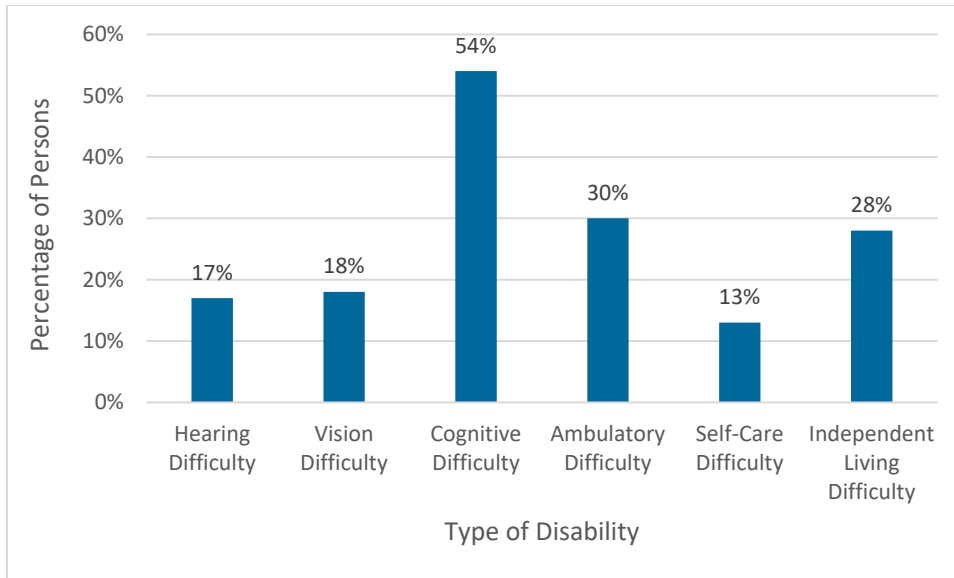
Another serious problem that people with disabilities face is one of housing affordability. The cost of housing in Santa Barbara and the low-income status of most people with disabilities make it difficult to find housing. For many of the disabled population, the only source of income is Supplemental Security Income (SSI) benefits. Given this limited income, rent often accounts for a major portion of their monthly expenses. Therefore, a variety of housing types, both rental and ownership, should be made available for this segment of the population.

The total civilian noninstitutionalized population of persons aged 18 to 64 is 58,559. Of those, seven percent (4,151 persons) have a disability. As shown in Chart 1 (2015-2019 ACS, Table C18120), shows persons with a disability by employment status. About 13.4 percent (2,075 persons) of non-institutionalized persons in the total labor force of 48,608 persons (i.e., employed or unemployed and actively looking for work/available for work) stated that they had a disability, while 20 percent not in the labor force had a disability.

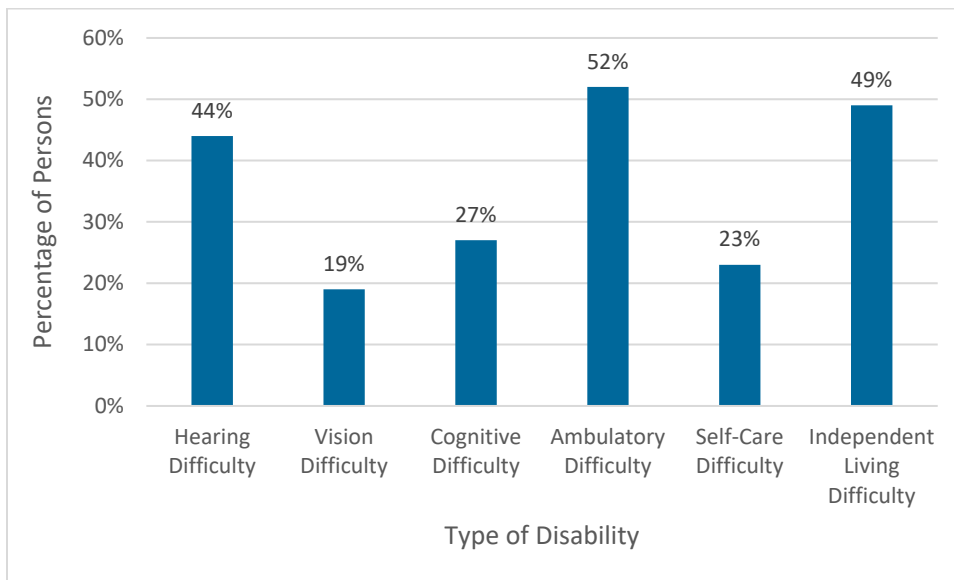


**Chart 1: Noninstitutionalized Persons with a Disability by Employment Status**

Persons ~~aged 5 to 64 years of age and younger~~ represent 51 percent (4,602 persons) of the total disabled population of 9,057 persons. The most frequently reported disabilities in this age group were cognitive (54 percent), ambulatory (30 percent), and independent living difficulty (28 percent) (Chart 2). For seniors (age 65+), representing 49 percent of the disabled population (4,455 persons), the most frequently reported disabilities are ambulatory (52 percent), independent living difficulty (49 percent), and hearing (44 percent) (Chart 3). It is important to note that totals in Charts 2 and 3 may exceed 100 percent due to multiple disabilities per person. Data for Chart 2 and 3 is sourced from the 2015 - 2019 ACS, Table S1810.



**Chart 2: Percentage of Persons Ages 5-64 by Type of Disability**



**Chart 3: Percentage of Persons Ages 65 and Over by Type of Disability**

**DEVELOPMENTAL DISABILITIES**

As defined by state law, “developmental disability” means a substantial disability of an individual that:

- Is manifested before the individual attains age 18.
- Continues, or can be expected to continue, indefinitely.

The term includes intellectual disability, cerebral palsy, epilepsy, autism, and disabling conditions closely related to intellectual disability or requires treatment similar to that required for individuals with

an intellectual disability. It does not include other handicapping conditions that are solely physical in nature.

The State Department of Developmental Services (DDS) collects data on individuals with a developmental disability by zip code and residence type. As of June 2019, the City of Santa Barbara had approximately 485 persons aged 17 and younger and 458 persons over 18 with developmental disabilities (some zip codes span into Santa Barbara County unincorporated areas). Of those, 75 percent are living with parents or family guardian, 19 percent are in independent and supportive living situations, and six percent are in an intermediate care facility.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

**RESOURCES**

The DDS provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. Santa Barbara is served by the Tri-Counties Regional Center (TCRC) which is based in Santa Barbara. As of May 2022, TCRC served approximately 17,600 clients, with approximately 4,000 clients living in Santa Barbara (TCRC Director of Community Development). Any resident who has a developmental disability that originated before age 18 is eligible for services.

Local community-based organizations that serve the disabled population are shown in Table 26. The City’s Human Services and CDBG programs allocate grants to help support these local nonprofit organizations that provide services to low- and moderate-income residents with disabilities. The City’s Community Development and Human Services Committee includes representatives from the disabled community and the City’s Access Advisory Committee meets quarterly to assist and advise staff on general matters concerning access and compliance with the State Building Code regarding accessibility for people with disabilities.

**TABLE 26: ORGANIZATIONS THAT PROVIDE SERVICES TO PEOPLE WITH DISABILITIES**

Organization	Services
Independent Living Resource Center	Advocacy for independent living and full access for individuals with disabilities for residents of Santa Barbara, San Luis Obispo, and Ventura counties
Tri-Counties Regional Center	Lifelong services and support for people with developmental disabilities for residents of Santa Barbara, San Luis Obispo, and Ventura counties
Alpha Resource Center	Services and support for families of children with developmental disabilities, day services for adults 22 years of age and older with intellectual and developmental disabilities, and social and recreational activities for teens and young adults
CHANCE Housing	Helps adults and children with disabilities find and maintain affordable, accessible community based housing
Salvation Army	Adult day care programs for seniors with mental and physical disabilities



Organization	Services
Mental Wellness Center	Provides a range of services for individuals with mental illnesses. The Residential Services Program includes more than 100 beds consisting of adult residential board and care homes, independent living, and Housing First facilities for people diagnosed with serious mental illness.
Friendship Adult Day Care Center	Activities for seniors and dependent adults with cognitive disabilities
Hillside House	Care for moderate to severely disabled, low-income adults

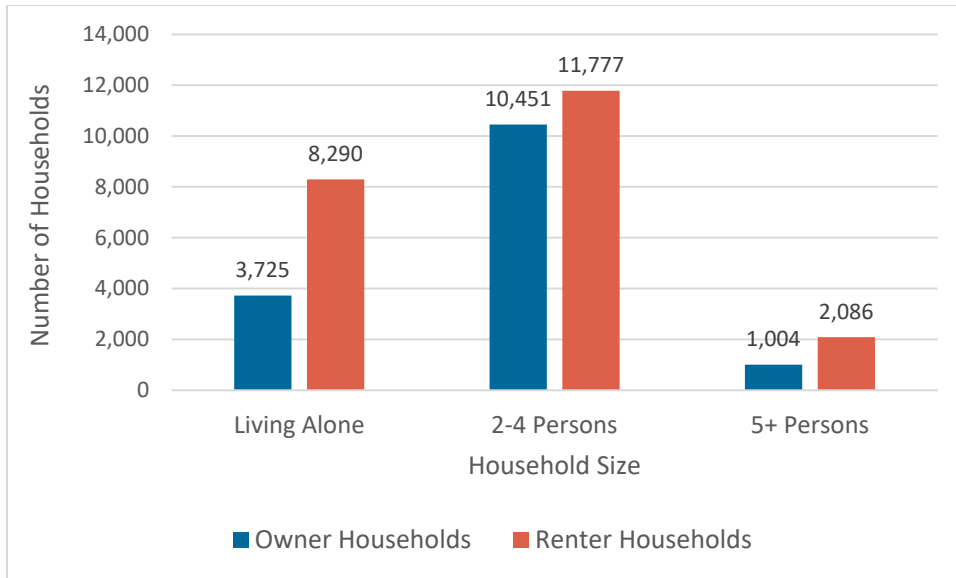
## Large Households

Large households include five or more persons. Due to the limited supply of affordable, adequately-sized units to accommodate large households, large families face an above-average level of difficulty in locating adequate housing. Even when larger units are available, the cost is generally higher than that of smaller units. The lack of supply, compounded with the often lower incomes of larger families, results in many large families living in overcrowded conditions.

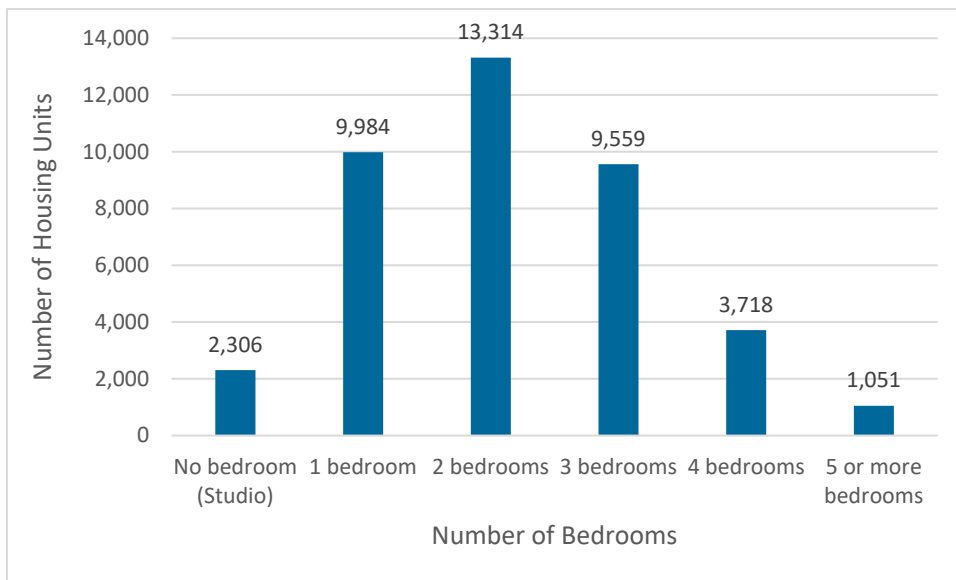
The 2015 to 2019 ACS shows that large households comprise 8.3 percent of all households in Santa Barbara. This percentage has not changed since the 5<sup>th</sup> Cycle Housing Element. Of those, 32.5 percent are owners and 67.5 percent are renters. By comparison, households of 2-4 persons comprise 59.5 percent and single person households comprise 32.2 percent of all households. Overall, the housing need for small units exceeds that for units with three or more bedrooms. This trend is expected to continue in the coming decades due to the growth in the senior population, who often live alone.

As shown in Chart 5, the City has approximately 14,328 existing units with three or more bedrooms which could accommodate large households. Under the AUD program, larger rental units are encouraged and provided in some projects because density is not based on bedroom count. In the 5<sup>th</sup> Cycle (up to December 2021), 64 three+ bedroom market rate units were approved, issued a building permit, or constructed and the Housing Authority of Santa Barbara (HASB) acquired one three bedroom/two bathroom house. Larger deed-restricted affordable units are included in the City’s Housing and Human Services affordable housing inventory, including 181 three+ bedroom ownership units and 202 three+ bedroom rental units (40 of which are HASB units). The Housing Authority has an additional 132 three+ bedroom units in its portfolio.

The data from Chart 4 is from 2015 – 2019 ACS, Table B25009. The data from Chart 5 is from 2015 – 2019 ACS, Table DP-4.



**Chart 4: Household Size of Renter & Owner-Occupied Households**



**Chart 5: Housing Units by Number of Bedrooms**

Large family households in Santa Barbara are much more likely to have a housing problem (defined as incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, and cost burden greater than 30 percent) than small family households: 43 percent of small family household have a housing problem compared to 75 percent of large family households (City of Santa Barbara Analysis of Impediments to Fair Housing Choice, 2020).

### Female Headed Households

Single parent households, in particular female-headed households, generally have lower-incomes and experience higher living expenses. This makes it difficult to find safe, decent, and affordable housing.

These households can also face challenges in attaining affordable childcare, health care, and other supportive services. Female-headed households, especially those with children, have special needs with respect to affordable, adequately sized housing units, located near schools and recreational facilities.

The 2015 – 2019 ACS estimates reported that about 31 percent of all households in the City are female headed households. Of those, 13 percent are with children, and 87 percent without. Of all families under the poverty level, 48 percent are female-headed.

**TABLE 27: FEMALE HEADED HOUSEHOLDS**

Household Type	Estimate	Percent of Total Households (37,333)
Female Headed Householders	<b>11,397</b>	<b>31%</b>
Female Heads with Own Children	1,477	4%
Female Heads Without Children	9,920	27%
Total Families Under the Poverty Level	1,376	
Female Headed Households Under the Poverty Level	664	2%

2015 – 2019 ACS, Table B11012, B17012

## College and University Housing

There are three major schools (a university and two colleges) within the Santa Barbara area. The University of California at Santa Barbara (UCSB) is located just west of the City. UCSB had an enrollment of 26,124 undergraduate and graduate students for the Fall 2021 Quarter; 10,375 of those students (40 percent) lived in UCSB housing facilities comprised of residence halls, family student housing, and undergraduate and graduate apartment housing. The remaining 54 percent live in the local community, and 5 percent live elsewhere. Of those living in the local community, 5 percent, or 1,310 individuals, live in the City of Santa Barbara. UCSB is the largest employer in Santa Barbara County, employing a total of nearly 11,000 academic and non-academic staff (UCSB 2021-2022 Campus Profile). Faculty and staff housing on or near the campus includes 224 for sale units for faculty, and 35 rental units for faculty and staff.

Santa Barbara City College (SBCC) is located within the City of Santa Barbara. SBCC does not provide on-campus or off-campus housing for students. As of fall 2021, SBCC had an enrollment of 14,039 students, including students on the main campus, students from local high schools (dual enrollment), and exclusively online. Of those, 39 percent have a mailing address in the City of Santa Barbara. From 2014 – 2021, SBCC student enrollment dropped 23 percent, with most of the decrease coming from part-time students (The Channels, 10/29/21). Some SBCC students live in residence halls or other student housing options alongside UCSB students in Isla Vista. Others live in privately-owned, off-campus, student housing apartments and single-unit residences adjacent to SBCC.

Westmont College is located in Montecito, a 10-minute drive east of Santa Barbara. Westmont is restricted to an on-campus enrollment of 1,200 students through a Conditional Use Permit. Westmont provides on-campus housing for 98 percent of its students; therefore, fewer Westmont students impact the rental housing market. Westmont also provides faculty and staff housing.

There are also several smaller schools in Santa Barbara, including Antioch University, Fielding Graduate University, and Santa Barbara College of Law. Although these schools have small enrollments or cater to those already living and working in Santa Barbara, they do contribute students to the demand for affordable rental units. Foreign language schools in Santa Barbara also contribute to the demand for rental housing. While these schools offer a variety of housing accommodations, such as living with a host family, at a hotel, or in a dormitory with other students, students may choose to rent an apartment unit while attending school. Competing for rentals with local residents not only impacts the availability of rental housing, but also makes it attractive for landlords to rent their units at higher prices.

University and college students have special housing needs due to limited income and financial resources. Most students are able to work only part-time to accommodate their study program. It is not uncommon for students to earn lower incomes and pay over half their annual income for housing. Students may double-up in rooms to make rent payments more affordable.

University and college students impact the rental housing market. These students can be a significant factor that affect housing availability and rent levels, especially in areas close to the schools. Apartments and houses near these schools generally experience lower vacancy rates and a higher turnover due to the cyclical school year. Because of the increased demand placed by students, owners with units close to colleges can charge higher rents, and often rent out individual bedrooms within a house to students to maximize rents charged.

## **Farmworkers**

According to the 2021 Santa Barbara County Agricultural Production Report, the total gross production value of agriculture in 2021 was over \$1.9 billion. Farmworker households are a special needs group due to lower incomes typically earned by these households. Migrant and other farmworker households are generally located close to the agricultural areas providing employment. As noted in Table 5, it is estimated that 0.8 percent of the City's residents are employed in agriculture, forestry, fishing and hunting, and mining jobs. The City of Santa Barbara has a limited amount of agricultural uses, mostly on the northern edge of the City, north of Foothill Road and between the Riviera and the northern City limits. There are also smaller pockets in the Braemar Ranch area and on upper West Valerio Street. All the agricultural uses occur on land zoned for single-unit residential use. The City does not have an agricultural zone designation.

The City's main agricultural crop grown is avocados, which traditionally is not labor intensive. Information contained in the Environmental Impact Report prepared for the City's Agricultural Uses: General Plan and Municipal Code Amendments (SB-147-90), certified in 1993, indicates that there was approximately 130 acres of agricultural use within the City limits, including avocados, lemons/limes, and nursery. Avocados and lemons/limes are grown predominately on hillside areas and nursery stock is grown on relatively level mesa areas. It is estimated that there are only 20 to 30 larger agricultural operations in the City. The majority are small, possibly one-half acre or less. Therefore, agricultural uses have been relatively stable in the City of Santa Barbara.

The housing needs of farmworkers are difficult to quantify. The ability to gather information about farmworkers is limited because they are often mobile and reluctant to participate in any survey. According to the 2017 USDA Agricultural Census, there were 22,985 hired farmworkers in Santa Barbara County and ~~42,684~~21,101 of those worked on larger farms with 10 or more workers. Data is not available at the city level. ~~Based on the fact that farm operations in the City are relatively small and are located in residential zones, there is not a significant need for housing exclusively for farmworkers. Therefore, t~~

The housing needs of farmworkers are met through a variety of housing types and programs, such as accessory dwelling units, deed-restricted affordable units, and housing choice vouchers, are addressed as part of the City's general affordable housing programs. As noted above, there is no agricultural zoning in the City and State regulations that require farmworker housing by right in agricultural zones do not generally apply. As discussed in the Constraints section, City zoning regulations comply with state law and will be amended to allow employee housing for six or fewer persons a use by right in single-unit zones. allow small farmworker housing developments as an agricultural use. (See also the discussion of farmworker housing regulations in the Constraints section.)

## People Experiencing Homelessness

The US Department of Housing and Urban Development (HUD) defines homelessness in four broad categories (24 CFR Part 91.5):

- People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or who are exiting an institution where they resided for up to 90 days, provided they were in shelter or a place not meant for human habitation immediately prior to entering that institution;
- People who are losing their primary nighttime residence, which may include a motel or hotel, within 14 days and lack resources or support networks to remain in housing;
- Families with children or unaccompanied youth (under 25 years of age) who are unstably housed and are likely to continue in that state, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment; or
- People who are fleeing or attempting to flee domestic violence and lack the resources or support networks to obtain other permanent housing.

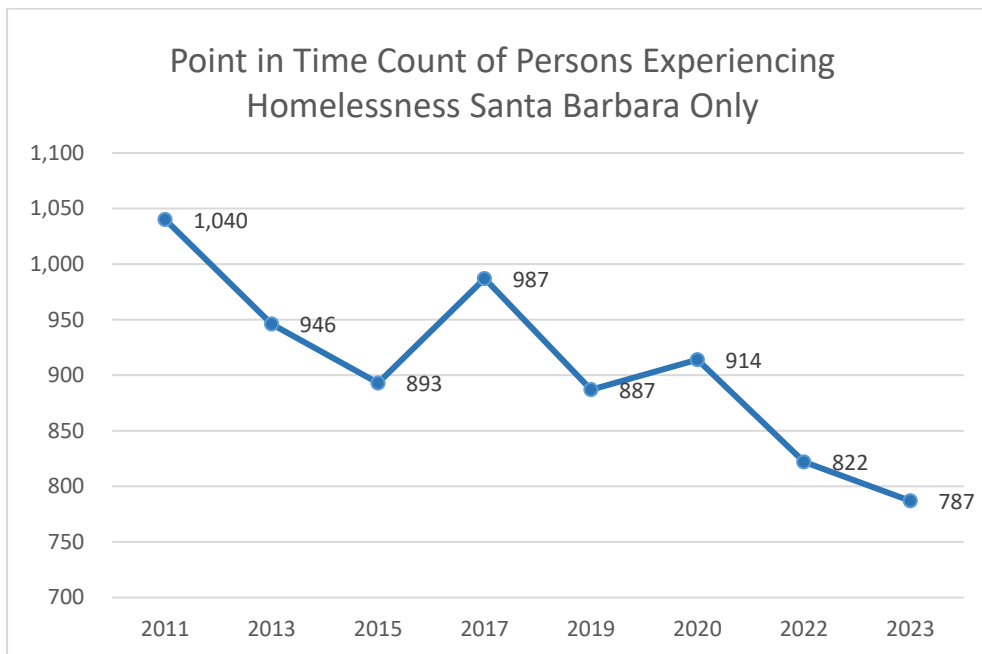
Although there are myriad causes of homelessness, among the most common are low-income, substance use disorders, disabilities, domestic violence, and mental illness. The 2020 Point-in-Time Count, a nationwide snapshot count of persons experiencing homelessness, found more than 580,000 people living without a home either on the streets or at shelters, a number that has increased each year since 2017. At 28 percent, California has the largest percentage of the nation's homeless population. More notably, California has more than half of the unsheltered population in the country and are more vulnerable to health problems, violence and trauma, and longer periods of homelessness.

~~In the City of Santa Barbara, the number of persons experiencing homelessness has averaged around 927. Preliminary r~~Results of the 2022 Point-in-Time (PIT) Count identified 822 homeless individuals

living in the City of Santa Barbara. Although this represents a 10 percent decrease since the last count, this total still represents 41 percent of the homeless population countywide.

Government Code Section 65583(a)(7) requires that the assessment of emergency shelter needs be based on the most recent homeless PIT count conducted before the start of the planning period, i.e., the 2022 PIT. However, preliminary results of the 2023 PIT show a continued decrease to the City’s overall number of persons experiencing homelessness—787 total in Santa Barbara, with the number of sheltered persons increasing from 304 to 375 since the last count, and the number of unsheltered decreasing by 20 percent to 412. This reduction in unsheltered homeless is a result of significant efforts to increase the number of shelter beds in the City, and investments in street outreach and Neighborhood Navigation Centers, which will be discussed further in this section. Despite the overall decrease in the total number of persons experiencing homelessness, the City’s share is still 42 percent of the total homeless population.

**CHART 6: POINT IN TIME COUNT BY YEAR**



~~According to the County of Santa Barbara 2020–2021 HUD performance data, 3,347 persons experiencing homelessness were served countywide during this period, while the countywide Point in Time count estimated 1,962 persons. The number of homeless individuals in the City far outpaces the number of existing shelter beds, transitional housing, or permanent supportive housing units available.~~

**EMERGENCY SHELTER NEEDS ASSESSMENT FACILITIES SERVING THE HOMELESS**

There are a number of facilities and programs that address homelessness in the City of southern Santa Barbara County area. While ending homelessness requires a focus on permanent housing solutions, the following types of temporary housing is necessary to support a full system.

~~**CHART 6: NUMBER OF PEOPLE EXPERIENCING HOMELESSNESS BY YEAR**~~

- Emergency Shelter: provides temporary shelter for homeless individuals, and which does not require occupants to sign leases or occupancy agreements. Also includes navigation centers, bridge housing, and respite and recuperative care. Services include meals and case management.
- Transitional Housing: provides homeless individuals and families with interim housing and support to successfully move into permanent housing. Residential stay is generally limited to 24 months, and tenants must have a signed lease, sublease, or occupancy agreement.
- Permanent Supportive Housing: provides indefinite leasing or rental assistance paired with supportive services to assist homeless persons achieve housing stability.

The following facilities serving the homeless are based in the City of Santa Barbara. Currently, the City has a total of 823 964 beds/rooms/units available to serve the homeless in various forms (Table 28). Additionally, in 2022 two projects were added to the inventory—Dignity Moves with 34 units and Hospitality House with 24 units, increasing total capacity to 1,022 for 2023. As demonstrated below, the City continues its commitment to the support of housing opportunities for persons experiencing homelessness. (Table 28).

**TABLE 28: HOUSING FOR PEOPLE EXPERIENCING HOMELESSNESS  
CITY OF SANTA BARBARA**

Facility Type	Capacity
Emergency Shelter	33013
Transitional Housing	54120
Rapid Re-Housing	48
Permanent Supportive Housing	446232
<b>Total Housing</b>	<b>878</b>
Safe Parking for People Living in Their Vehicles	86
Other	158
<b>Total Capacity</b>	<b>96409</b>
<b>Total Need*</b>	<b>1,778 Units</b>
<p>* In 2022, two projects were added to the inventory: Dignity Moves with 34 units and Hospitality House with 24 units, increasing total capacity to 1,022 for 2023. <u>County of Santa Barbara and City of Santa Barbara Phase II Community Action Plan to Address Homelessness 2021</u></p> <p>*The number of units needed is for the South Coast of Santa Barbara, which includes Santa Barbara, Goleta, Isla Vista, Montecito, Summerland and Carpinteria, and includes temporary beds, rapid rehousing, permanent supportive housing and long term rental subsidies.</p>	

Table 29 shows the breakdown of the number of beds by type countywide from the 2022 Housing Inventory Count (HIC) provided by the Consortium of Care (CoC). This data shows that while the City’s share of total homeless persons is 42 percent of the countywide total, the number of emergency shelter beds within the City of Santa Barbara make up 51 percent of the total emergency beds available countywide.

**TABLE 29: NUMBER OF BEDS BY TYPE AND AREA**

<u>City/Area</u>	<u>Emergency Shelter</u>	<u>Transitional Housing</u>	<u>Rapid Re-Housing</u>	<u>Permanent Supportive Housing and Other</u>	<u>Total</u>
<b><u>Santa Barbara</u></b>	<b><u>330</u></b>	<b><u>54</u></b>	<b><u>48</u></b>	<b><u>446</u></b>	<b><u>878</u></b>
Santa Maria	162	28	24	434	648
Other Unincorporated					
County	7	0	209	637	853
Lompoc	102	20	66	70	258
Isla Vista	36	0	0	32	68
Goleta	7	0	0	24	31
Santa Ynez Valley	0	0	8	0	8
Carpinteria	0	0	0	6	6
<b>Total</b>	<b>644</b>	<b>102</b>	<b>355</b>	<b>1,649</b>	<b>2,750</b>

Housing Inventory Count 2022 County of Santa Barbara

As stated earlier, the 2022 PIT identified 822 homeless individuals throughout the City of Santa Barbara. Of those, 304 were sheltered (i.e., living in a supervised publicly- or privately-operated shelter designated to provide temporary living arrangements) and 518 were unsheltered (i.e., with a primary nighttime residence that is a public or private place not designated for or ordinarily used as a regular sleeping accommodation, including a car, park, abandoned building, bus or train station, airport, or camping ground).

As shown in Table 29, above, there are 330 year-round emergency shelters in the city, with transitional housing providing an additional 54 year-round beds, for a total of 384 year-round beds<sup>8</sup>. During the PIT survey, 342 of those beds were filled, with 42 beds open to unsheltered homeless persons. Reducing the number of vacant beds from the unsheltered PIT count leaves 476 persons remaining in need of shelter.

Based on the formula utilized by the County of Santa Barbara’s Community Action Plan to Address Homelessness to annualize the one-time PIT survey there is an annual need of 714 beds. Further, utilizing the turnover rate of beds (based on Homeless Management Information System data), the City needs to accommodate an additional 310 emergency beds to shelter the unsheltered population.<sup>9</sup> Utilizing the same formulas as above and applying it to 2023 PIT data which counted 412 unsheltered individuals—a decrease of 20 percent since last year—there are 347 persons remaining in need of shelter, which reduces the number of additional emergency beds to 226 beds. This reduction in unsheltered homeless persons is a result of significant efforts by the City and partners to increase the

<sup>8</sup> The 2022 Housing Inventory Count conducted as part of the PIT noted 53 year-round beds were unavailable during the PIT survey due to COVID-19 response protocols. Those protocols were lifted in 2023.

<sup>9</sup> Multiplied number of individuals remaining in need of shelter by 1.5 and then divided the product by 2.3. Source Santa Barbara County Housing Element – 2023-2031, special housing needs.



number of available shelters in the City, and investments in street outreach and Neighborhood Navigation Centers.

### **DATA LIMITATIONS**

There are two data sets that were not available to the City: The number of beds that go unused on an average monthly basis, and the number of supportive housing units that were vacant during the PIT/HIC count.

The average number of beds that go unused on a monthly basis was unavailable, however the City was able to obtain the number of unused emergency beds counted during the PIT count: 42 in 2022, and 65 in 2023, and utilized this data in its assessment. Additionally, the number of supportive housing units that were vacant (unused) during the PIT/HIC were not available at the city level. The HIC noted 99 supportive housing beds were unused during the 2022 count Countywide. Given that the City of Santa Barbara makes up 27 percent of the permanent supportive housing stock in the county, having access to this data point would further reduce the number of additional emergency beds the City would require. In future PIT/HIC counts the City will request this information at the city level.

### **ASSEMBLY BILL 2339 (2022)**

AB 2339, effective on January 1, 2023, amended housing element law regarding identification of zones and sites for emergency shelters, and transitional and supportive housing. It requires that zoning designations that allow emergency shelters as a permitted use without a conditional use permit or other discretionary permit must allow residential uses. The City's Zoning Ordinances allow emergency shelters in all residential and nonresidential zones, but all zones except M-C (Manufacturing Commercial) require a Conditional Use Permit (CUP). ~~In accordance with Senate Bill 2 (2007), the M-C Manufacturing Commercial zone (Title 30 Zoning Ordinance) allows emergency shelters as a permitted use without discretionary approval.~~ The M-C zone also allows residential uses.

The City must also demonstrate the adequacy of sites identified to accommodate emergency shelters. Identified opportunity sites in the M-C zone demonstrate sufficient capacity to support the development of additional emergency shelters as a permitted use without discretionary approval. The City's Suitable Sites Inventory (Appendix G) lists approximately 67 vacant or underutilized M-C zoned properties totaling 25.2 acres of available land. These parcels either separately (larger parcels) or in combination (smaller parcels) could accommodate the development of emergency shelter facilities. See the Housing Constraints section for more information.

In the Coastal Zone (Title 28 Zoning Ordinance), emergency shelters require a Conditional Use Permit (CUP). The two major emergency shelter facilities, PATH Shelter (zoned M-1/C-2/S-D-3) and Santa Barbara Rescue Mission (zoned OM-1/S-D-3), are currently permitted with a CUP. Amending their respective zones to allow emergency shelters by right requires coordination with the California Coastal Commission because these zones are intended to provide appropriate ocean-dependent and related industrial uses in close proximity to the Harbor.

The Zoning Ordinances consider ~~In the inland area of the City (Title 30 Zoning Ordinance),~~ transitional and supportive housing ~~are considered~~ a residential use of property and they are subject to only those restrictions that apply to other residential dwellings of the same type in the same zone.

**PROGRAMS FOR PEOPLE EXPERIENCING HOMELESSNESS**

Although the County is the public entity responsible for attending to people experiencing homelessness, the City is deeply involved in helping the homeless. The City collaborates with the County and supports various partner agencies to implement an effective multi-pronged effort to assist in the provision of adequate housing and social services to this population. The City is a strong partner in a continuum of care that supports prevention programs, emergency shelter, transitional programs and permanent supportive housing. Table 30 describes the main programs.

**TABLE 30: PROGRAMS FOR PEOPLE EXPERIENCING HOMELESSNESS**

Program	Description
Elected Leaders Forum on Homelessness	The city participates on the County-sponsored regional forum for local elected representatives to learn about concerns, demographic trends, best practices, and future grant and other funding opportunities
Santa Maria/Santa Barbara County Continuum of Care	The Continuum of Care (CoC) is a regional planning body that coordinates housing and funding for services funding for homeless persons. The city is a represented on the Governing Board by key high level-staff. City partnered to secure \$2.5 million in state Encampment Resolution Funds
Dignity Moves	A nonprofit organization that provides interim housing solutions. Dignity Moves and the County <del>created</del> <u>are creating</u> a transitional housing project on a County parking lot within the City of Santa Barbara that will provide <del>34</del> <u>3</u> temporary, small, portable housing units and related facilities for the unhoused population, prioritized as those with an established history in downtown Santa Barbara. To assist the County on this needed project, the City is providing County employees with parking access at a nearby City Parking lot for the duration of the project, to offset the County’s loss of parking space, at a value of \$294,400.
Santa Barbara Alliance for Community Transformation (SB ACT)	The City has contracted with SB ACT to develop a unified, strategic response to homelessness. The Common Agenda/Strategic Plan was developed by a steering committee of community stakeholders (which includes City leadership and staff) and identifies four main goals: increase the number of affordable housing units by 20 percent; increase the rate of housing retention by five percent; reduce the percentage of people entering homelessness from a housed situation by ten percent; and strengthen the coordination and availability of outreach and case management services by 25 percent.
Regional Action Plans (RAPs) and Working Groups	SB ACT convenes regular neighborhood-centered group meetings (RAPs) to discuss issues of concern, inform the public about efforts to address homelessness, and develop strategies to reduce the impacts of homelessness. There currently are three RAPs in the City of Santa Barbara attended by residents, business leaders, and service providers. <u>In 2022, in coordination with the City SB ACT also convenes monthly meetings with service providers to coordinate services to individuals residing in highly impacted neighborhoods.</u> <del>Additionally, SB ACT leads monthly working groups of housing agencies, service providers, and individuals with lived experience to increase coordination and collaboration. Staff from the City’s Rental Housing Mediation Program, Library, and Environmental Services, among other City programs participate in these work groups.</del>

Program	Description
<p>Neighborhood Navigation Centers (NNC)</p>	<p>The City provides funding to SB ACT to operate NNCs, a “one-stop-shop” location to provide case management, food distribution, medical and veterinary care, sanitation services, and more provided by many nonprofit organizations. The City’s Library is a NNC partner, and provides homeless individuals with computer and internet access; phone charging and printing stations; workforce development and/or literacy program intakes; assistance obtaining vital documents or applying for government benefits (i.e., MediCal, CalFresh, lifeline phones, low-cost internet, etc.) NNCs operate Thursdays at Alameda Park and Tuesdays at the Carrillo Commuter Lot, and Wednesdays at the Rescue Mission. <u>In 2022, these NNCs resulted in 65 street exits.</u></p>
<p>City Net</p>	<p>City Net provides <del>four</del> street outreach, <del>workers and</del> case-management, and housing navigation services to persons experiencing homelessness in Santa Barbara, funded by State of California’s Permanent Local Housing Allocation Program, which the City receives annually. City Net works closely with local shelters, landlords, Cottage Hospital, Santa Barbara Police Department, SB ACT, and various service providers to coordinate outreach and housing location services and is often the first line of response to our unhoused population. <u>In early 2023, the City contracted with City Net to expand services from Thursday through Sunday until 11:30 a.m. to 10 p.m. in addition to regular weekday services.</u></p>
<p><u>People Assisting the Homeless (PATH)</u></p>	<p><u>The City provides annual operations support to PATH, an interim housing program serving homeless individual men and women. Services include an on-site health clinic, mental healthcare, substance use counseling, housing location, employment and benefits assistance, meals and hygiene facilities.</u></p>
<p>Tenant Based Rental Assistance (TBRA)</p>	<p>The City has partnered with New Beginnings, Transition House, and the Housing Authority of the City of Santa Barbara to provide rental assistance to low-income households in order to rent market-rate units.</p> <p>The City has utilized its federal HOME entitlement award to fund TBRA programs since 2012. The HOME TBRA program operates similarly to the Section 8 Program. TBRA rental assistance grants may facilitate security deposit payments and/or monthly rental housing assistance for up to 24 months <del>to low-income households, including homeless persons and those at imminent risk of becoming homeless.</del></p> <p>Since 2010 <del>2</del>, TBRA assistance has been provided to more than <del>330</del> <u>1,324</u> households.</p>

# 3. HOUSING CONSTRAINTS

## Governmental Constraints

Potential constraints on the provision of housing that could be attributed to governmental actions include factors such as land use controls, local processing and permit procedures, on-and offsite improvement requirements, other City regulations, application of building codes, and fees. Each potential constraint and its effect on the production of housing in Santa Barbara is discussed below.

### Land Use Controls

Below is a description of the various plans, documents, and other controls that set forth the goals, policies, and standards that affect where housing is located and the development standards and requirements that shape housing developments. Pursuant to Government Code 65940.1(a)(1) (A) and (B), all documents and standards summarized below can be found on the City’s website.

### General Plan Land Use Element

The original City of Santa Barbara General Plan was adopted in 1964 and was most recently comprehensively updated in December 2011. State law requires that all cities and counties in California have a General Plan that includes a land use element. The land use element designates the proposed general distribution and location of the extent of land uses for public and private uses, including land and natural resources suitable for designation in the General Plan’s environmental resources element.

Specific to the Housing Element, the Land Use Element establishes residential land use designations that allow for a mix of housing types. Table 31 outlines the residential land use designations and applicable base densities in the General Plan. Urban land use designations allow a higher density range with the City’s Average Unit Size Density Incentive (AUD) program, indicated in parentheses.

**TABLE 31: SANTA BARBARA GENERAL PLAN RESIDENTIAL DENSITY RANGES**

General Plan Designation	Maximum DU/Ac
<b>Hillside</b>	
Low Density Residential 1	1
Low Density Residential 2	2
Low Density Residential 3	3
<b>Suburban</b>	
Low Density Residential 3	3
Low Density Residential	5

General Plan Designation	Maximum DU/Ac
Medium Density Residential	12
<b>General Urban</b>	
Medium High Density Residential	<u>12 to 18</u> (15 to 27 <u>with AUD Program</u> )
High Density* Residential	<u>12 to 18</u> (28 to 36 <u>with AUD Program</u> )
<u>Hotel/Medium High Density Residential</u>	<u>12 to 18</u> (15 to 27 <u>with AUD Program</u> )
<u>Ocean Related Commercial/Medium High Density Residential</u>	<u>12 to 18</u> (15 to 27 <u>with AUD Program</u> )
Office/Medium Density Residential	12
Office/Medium High Density Residential	15 to 27
Office/High <u>Density*</u> Residential	<u>12 to 18</u> (28 to 36 <u>with AUD Program</u> )
Commercial/Medium High <u>Density</u> Residential	<u>12 to 18</u> (15 to 27 <u>with AUD Program</u> )
Commercial/High <u>Density*</u> Residential	<u>12 to 18</u> (28 to 36 <u>with AUD Program</u> )
Commercial Industrial/Medium High <u>Density</u> Residential	<u>12 to 18</u> (15 to 27 <u>with AUD Program</u> )
City of Santa Barbara General Plan 2011; BAE, 2022. *High Density designations can achieve densities of 49-63 DU/Ac if developed under the Priority Housing Overlay incentive program and the units are restricted to rental, employer sponsored housing, or cooperative housing.	

According to state law, the default minimum density for land targeted to address the RHNA for lower-income households in Santa Barbara is at least 20 dwelling units per acre. “At least” means the density range allowed on the parcel by the zone has to include the default density. Densities achieved through the Average Unit-Size Density Incentive (AUD) Program are higher as discussed in further detail below. The City is currently processing amendments to the Zoning Ordinance to change the base density range to include default densities up to 20 units per acre. In addition to the AUD Program density incentives, state and local density bonus incentives allows developers to exceed the density limits listed above. During the 5<sup>th</sup> cycle Housing Element period, approximately 13 projects have been approved or are pending approval at higher densities using City or state density bonus. General Plan densities have not been shown to be a constraint on housing.

## Coastal Land Use Plan

The City's first Coastal Land Use Plan (LUP) was certified by the California Coastal Commission in 1981 and was most recently comprehensively updated in 2019. The Coastal Act requires that the City's LUP include the kind, location, density, and intensity of land uses within the Coastal Zone and that public access, recreation, aquaculture, coastal-dependent, and coastal-related uses be prioritized on oceanfront lands that are suitable to those purposes. Visitor-serving and recreational uses, particularly lower cost ones, shall also be protected and encouraged.

Most land use designations in the LUP allow residential uses, except for Hotel and Related Commercial, Industrial, Coastal-Oriented Industrial, Institutional, Beach, Parks/Open Space, Harbor-Stearns Wharf, and limited areas within Ocean-Oriented Commercial.

The 2013 Zoning Ordinance amendments that established the AUD Program have not been submitted to or certified by the Coastal Commission. Without the AUD Program effective in the Coastal Zone, the highest allowed density is currently 27 dwelling units per acre.

## Zoning Ordinance

The City has two Zoning Ordinances for different areas of the City. Title 28 is used in the Coastal Zone while Title 30 is used in the remainder inland portion of the City. Title 30 was recently reformatted and updated and instances where nomenclature or standards differ in Title 28 are noted in parenthesis or otherwise below. The City intends to submit Title 30 to the Coastal Commission for certification and use in the Coastal Zone to eliminate the need for two separate Zoning Ordinances. The Zoning Ordinance has specific standards for base zones, with additional development standards for overlay zones and specific plan zones.

### BASE ZONES

Specific to housing, the base zone regulations includes: ~~six~~

- **RS Residential Single Unit** is intended to provide areas for single-unit housing on individual lots at appropriate low densities with allowances for an Accessory Dwelling Unit or Two-Unit Residential Development when certain standards are met. Designators (e.g., -25, -15) refer to minimum lot size in thousands of square feet or, in the case of RS-1A, acres. This zone also allows manufactured housing and mobilehomes on an approved permanent foundation. ~~residential zoning designations, a two-unit zone, and two multi-unit residential zoning designations.~~ Development standards for each of these residential designations, including density, height, open space, and others, can be found in Appendix F. Two-unit and multi-unit housing is allowed in the following three zones:
- **R-2 Two-Unit Residential** is intended to provide areas for medium-density residential where the principal use of land is for two-unit dwellings. Single-unit dwellings and garden apartment developments are also allowed.
- **R-M (R-3) Residential Multi-Unit** is intended to provide areas for a variety of multi-unit housing types.
- **R-MH (R-4) Residential Multi-Unit and Hotel** is intended to provide areas for a variety of multi-unit housing types.

Residential development is also an allowed use in most of the City’s nonresidential zones, including: O-R (R-0) (Office Restricted), O-M (C-O) (Office Medical), C-R (C-P, C-1, C-L) (Commercial Restricted), C-G (C-2) (Commercial General), and M-C (C-M) (Manufacturing Commercial).

Development standards for each of these residential designations, including parking, height, open yard, and others are summarized below, details can be found in Appendix F.

## OVERLAY ZONES

There are twelve Overlay Zones in the City, as provided in Table 322 below.

**TABLE 32: OVERLAY ZONES**

Overlay Zone Description	Zone Designation
Auto, Commercial, and Services	ACS
Coastal Zone	CZ
Hazardous Waste Management Facility	HWMF
Historic District	HD
Landmark District	LD
Mobile Home Park	MP
Planned Unit Development	PUD
Research and Development	RD
Resort Hotel	RH
San Roque Park Subdivision	SRP
Senior Housing	SH
Upper State Street Area	USS

City of Santa Barbara Municipal Code, 2022; BAE, 2022.

Each overlay zone has specific development standards depending on the purpose. The Upper State Street (USS) and Landmark District (LD) overlay zones apply in areas where most of the City’s new multi-unit housing is developed. The Upper State Street (USS) Overlay Zone (Figure 3) allows multi-unit housing, but has more restrictive standards (i.e., 45 feet height limit, greater front setbacks) than other areas of the City. The more restrictive standards are intended to maintain and enhance the character of Upper State Street, including the public streetscape, open space, creeks, views, site design, and building aesthetics. In recent years, three residential projects totaling 237 units rental units (over half of which are 100 percent affordable) and one project of 72 ownership units have been constructed within the USS Overlay Zone. A further four projects are pending with a total of 738 units, 87 of which are proposed for very low- and low-income households. The Suitable Sites Inventory includes 55 additional sites within the USS Overlay with a total capacity of 2,319 units.

The City’s El Pueblo Viejo Landmark District (LD) Overlay Zone and various Historic Districts (HD) Overlay Zones also contain certain provisions with respect to the production of new housing, such as specific design review standards and required architectural styles, to ensure compatibility with the existing historic character of these areas.

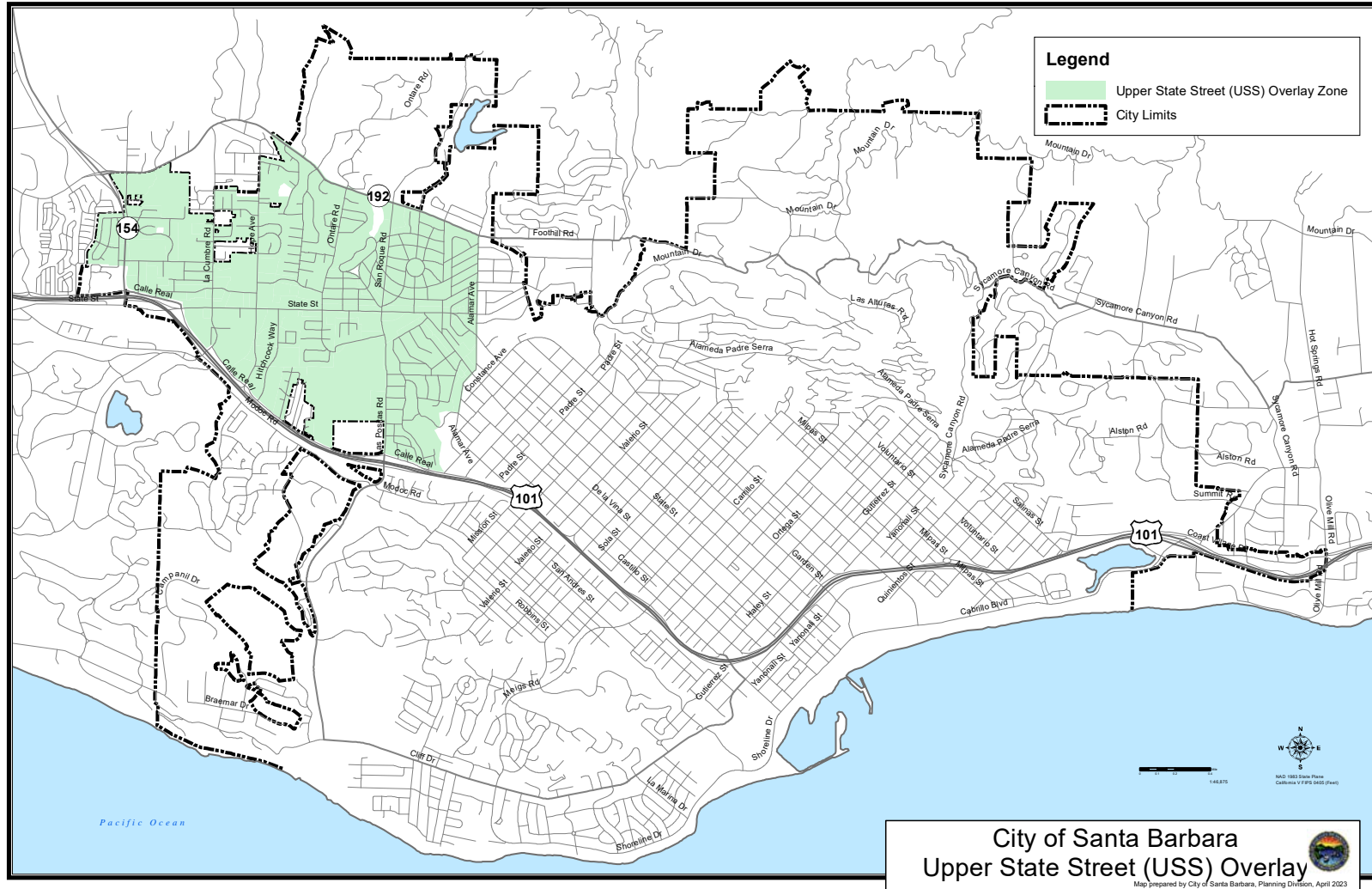
### Analysis

The standards for the El Pueblo Viejo District LD Zone have not been shown to constrain housing because much of this area is also zoned for and has produced high density housing projects

compatible with the historic character of the area. Parcels within the Historic Districts (HD) Overlay Zones are typically already fully developed and not considered suitable sites for a significant number of new housing units.



FIGURE 3: UPPER STATE STREET OVERLAY ZONE



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The standards for the Upper State Street USS Zone have not been shown to constrain housing based on the track record of constructed and pending projects that able to meet or exceed maximum density within the height limits and other specific standards. Furthermore, eligible projects can use State or City density bonus waivers, concessions, and incentives if desired to reduce site development standards.

The height restriction of 45 feet in the USS Overlay Zone could present a constraint to housing within the proposed La Cumbre Plaza planning area. This will be addressed with the La Cumbre Plaza planning program.

### SPECIFIC PLAN ZONES

The City has nine Specific Plan Zones at present. Four of these Zones allow for housing, including the Cabrillo Plaza Specific Plan (SP2-CP); the Rancho Arroyo Specific Plan (SP4-RA); the Westmont College Specific Plan (SP5-WC); and the Los Portales Specific Plan (SP10-LP). These Plans allow for residential densities consistent with the General Plan.

~~The City is currently considering options to plan for redevelopment of a 31-acre shopping center to be used primarily for multi-unit housing. The site would allow for approximately 1,900 units. The General Plan calls for establishing an initial framework for a future “La Cumbre Plaza Specific Plan” to guide coordinated redevelopment of the area. This planning process for La Cumbre Plaza is expected to start in 2023 depending on grant funding availability.~~

### AVERAGE UNIT-SIZE DENSITY INCENTIVE PROGRAM

The City’s Average Unit-Size Density Incentive (AUD) Program was adopted in 2013 to facilitate the construction of smaller housing units by allowing increased density that could not be achieved through existing development standards. The standards for projects proposed under this program are contained within City Wide Regulations, Chapter 30.150. The AUD Program is not yet certified for use in the Coastal Zone.

~~At the time of this analysis, 618 units (206 of which are affordable units) had been built under the City’s AUD Program and 778 have received permits (234 of which are affordable units).~~

The AUD Program applies to both mixed-use development and residential-only development. It allows both ownership units (condominiums) and rental units. It is permitted in the following multi-unit and nonresidential zones: R-M, R-MH, O-R, C-R, C-G, and M-C. In exchange for densities of up to 63 dwelling units per acre, the AUD Program includes additional development incentives such as reduced parking, setback, and open space yard requirements, described in detail below.

The AUD Program consists of three density tiers based on the General Plan Land Use Designation for the lot as shown in the next table: Medium-High Density (15-27 dwelling units per acre); High Density (28-36 dwelling units per acre) and the Priority Housing Overlay (37-63 dwelling units per acre).

**TABLE 33: AUD PROGRAM DENSITY BY CATEGORY**

Medium-High Density		High Density		Priority Housing Overlay	
Average Unit Size (sf)	Density du/acre	Average Unit Size (sf)	Density du/acre	Average Unit Size (sf)	Density du/acre
1450	15	1245	28	970	37-48
1360	16	1200	29	969	49

Medium-High Density		High Density		Priority Housing Overlay	
Average Unit Size (sf)	Density du/acre	Average Unit Size (sf)	Density du/acre	Average Unit Size (sf)	Density du/acre
1280	17	1160	30	960	50
1210	18	1125	31	941	51
1145	19	1090	32	935	52
1090	20	1055	33	917	53
1040	21	1025	34	901	54
1005	22	995	35	896	55
985	23	970	36	880	56
965	24			874	57
945	25			859	58
925	26			845	59
905	27			840	60
				827	61
				825	62
				811	63

City of Santa Barbara Municipal Code, 2022; BAE, 2022.

**Analysis**

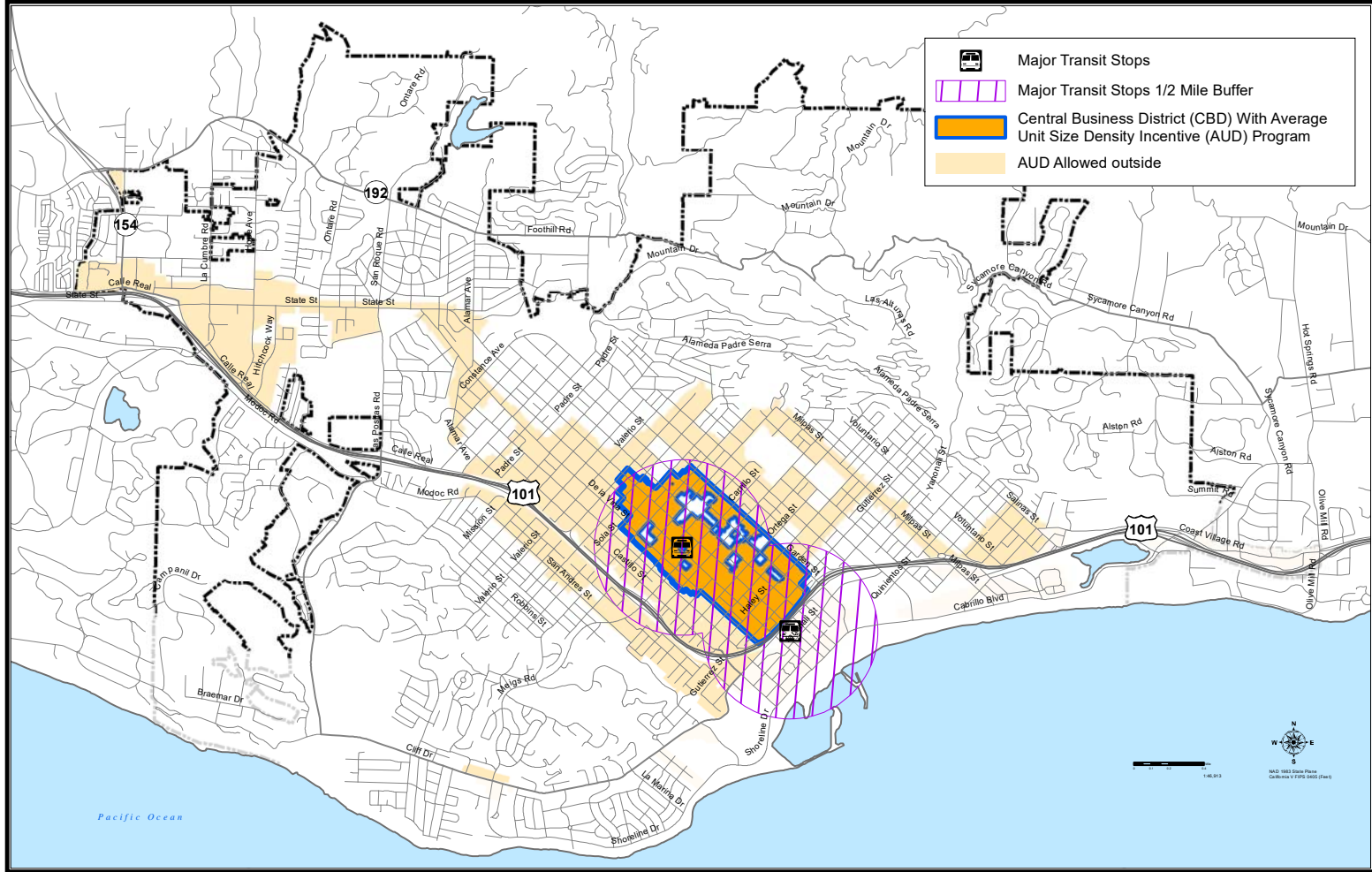
At the time of this analysis, 618 units (206 of which are affordable units) had been built under the City’s AUD Program and 778 have received permits (234 of which are affordable units). The AUD Program is set to expire on February 15, 2024. In absence of City Council action before the expiration date, the program will end, and the allowable residential densities will revert to those as they previously existed (conforming with Base Densities allowed in the Code or Variable Density). However, the City is currently working on ordinance amendments to make major components of the AUD Program into permanent multi-unit housing standards.<sup>10</sup> Furthermore, Housing Element Program HE-10 will develop an Affordable Housing Strategy to incentivize deed-restricted affordable housing similar to the way that the AUD Program incentivized market-rate rental housing.

**PARKING**

Residential parking requirements vary in the City depending on the type of project and where it is located. Figure 4 shows areas of the City that require fewer parking spaces per unit to incentivize more units on infill lots.

<sup>10</sup> <https://santabarbaraca.gov/AUD>

FIGURE 4: REDUCED RESIDENTIAL PARKING AREAS



Locations in the City with Reduced Residential Parking Requirements  
Map prepared by City of Santa Barbara, Planning Division, April 2023

### **Average Unit Size Density Incentive Program (AUD) Projects:**

- Within Central Business District: Maximum one per unit. This “unbundled” parking requirement was adopted by City Council in 2020 as a strategy to provide the greatest amount of building flexibility and infill housing incentives in the core downtown area where lots are often built out to the property lines. With this standard, parking spaces can be sold or leased separately from the lease/sale of a unit. Spaces within City-owned parking lots are available nearby as an alternative.
- Outside Central Business District: one per unit for studio, one-bedroom, and two-bedroom units; two per unit for each unit with three or more bedrooms.

Guest parking is not required.

**Single and Two-Unit Residential and Condominiums:** Two covered spaces per unit. For single unit residential, uncovered parking can be substituted for covered on lots less than 15,000 sq. ft. as follows:

- One covered and One Uncovered Space: Any lot developed with less than 85 percent of the maximum net floor area for the lot;
- Two Uncovered Spaces: Any lot developed with less than 85 percent of the maximum net floor area for the lot, subject to approval by the appropriate Design Review Body, provided a minimum 200 cubic feet of enclosed exterior storage space is provided on-site.

For two-unit residential and condominiums, a minimum of one space per unit must be covered. The City is proposing amendments to the Zoning Ordinance that would eliminate the covered parking requirements, anticipated for adoption in by 2023.

**Multi-Unit Residential (outside of AUD):** Can be covered or uncovered. The following parking standards are rarely applied because most new multi-unit housing projects are within the AUD Program boundaries. It is anticipated that they will be revised and removed from the Zoning Ordinance when new multi-unit housing standards are adopted.

- Studio: 1 if 600 sq. ft. or less, or 1.25 per unit
- One-bedroom: 1 if 600 sq. ft or less, or 1.5 per unit
- Two or more bedrooms: 2 per unit

**Guest Parking:** Not required in CBD or for AUD projects. Outside of CBD, none is required for 1-5 units, one space for 6-7 units, and one space per 4 units for 8 or more units.

### **Accessory Dwelling Units:**

- Inland (Title 30): None. Exception of one per unit or bedroom in High Fire Hazard Areas (unless project meets State law exception).
- Coastal (Title 28): One per unit required for consistency with Coastal LUP policies. Exception of no parking required if project meets local and State law criteria.

### **Parking Exceptions and Reductions:**

- Affordable and Senior Housing: Unless further reduced by State law, projects with 100 percent rental units affordable to very low- and low-income households or senior housing may reduce parking to one space per unit. Units restricted to low-income senior housing may further reduce parking to one space for every two units.
- Other Reductions: Required spaces may be further reduced for designated carshare vehicles, electric vehicle charging stations, and parking area improvements.

### **Assembly Bill 2097 (2022)**

AB 2097 prohibits the City from imposing or enforcing minimum automobile parking requirements if the project is located within one-half mile of public transit, which is defined as a major transit stop. According to Santa Barbara County Association of Governments, Santa Barbara County has six locations that qualify as a major transit stop (per transit service levels of October 2022), two of which are in the City of Santa Barbara. The two areas include much of downtown and part of the Coastal Zone, depicted on Figure 3.

### **Analysis**

Most new multi-unit residential development is constructed under the AUD Program with reduced parking incentives or even no parking as an option. While it is generally acknowledged that parking adds costs to a multi-unit residential project, most developers have opted to include parking as a desired amenity for the residents. To further incentivize infill residential development, Housing Element Program HE-1: Facilitating Conversion of Nonresidential Buildings to Housing will provide further parking relief for projects converting from nonresidential to residential in the CBD or if converting a historic resource to residential within one-half mile of a major transit stop.

### **BUILDING HEIGHT**

City residents value the existing historic scale, architectural character, and mountain views. In 1972, City electors approved a charter amendment to limit building height. The building height limitations are reflected in the Zoning Ordinance maximum building heights as follows:

- 30 feet for single and two-unit residential development;
- 45 feet for multi-unit and mixed-use;
- 45 feet or base zone height, whichever is less, for projects within the Upper State Street (USS) Overlay Zone (see Overlay Zones above for more information);
- 48 feet for AUD projects in the C-G or M-C zones, within the Priority Housing Overlay and located within the CBD (adopted in 2020); and
- 60 feet for a Community Benefit Housing Project<sup>11</sup> in the C-G or M-C zones that meets the following findings:
  - a. Demonstrated Need. The applicant has adequately demonstrated a need for the project to exceed 45 feet in height that is related to the project's benefit to the community, or due to site

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<sup>11</sup> Defined as priority housing, housing affordable to very low, moderate, or middle income households, and transitional and supportive housing.

constraints, or in order to achieve desired architectural qualities;

- b. Architecture and Design. The project will be exemplary in its design;
- c. Livability. If the project includes residential units, the project will provide amenities to its residents which ensure the livability of the project with particular attention to good interior design features such as the amount of light and air, or ceiling plate heights; and
- d. Sensitivity to Context. The project design will complement the setting and the character of the neighboring properties with sensitivity to any adjacent federal, state, and City Landmarks or any nearby designated Historic Resources, including City-designated Structures of Merit.

In addition to the height maximums, the City's Solar Access Height Ordinance (Section 30.140.170) may limit height on a portion of new development on the north side of applicable properties. This is to ensure the building does not cast a significant shadow on the neighboring building and adequate access to direct sunlight is provided. Sun access is essential to energy conservation, allowing for passive solar heating and for solar energy systems optimal performance.

### **Analysis**

As shown in the examples in Tables 42 and 43 in the Sites Inventory and Analysis section, the City's height limits have not been shown to constrain housing development because residential and mixed-use projects are able to develop up to maximum density (or higher if using density bonus) within the maximum building heights listed above. Furthermore, four pending and approved projects for a total of 235 units are using the Community Benefit provision, density bonus concessions, or a height exception approval from the Planning Commission to exceed the 45 or 48 foot height limits, as applicable.

### **Lot Coverage and Open Yard**

The City does not have lot coverage standards. In single-unit zones, building size may be limited by the maximum floor area (floor to lot area ratio or FAR) applied to lots smaller than 15,000 square feet and with a building of two or more stories or 17 feet or more in height. On properties larger than 15,000 square feet or single-unit development in multi-unit zones, FAR is applied as a guideline rather than a regulation. If applicable, the maximum FAR is 85 percent and a modification can be requested to exceed maximum FAR. Newly constructed detached ADUs of up to 800 sq. ft., and ADUs created from converting existing structures are not counted in the FAR calculation.

The City requires open yard areas to promote desirable living conditions and useful space for outdoor living. Open yard is comprised of common and private (per unit) open yard space. Private open yard can be located on grade or on a deck, balcony, or patio and can overlap with common open yard. Open yard can be located within the interior setbacks and can be landscaped or hardscaped. Open yard is not required for ADUs and the required open yard for existing or proposed primary units can be reduced to construct an ADU.

In multi-unit residential zones, a minimum of 15 percent of the lot area is for open yard. In nonresidential zones where multi-unit residential is allowed, there is no minimum lot area requirement. Multi-unit residential or mixed-use projects in nonresidential zones can apply to replace or reduce private open yards with a common area provided the proposal meets the following standards and findings:

1. **Minimum Area:** 15% of the net lot area;

2. **Minimum Dimensions:** 10 feet long and 10 feet wide, unless reduced or waived by the Review Authority;
3. **Standards and Location:** Except those for private open yards, all open yard standards and location requirements are met; and
4. **Common Open Yard Area.** At least one area with a minimum dimension of 20 feet long and 20 feet wide, located on the ground or on decks of any height, or on any floor of the structure, that is accessible to all units for use as a common open yard area is provided.
5. **Findings.** Approval may only be granted if the Review Authority finds that:
  - a. The alternative open yard design is necessary to provide flexibility in architectural style or site organization, such as the preservation of natural features, enhanced circulation, shared amenities, or the protection/creation of scenic views; and
  - b. Approval of the alternative open yard design will meet the purpose of the required open yard, as described in this section.

### **Analysis**

The open yard requirement has not been shown to constrain housing development due to the availability of alternative open yard designs, particularly in the nonresidential zones where common open yard is accommodated by rooftop decks and other alternative locations. Further, open yard space can be used to accommodate construction of an ADU.

### **ZONING FOR A VARIETY OF HOUSING TYPES**

State law requires that local land use regulations contain provisions to ensure the ability to develop a variety of housing types that can serve individuals and households with a diverse range of needs.

#### **Definition of a Family**

Santa Barbara Municipal Code defines “Family” in the same way it does a “Household”: that is, “one or more persons living together in a single residential unit, with common access to, and common use of, all living areas and all areas and facilities for the preparation and storage of food and who maintain no more than four separate rental agreements for the single residential unit. (Ord. 6047 § 7, 2021; Ord. 6006, 2021)The purpose of limiting the number of separate rental agreements is to allow the City to regulate student housing and boarding houses as “Group Residential” facilities, which includes convents and monasteries, rooming and boarding houses, dormitories and other types of organizational housing intended for long-term occupancy (more than 30 consecutive calendar days) but excludes Hotels and Similar Uses, and State-licensed facilities for Residential Care and Supportive and Transitional Housing.

If more than four persons are living in the unit, tenants can either operate with everyone’s name on the same lease or have a “master tenant” and “subtenant” arrangement, where one person’s name is on the lease and rent is collected from the other tenants. The code does not determine occupancy based on the relationship of residents or restrict the number of individuals residing together based on disability or employment status.

The Coastal Zone (Title 28) has a slightly different definition for “Family”, which it defines as a “single residential unit or a person or group of persons living together as a domestic unit in a single residential unit.”



### Reasonable Accommodation Procedures

~~SBMC Chapter 30.520 establishes a process for Modifications that provide a means for granting relief from certain zoning standards. It is the City's policy to comply with the Federal Fair Housing Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act to provide reasonable accommodation to persons with disabilities seeking fair access to housing through relief from the application of certain zoning regulations such as parking, setbacks, open space, and others. Accessibility guidelines are distributed by City Staff to builders explaining Federal and State laws regarding accessible building codes for housing for persons with disabilities.~~

The City's Municipal Code incorporates reasonable accommodation provisions for persons with disabilities. The Ordinance ensures that persons with disabilities are provided equal access to housing. Specifically, the Municipal Code allows:

- Accessible uncovered parking spaces, access aisles, and accessibility ramps necessary to make an existing building accessible to disabled individuals to encroach into required setbacks.
- All parking areas, except those located in one- and two-unit zones, to provide parking spaces accessible to disabled persons. The conversion of an existing parking space to an accessible parking space or access aisle for an accessible parking space does not require a modification of the parking requirement even if the conversion would result in fewer parking spaces than required.
- Modifications to any zoning standard when necessary to make an existing residential unit accessible to persons with disabilities. For example, encroachments into yard areas for access ramps for disabled persons are allowed without requiring a modification hearing process.

If Zoning Modification approval is required, the review authority for modifications to provide accommodation of disabilities is the Staff Hearing Officer (SHO). The SHO process was created in 2006 to improve and streamline the discretionary review process for smaller, less complex projects. A Modification to allow improvements to an existing structure or site to accommodate individuals with disabilities may be approved if the SHO makes all of the following findings:

1. The project does not include new structures, demolitions or substantial redevelopment and rebuilds, or additions where the proposed project precludes a reasonable accommodation that would not require a Modification;
2. That the property which is the subject of the request for reasonable accommodation will be used by an individual or organization entitled to protection;
3. If the request for accommodation is to provide fair access to housing, that the request for accommodation is necessary to make specific housing available to an individual protected under State or federal law;
4. That the conditions imposed, if any, are necessary to further a compelling public interest and represent the least restrictive means of furthering that interest; and
5. That denial of the requested Modification would conflict with any State or federal statute requiring reasonable accommodation to provide access to housing.

## **Concentration/Siting Requirements and Permit Requirements for Community Care Facilities** **Group Homes**

Consistent with State law, the City does not have any restrictions on the concentration of community care facilities group homes or other restrictive siting requirements that limit the potential number of these facilities group homes that could be developed within the zones where they are an allowable use, which is any zone in the City that allows residential use.

### **Housing for Persons With Disabilities**

A Conditional Use Permit (CUP) is not required for Community Care Facilities, Residential Facilities for the Elderly, and Hospices housing six or fewer individuals are allowed by right in all residential, commercial and office, and manufacturing commercial zones.

A Performance Standard Permit (PSP) is required for such facilities only in residential zones when housing seven to 12 individuals, while a Conditional Use Permit (CUP) is required when housing more than 12 individuals in all zones. The purpose of the PSP/CUP is to make sure any accessory uses (e.g., recreational facilities, staff offices, etc.) fit into the character of a residential neighborhood. For similar reasons, a PSP is also required for Large Family Day Care Homes and a CUP is required for Group Residential in residential zones.

The required findings for such facilities serving seven or more individuals in a residential zone are:

1. The facility conforms to the extent feasible to the type, character, and appearance of other residential units in the neighborhood in which it is located. This provision shall not restrict the installation of any special features(s) necessary to serve residents with special needs (e.g., ramps, lifts, handrails).
2. The intensity of use in terms of number of people, hours of major activities, and other operational aspects of the proposed facility is compatible with any neighboring residential use.

These Conditional Use Permit and Performance Standard Permit requirements could be considered a constraint and is will be addressed in the Housing Plan Program HE-3: Amend the Zoning Ordinance for Special Needs Housing s-section.

### **Low Barrier Navigation Centers**

AB 101, passed in 2019, requires that a low barrier navigation center be a use allowed by right in mixed-use zones and nonresidential zones permitting multi-unit uses if it meets specified requirements.

The Zoning Ordinance (Title 30 and Title 28) has not been amended to specifically permit low barrier navigation centers in mixed-use and nonresidential zones permitting multi-unit uses. This could be considered a constraint and is will be addressed in the Housing Plan Program HE-3 s-section.

### **Transitional Housing**

Transitional housing facilities are intended to house homeless individuals and families for a longer stay than in emergency shelters. The City's Zoning Ordinance<sup>12</sup> allows transitional housing as a residential

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<sup>12</sup> Title 28 uses the term "Group Home", which is intended to include Transitional and Supportive Housing. Title 28 also states "State authorized, licensed, or certified use to the extent it is required by State law to be an allowed use in residential zones."

use subject only to those restrictions that apply to other residential uses of the same type in the same zone.

### Supportive Housing

Supportive housing provides on- or offsite services to assist individuals facing obstacles to employment and housing stability. AB 2162 (2018) requires that supportive housing be permitted in zones where multi-unit and mixed-use developments are permitted. Local jurisdictions must also streamline the approval of housing projects containing a specified amount of supportive housing by providing for ministerial approvals, with no requirements for CEQA analysis, conditional use permits, or other discretionary approvals. The City has an online Supplemental Application form available for Supportive Housing Streamlined Approval per AB 2162.

The City's Zoning Ordinance (Titles 28 and 30) allows supportive housing as a residential use subject only to those restrictions that apply to other residential uses of the same type in the same zone.

### Emergency Shelters

The City's Zoning Ordinance allows Emergency shelters are allowed in all residential and nonresidential zones, but all zones require a Conditional Use Permit, with the exception of the M-C (Manufacturing Commercial) zone where the use is allowed without a CUP. Currently, there are eight facilities in the City that meet the definition of an emergency shelter, with a capacity of 330 beds. Emergency shelters are subject to all development standards applicable within the zone in which the emergency shelter is located and the following objective development and management standards:

- Capacity: An Emergency Shelter located within the M-C zone may provide a maximum of 100 beds and shall serve no more than 100 homeless persons per night. Capacity in other zones is determined by the Review Authority.
- Length of Stay: 180 consecutive nights
- Intake/Waiting Area: At least 10 square feet of interior intake and waiting space per bed is required.
- Outdoor Area/Activity: Outdoor gathering areas shall be hidden from view or screened. Prospective residents shall not queue on the public right-of-way or parking areas.
- Parking: One parking space for every eight beds and one covered and secure bicycle space for every four beds. Fewer parking spaces may be proposed if a parking study demonstrates that the anticipated parking demand will be satisfied. The required parking shall not be more than that which is required for similar residential or commercial uses within the zone.
- Lighting: Compliance with the City's Lighting Ordinance.
- Concentration of Uses: No emergency shelter or homeless shelter shall be permitted within 300 feet of another Emergency shelter or homeless shelter.
- On-Site Management: On-site management is required at all times the shelter is in operation. A Management Plan for the operation of the shelter must be submitted with the master application, subject to approval by the Community Development Department Director.

- Ability to Pay: No individual or household may be denied Emergency Shelter due to an inability to pay.

Approximately 67 parcels, or a little over 25 acres of land is suitable for housing in the M-C zone, with parcel size ranging from less than one-quarter acre to over three acres. Two sites are vacant, and the remaining sites meet the thresholds for redevelopment in the 6<sup>th</sup> cycle Housing Element as described in the Suitable Sites Inventory. Emergency shelters are also an allowed use on these parcels.

The City's M-C zone includes two public parks, a large grocery store/retail center, and several Class 2 bikeways. It is within walking distance of downtown, bus routes, and a train station. Some of the area is in a FEMA flood hazard area but the City's floodplain management standards allow for safe development in these areas. Due to the availability of parcels suitable to accommodate emergency shelters and proximity to amenities and services, ~~Therefore,~~ the requirement of a CUP in other zones is not considered a constraint.

Recent state law (AB 139 [2019]) also requires that emergency shelters may require parking for employees only, not clients (or beds). The City is not currently in compliance with this parking requirement and will address this issue in ~~the Housing Plan Programs~~ HE-3 section.

### **Employee and Farmworker Housing**

The State's Employee Housing Act (Health and Safety Code, § 17000 et seq.) requires that the City define what constitutes "Employee Housing." Employer-sponsored housing is defined in Title 30. govern the standards for the construction, maintenance, use, and occupancy of living quarters, called "employee housing," provided for five or more employees under specified circumstances. Employee housing subject to the Act is privately-operated and does not include government-owned and -operated migrant worker facilities. In general, employee housing is privately-owned housing that houses five or more employees and meets the following:

- Living quarters provided in connection with any work, whether or not rent is involved.
- Housing in a rural area that is:
  - Provided by someone who is not an agricultural employer, and
  - Provided for agricultural workers employed by any agricultural employer.

California Health and Safety Code §17021.5 generally requires employee housing for six or fewer persons to be permitted by right, without a Conditional Use Permit (CUP), in single-unit zones. Employee housing per Health and Safety Code §17021.5 is permitted in single-unit zones under current zoning. Distinct from the State definition above, the City's Zoning Ordinance defines employer-sponsored housing for the purposes of the AUD Program as residential units which are developed, owned, maintained, and initially sold or rented to employees of a local employer (or group of employers) where each residential unit is occupied as a primary residence by a household that includes at least one person who works in the south coast region of Santa Barbara County.

Health and Safety Code § 17021.6 considers agricultural employee housing with no more than 12 units or 36 beds an agricultural land use and no CUP, zoning variance, or other discretionary zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. Further, Health and Safety Code §17021.8 requires streamlined approval for farmworker housing on land zoned primarily for agricultural uses.

The City does not have any agricultural zoning districts, so these provisions do not generally apply. The City will amend the Zoning Ordinance to clarify that agriculture is an accessory use in any zone; thus, clarifying that Health and Safety Code §17021.8 not applicable. Recognizing that the City's definition of a family/household noted above, which limits the number of separate rental agreements in a single unit to four, could be considered a barrier, the City will amend the Zoning Ordinance to clarify that employee and farmworker housing is excluded from the Group Residential use classification and will add definitions for employee and farmworker housing consistent with State law. This is addressed in Housing Program HE-3.

### **FARMWORKER HOUSING**

~~California Health and Safety Code §17021.5 and §17021.6 generally require agricultural employee housing to be permitted by right, without a Conditional Use Permit (CUP), in single-unit zones for six or fewer persons and in agricultural zones with no more than 12 units or 36 beds. Further, Health and Safety Code §17021.8 requires streamlined approval for farmworker housing on land zoned primarily for agricultural uses.~~

~~The Zoning Ordinance does not address Health and Safety Code §17021.5, §17021.6, and §17021.8; however, the City does not have any agricultural zoning districts, so these provisions do not generally apply. The City will amend the Zoning Ordinance as applicable to clarify that agriculture is an accessory use in any zone; thus, clarifying that Health and Safety Code §17021.8 not applicable. Recognizing that a small number of agricultural workers could reside in the city, the City will implement a program to make agricultural employee housing for six or fewer persons a use by right, without a CUP, in single-unit zones. This will be addressed in the Housing Plan Programs section.~~

### **Single-Room Occupancy Units**

Single-Room Occupancy (SRO) Units are not a defined use within the City's Zoning Ordinance. However, the City allows a variety of residential unit types to provide a range of housing opportunities. The City does not define SROs specifically because "small units" are treated the same as any other residential unit with the following minimum unit sizes:

- 1 or more bedroom unit must be a minimum of 400 sq. ft.
- Studio units must be a minimum of 220 sq. ft.
- Affordable efficiency unit or ADU must be a minimum of 150 sq. ft.

The City allows the smallest dwelling unit size allowed by the Health and Safety Code; therefore, SROs are also allowed, even if they are not defined as such.

### **Manufactured Homes**

The City's Zoning Ordinance defines a mobile home as including a manufactured home and treats manufactured homes installed on a permanent foundation the same as single-unit residential use.

### **Mobile Home Parks**

Conditional Use Permits are required for Mobile Home Parks in all residential zones. The requirement for a CUP is a reasonable constraint, due to the unique features of parks, such as private infrastructure systems that are developed, operated, and maintained by the park owner, to ensure health and safety for residents.

### Accessory Dwelling Units Requirements

Section 30.185.040 (Title 30) and Chapter 28.86 (Title 28) of the Municipal Code define ADUs and JADUs and provide standards for development and maintenance in accordance with California Government Code § 65852.2 and § 65852.22. The City has three different types of J/ADUs, and defines each as follows:

- ADU– An attached or a detached residential unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residential unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and be located on the same parcel that the primary residential unit is or will be situated. The following categories of accessory dwelling units are subject to specific development standards:
  - a. *Special Accessory Dwelling Unit.* These are specific types of smaller accessory dwelling units and junior accessory dwelling units with certain size, height, and setback standards described in subsection L [~~Section 28.86.090~~], Development Standards for Special Accessory Dwelling Units. Special accessory dwelling units allow for more than one accessory dwelling unit on a lot.
  - b. *Standard Accessory Dwelling Unit.* These are typically larger accessory dwelling units with size, height, and setback standards generally described in subsection G [~~Section 28.86.055~~], Development Standards for Standard Accessory Dwelling Units. Standard accessory dwelling units do not allow for more than one accessory dwelling unit on a lot.
- JADU – ~~Defined as a~~ unit that is no more than 500 square feet in size and contained entirely within the structure of an existing or proposed single residential unit. A junior accessory dwelling unit may include separate sanitation facilities or may share sanitation facilities with the existing or proposed single residential unit and includes an efficiency kitchen.

ADUs are allowed in any zone that allows residential use, located on a lot developed or proposed to be developed with one or more residential units. Certain locations such as lots within the High Fire Hazard Area (Extreme Foothill and Foothill) are limited to the smaller “special” ADUs (800 sq. ft. maximum), as described above.

JADUs are allowed in any zone that allows residential use and shall be located on a lot developed with an existing or proposed single residential unit.

Since the initial ADU Ordinance adoption in 2018, the City has been processing amendments to the ADU Ordinance to comply with changes in State law. The most recent amendments were adopted by City Council in 2023. These amendments to Title 30 and Title 28 include clean-up items for ease of use, new or changed content necessitated by Senate Bill 897 and Assembly Bill 221, effective January 1, 2023, and new or changed content to local standards intended to facilitate the production of ADUs, some of which are noted in Housing Element Program HE-6. City Council adopted amendments to the Title 30 (Inland) and Title 28 (Coastal) ADU ordinance in November 2020. The ordinance amendments were prepared in compliance with the changes in state law. In compliance with State law, the City submitted the ADU Ordinance and any amendments to HCD. Both were submitted to HCD in

November 2020. HCD has confirmed receipt but has not ~~did not~~ submitted written comments to the City.

Amendments to the Title 28 (Coastal) ADU Ordinance are ~~was~~ submitted to the California Coastal Commission (CCC) for certification as a Local Coastal Program (LCP) amendment ~~in July 2021.~~ The most recent LCP Amendment for the ADU Ordinance was ~~The CCC approved by the CCC~~ with suggested modifications, ~~and it was certified and became~~ effective in the Coastal Zone as of April 2022. The 2022/2023 amendment to Title 28 will be submitted to the CCC for certification in 2023.

### **CONSTRAINT AND/OR FUTURE PROGRAM**

The preceding discussion of Land Use Controls has identified some potential constraints on housing production. Where noted above, the constraints are ~~will be~~ addressed in the Housing Plan Programs section.

### **Local Processing and Permit Procedures**

There are three types of processing and permitting procedures that may apply to a housing project described in Table 34 below. The steps involved for approval is included in Appendix F, Table F-4: *City Processing and Permit Procedures.*

**TABLE 34: PROCESSING AND PERMITTING PROCEDURES**

<b>MINISTERIAL</b>	<b>OBJECTIVE</b>	<b>DISCRETIONARY</b>
No discretionary decisions and generally no public hearing. <u>Must apply objective standards</u>	Limited public hearings. Decision based on objective review criteria	Approval of overall project or exceptions requires a discretionary decision
Appeal of permit or ministerial design review (SB-35) only	Appeal of permit, administrative action, and CEQA	Appeal of permit, discretionary action, and CEQA
Mandated planning approval timelines of 90-180 days	Planning approval timelines per Permit Streamlining Act	Planning approval timelines per Permit Streamlining Act
Does not require CEQA review	Requires CEQA review	Requires CEQA review
<p><b>Examples of ministerial projects:</b>  <u>Single-Unit homes, if one-story, less than 17 ft in height, less than 4,000 sq. ft., and not historic or in a special design district. Other projects are exempt from discretionary review if qualify for administrative review</u>  <u>Two-Unit Residential eligible for SB-9 streamlining</u>  <u>Multi-Unit affordable housing projects eligible for SB-35 streamlining (requires one ministerial design review hearing)</u>  <u>Supportive Housing eligible for AB-2162 streamlining</u>  <u>Low-Barrier Navigation Centers</u>  <u>Accessory Dwelling Units; if no coastal permit is required and meeting all administrative review criteria</u>  <u>Conversions, additions, or alterations to existing buildings, if qualify for administrative review</u></p>	<p><b>Examples of objective projects:</b>  <u>New housing project that complies with applicable objective General Plan, zoning, subdivision, and design review standards eligible for SB-330 streamlining:</u>  <u>Multi-Unit Residential (2+units)</u>  <u>Mixed-Use (min. 2/3 residential)</u></p>	<p><b>Examples of discretionary projects:</b>  <u>New Nonresidential</u>  <u>New housing project Multi-Unit Residential or Mixed-Use that “opts out” of objective standards</u>  <u>Single-Unit homes subject to discretionary review</u>  <u>Historic Resources</u>  <u>Land use decision or entitlement: (Coastal Development Permit, Conditional Use Permit, Development Plan, Subdivision, Modification, etc.)</u></p>

The following provides a review of the local processing and permit procedures that could be applicable to housing development projects. Depending on project characteristics, projects may not be subject to all of the procedures described below.

**DESIGN REVIEW**

**Multi-Unit and Mixed-Use Housing**

The City Charter established the Architectural Board of Review (ABR) and Historic Landmarks Commission (HLC). The purview for each review body is included in the Charter and cannot be revised without a majority vote of the people. All Most new or expanded multi-unit housing developments require some level of design review (Full Board, Consent Agenda, or Administrative Approval). If the project is located in El Pueblo Viejo Landmark District Overlay Zone, one of the Historic Districts, or involves a designated or potential historic resource, the project is subject to review and approval by the HLC. All other two- or multi-unit housing projects are subject to review and approval by the ABR.



### Single-Unit Residential

New or altered single-unit residential development is subject to review and approval by the Single Family Design Board (SFDB) if any of the following certain criteria are met: (e.g., sloping lot, significant grading, two-story volume, larger than 4,000 sq. ft.).

- The property is located in the Hillside Design District and it is over 20 percent slope or over 50 cubic yards (cy) of grading is proposed.
- The property is located in the Mission Area Special Design District or the Lower Riviera Survey Area.
- The project is over 17 feet in height or 2+ stories.
- The project exceeds 4,000 square feet.
- The project requires an FAR Modification.
- The project is a manufactured home.
- The building is relocated from another lot.
- Over 250 cubic yards of grading is proposed (in areas outside the Hillside Design District).
- The project is also proposing 3 or more parking spaces, or uncovered parking, or over 500 square feet of detached accessory buildings at the same time.
- The project requires an exception to standards (i.e., a minor zoning exception).
- The project is proposing certain retaining walls at the same time (walls over 6 feet in height, or walls on 15 percent slope, or on an ocean bluff, or in the front yard greater than 42 inches in height).

### Design Review Process

The Municipal Code and related HLC, ABR, and SFDB guidelines establish a two-part project approval process: Concept Review and Final Design Approval. Generally, applicants of larger or unique projects submit for Concept Review first to receive general comments on the mass, bulk, scale, and architectural style of the project. ~~AUD Program projects located on lots 15,000 square feet or greater and within the High Density area are required to receive a Concept Review at both the applicable design review body and the Planning Commission prior to the application being deemed complete.~~ No formal action is taken at the hearing and recommendations are considered advisory only. Concept Review at both the applicable design review body and the Planning Commission prior to the application being deemed complete is optional except for the following projects:

1. Planned Unit Development (PUD) Overlay Zone
2. AUD Program projects when all of the following conditions apply:
  - The project does not require another discretionary approval by the Planning Commission;
  - The project site has a combined lot area of 15,000 square feet or greater; and
  - The project site includes a lot within a High Density Residential land use designation or under the Priority Housing Overlay.

Once an application has been deemed complete and an environmental determination has been made, a project is scheduled for Project Design Approval (PDA). A decision to grant Project Design Approval by the HLC, ABR, or SFDB is an appealable action. After PDA is granted and construction details, colors, materials, lighting, and landscaping are finalized, the project returns to the HLC, ABR, or SFDB for Final Approval. That action is also appealable, but grounds for appeal are limited to whether the final plans substantially conform to the plans that received PDA.

### **Design Guidelines**

The City's Design Guidelines establish a set of goals, values, and qualities by which projects are evaluated in design review. The existing Design Guidelines provide detailed direction for specific areas and types of projects. Not all guideline techniques or approaches are appropriate or practical for every project. In cases where sets of multiple design guidelines apply, the guidelines are viewed as "layers" where the most specific guidelines take precedence.

While the guidelines listed below are mainly subjective, the City has adopted architectural design criteria for ADUs in the Zoning Ordinance and Objective Design Standards for Streamlined Housing Projects specifically for Senate Bill 35 projects. Housing Element Program HE-7 Objective Design Standards will provide an objective standard review option for all multi-unit housing, anticipated for adoption in late 2023.

**Board and Commission Guidelines:** The Architectural Board of Review, Historic Landmarks Commission, and Single Family Design Board each have General Design Guidelines and Meeting Procedures documents. They are intended to clarify the goals and policies. Infill Design Guidelines were added to the HLC and ABR Guidelines in 2017. Other guidelines specific to residential development include the following:

**El Pueblo Viejo (EPV) Landmark District Guidelines.** These guidelines clarify the design criteria and procedures for the EPV district.

**Haley-Milpas Design Manual.** The purpose of these guidelines is to assist developers in the Haley-Milpas area to improve the appearance of their properties, provide a more human-scaled and pedestrian environment, and encourage mixed-use.

**Lower Riviera Special Design District Guidelines.** These guidelines direct development within and adjacent to the Bungalow District to be compatible with the existing architectural character.

**Upper State Street Area Design Guidelines.** These guidelines describe different neighborhoods and provide guidance for compatibility and landscaping.

**Urban Design Guidelines.** These apply to the urban grid to ensure that traditional design principles and pedestrian friendly design concepts are incorporated into development.

**Single Family Residence Design Guidelines.** These guidelines assist the public in designing compatible single unit residential development.

**Historic Resources Design Guidelines.** For owners of historic resources, these guidelines assist in development of successful alterations, additions, and new construction next to a historic resource.

## **Project Compatibility Findings**

Findings required for approval of the design of a proposed single unit or multi-unit and mixed-use housing project are specific to the review body responsible for approval or denial.

### **HLC and ABR Project Compatibility Findings**

- a. Consistency with Design Guidelines. The design of the project is consistent with design guidelines applicable to the location of the project within the City;
- b. Compatible with Architectural Character of City and Neighborhood. The design of the project is compatible with the desirable architectural qualities and characteristics which are distinctive of Santa Barbara and of the particular neighborhood surrounding the project;
- c. Appropriate Size, Mass, Bulk, Height, and Scale. The size, mass, bulk, height, and scale of the project is appropriate for its location and its neighborhood;
- d. Sensitivity to Adjacent Landmarks and Historic Resources. The design of the project is appropriately sensitive to adjacent Federal, State, or City Landmarks or other nearby designated historic resources, including City structures of merit, sites, or natural features;
- e. Public Views of the Ocean and Mountains. The design of the project responds appropriately to established scenic public vistas; or
- f. Use of Open Space and Landscaping. The project includes an appropriate amount of open space and landscaping.

### **SFDB Neighborhood Preservation Findings**

- a. Consistency and Appearance. The proposed development is consistent with the scenic character of the City and will enhance the appearance of the neighborhood.
- b. Compatibility. The proposed development is compatible with the neighborhood, and its size, bulk, and scale are appropriate to the site and neighborhood.
- c. Quality Architecture and Materials. The proposed buildings and structures are designed with quality architectural details. The proposed materials and colors maintain the natural appearance of the ridgeline or hillside.
- d. Trees. The proposed project does not include the removal of or significantly impact any designated Specimen Tree, Historic Tree or Landmark Tree. The proposed project, to the maximum extent feasible, preserves and protects healthy, non-invasive trees with a trunk diameter of four inches or more measured four feet above natural grade. If the project includes the removal of any healthy, non-invasive tree with a diameter of four inches or more measured four feet above natural grade, the project includes a plan to mitigate the impact of such removal by planting replacement trees in accordance with applicable tree replacement ratios.
- e. Health, Safety, and Welfare. The public health, safety, and welfare are appropriately protected and preserved.
- f. Good Neighbor Guidelines. The project generally complies with the Good Neighbor Guidelines regarding privacy, landscaping, noise and lighting.
- g. Public Views. The development, including proposed structures and grading, preserves significant public scenic views of and from the hillside.

## Noticing

Most new or expanded multi-unit residential and new single-unit developments require a mailed notice prior to the initial Concept Review for the project and again when the project is scheduled for Project Design Approval. The notice is sent at least ten days in advance of the hearing to owners and tenants within 300 feet of the project site. Although this noticing may be viewed as extending the application process, the City believes that by engaging interested parties at the early stages in the process, this ultimately helps to reduce appeals at the Final Approval stage and the resulting delays; thus, this does not pose an undue constraint to housing production.

## Objective Design and Development Standards for Multi-Unit Housing

The State Legislature has enacted several bills that require jurisdictions to adopt objective design standards. First, under the Housing Accountability Act, a housing development may only be denied or reduced in density if it is inconsistent with objective standards. Senate Bill 330, Housing Crisis Act of 2019, prohibits cities and counties from adopting standards that reduce residential development capacity and imposing or enforcing new design standards established on or after January 1, 2020, that are not objective design standards. The City has not denied or reduced the density of a housing development or imposed or enforced new design guidelines that are not objective since the passage of these acts.

In 2021, the City adopted Objective Design Standards for Streamlined Housing Projects proposed under Senate Bill 35 (see below). As a follow up effort, the City is currently working on objective design and development standards for multi-unit housing, including two-unit residential, multi-unit residential, mixed-use with at least 2/3 footage designated for residential, transitional and supportive housing, emergency shelters, and employee housing that meets all eligibility criteria per the Government Code. Adoption of these standards is included in Housing Element Program HE-7: Objective Design Standards; with adoption anticipated in 2023. The City is also (as of 2022) exploring amendments to multi-unit housing standards to further incentivize housing and create more objective standards, including adaptive reuse, revising open yard, landscaping, and parking standards, and creating a land use approval from the Planning Commission. These amendments are currently in process and are scheduled for completion in 2023.

## Objective Development Standards for Single Unit Development

For single unit housing, there is no plan for additional objective design standards, other than the recently adopted ordinance to implement SB 9 (2021) (Government Code §65852.21) in single-unit zones (SBMC 30.185.440) and the objective design standards for Accessory Dwelling Units applicable to single-unit development. Although this could be considered a constraint, the City contains very few vacant parcels to accommodate new single-unit development that would potentially benefit from additional objective development standards. The overwhelming majority of single-unit projects subject to discretionary review by the SFDB involve additions, remodels, or demolition and rebuild of existing homes and do not generate net new units. Therefore, the effort to develop additional objective standards for the purposes of producing new single-unit residences would outweigh the benefit, and it is not recommended.

## City Charter

The City's Charter (Sections 814 and 817) mandates design review and approval authority to the ABR and HLC. This means that even when Objective Design Standards are adopted, the ABR or HLC still need to approve or disapprove multi-unit housing projects.

## Analysis of Municipal Code and Related Guidelines

Subjecting new and expanded residential projects to multiple concept reviews and two appealable actions by either the HLC, ABR, or SFDB could extend the overall timeline for a project to receive required Planning approvals and add unforeseen costs. This could be considered a constraint and is will be addressed in the Housing Plan Programs HE-5: Process Improvements and HE-7: Objective Design Standards-section.

## ENVIRONMENTAL REVIEW

Regarding environmental review, in most cases the City uses the California Environmental Quality Act (CEQA) infill exemption for projects that are less than five acres in size and do not require a land use/zoning change. In rare cases where a Categorical Exemption doesn't apply, the City looks at other options or tiers off the General Plan Program EIR, and completes an environmental checklist. The Program EIR being prepared for the 2023-2031 Housing Element will provide an opportunity for applicable project to tier from the programmatic analysis.

The City identifies required technical studies and other potential environmental issues as part of the project application review stage, which can result in requiring additional environmental information or case-by-case studies as part of project completeness. The purpose is to conform with the Master Environmental Assessment process and General Plan policies, and to ensure issues are identified early and can fit within a CEQA exemption. This step can result in delays prior to the application being deemed complete and is likely reflected in the time it takes to get from application submittal to a complete application, but it eliminates environmental delay after the project is complete. This could be considered a constraint and is addressed in Housing Program HE-9: Resource Protection and Development Certainty. This program would replace case-by-case studies with cumulative area-wide analyses that cover multiple potential projects at one time, such as establishing measurable inland creek setback standards to protect public health and safety and riparian habitat. This would reduce the need for site-specific technical studies and streamline the environmental review process for projects, while ensuring the protection of environmental resources.

## COASTAL ZONE/COASTAL DEVELOPMENT PERMIT

If the project is in the Coastal Zone and meets the definition of "development", it will also require a Coastal Development Permit (CDP) prior to the building permit unless it is categorically excluded from the CDP requirements per the City's Categorical Exclusion Order as follows:

- Conversion of any existing multi-unit residential structure to a time-share project;
- Construction of one single unit residence on an existing vacant parcel in the area designated as Non-Appealable on the Post-LCP Certification Permit and Appeal Jurisdiction Map; and
- Demolition and reconstruction of an existing single unit residence in the non-appealable zone (unless the lot contains certain coastal resources).

Projects proposed on coastal bluff lots, which are all zoned for low density, single-unit development, require a CDP and are charged higher permit fees due to the potential hazard of bluff failure coupled with sea level rise and required coastal bluff edge development buffer calculations. Most bluff-top parcels are developed with single-unit homes and the majority of permit applications are for remodeling or demo rebuilds.

Coastal Development Permit review is conducted by either the Planning Commission, the Staff Hearing Officer, or the California Coastal Commission (where the Coastal Commission retains permit authority). A CDP may take 6 to 12 months or longer to be processed, but the CDP is processed concurrently with other required discretionary applications and does not add to the timeline. As noted earlier, the AUD Program is not certified for use in the Coastal Zone and the City processes very few, if any, multi-unit development projects in the Coastal Zone.

In 2022, the City streamlined the review process for accessory dwelling units (ADUs) in the Coastal Zone that require a CDP. Now, fewer departments review the application, and a simplified staff report has been will be launched in July 2022 to speed the process of getting on the Staff Hearing Officer's agenda. Also, no public hearing is required per SBMC §28.44.110.C.

While the City adheres to Permit Streamlining Act timelines for its local approvals process, it is also required to comply with CEQA and the Coastal Act processes and procedures and has little control over the time required to meet statutory requirements for review and analysis of projects that are subject to these State laws.

## **LOCALLY ADOPTED ORDINANCES AND POLICIES**

### **Nonresidential Growth Management Program**

In 2013, the City adopted a Nonresidential Growth Management Program (GMP) in the Zoning Ordinances (Title 28 and Title 30) to prioritize the development of housing over nonresidential development. The GMP restricts the amount of new nonresidential floor area from 2013 to 2033 to 1.35 million square feet. Allowable nonresidential floor area is allocated from the following categories:

- Community Benefit (project with a broad public benefit) - 600,000 sq. Ft.
- Small Addition Floor Area – 400,000 sq. Ft.
- Vacant Property – 350,000 sq. Ft.

Property owners faced with limited commercial development potential under the GMP are encouraged to pursue mixed-use development projects. The GMP allocations for nonresidential floor area have been adequate and there are many successful examples of buildings with retail/commercial space on the ground floor with residential units above.

### **Population Goal**

In 1975, the City adopted a General Plan amendment with the objective of reducing the potential population of the City to approximately 85,000 to achieve a population that could be sustained by existing and proposed resources, such as water supply, traffic and parking capacity, and wastewater treatment capacity. The objective was implemented by limited potential residential buildout and downzoning. The downzoning was the initial step towards a concept which was later referred to as "living within resources". Since then, it has been acknowledged that a limit on the number of residents or the number of dwelling units in the City is not desired or acceptable and the policy has shifted to

balancing jobs and housing, implementing the GMP, and preserving and creating residential opportunities for all economic groups. City Charter Section 1507 (approved by election held in 1982) sets the goal of land development not exceeding public services and physical and natural resources and balancing residential and commercial development, without reference to a population goal.

### **Short-Term Rentals**

The City does not have a short-term rental ordinance but it regulates short-term rentals as hotels and allows them in zones where hotel uses are allowed. In the inland portion of the City, this includes the Residential Multi-Unit and Hotel (R-MH), Commercial Restricted (C-R), Commercial General (C-G), and Manufacturing Commercial (M-C) zones. In the Coastal Zone portion of the City, this includes the Hotel-Motel-Multiple Residence (R-4), Restricted Commercial (C-L, C-P, and C-1), Commercial (C-2), Commercial Manufacturing (C-M), Hotel and Related Commerce I (HRC-1), Hotel and Related Commerce II (HRC-2), Hotel and Related Commerce II / Ocean-Oriented Commercial (HRC-2/OC), and Light Manufacturing (M-1) zones.

Short-term rentals are currently considered a non-residential use, and applicants must go through a Change of Use process that varies in complexity based on the number of existing residential units, the amount of square footage converted from residential to nonresidential use, and whether the property is in the Coastal Zone portion of the City. Projects with more than one unit are subject to the Hotel Conversion Ordinance. Short-term rentals must have a business license, are subject to the square footage limits in the City's Nonresidential Growth Management Program, must have at least one parking space per bedroom, are not eligible for the residential permit parking program, must comply with zoning setbacks, are subject to the Tenant Displacement Assistance Ordinance, may need to have a separate water meter and pay commercial rates, and may need to go through a discretionary review permitting process.

### **Inclusionary Housing**

The City adopted its Inclusionary Housing Ordinance (IHO) for ownership projects in 2004 (Chapter 30.160). The IHO is intended to encourage housing opportunities for a broad range of households with varying income levels, promote the City's goal to add affordable housing units to the existing housing stock, and increase the availability of housing for middle- and upper-middle-income households. Further, the IHO encouraged the development of housing for first-time homebuyers, particularly moderate- and middle-income households.

The City's ownership IHO requires projects with ten or more units (excluding any density bonus units), provide at least 15 percent of the total units as inclusionary units offered for sale at prices affordable to middle-income (up to 160 percent AMI) or upper-middle-income (up to 200 percent AMI) households or, in the case of residential lot subdivisions, for the construction of single unit homes for upper-middle income households. The inclusionary units are in addition to density allowed by right on the site, and therefore a lot area modification is not required to exceed density.

In 2009, the IHO was amended to require in-lieu fees for projects of two to nine units or the developer can provide one unit as an owner-occupied middle-income restricted unit. The in-lieu fee is pro-rated based on the number and size of the proposed units.

In 2019, City Council adopted Inclusionary Housing requirements for the AUD rental projects Program (Chapter 30.150) to require: 1) AUD Program projects of ten units or more to provide at least ten

percent of the units onsite at rental rates affordable to moderate-income level households; and 2) AUD Program projects with five to nine units to build one unit affordable to moderate-income level households or pay a \$25 per square foot in-lieu fee.

Since July 2019, 11 inclusionary units have been approved and 25 are pending.

Collected in-lieu fees are allocated to a reserve account intended to increase and improve the supply of deed-restricted affordable housing and ensure compliance with the City's Affordable Housing Policies and Procedures. Since Fiscal Year 2011, a total of \$768,959 added to the account and the current fund balance is \$675,000.

~~For owner-occupied housing, the City requires that residential developments with ten or more units provide at least 15 percent of the total units offered for sale as Inclusionary Units restricted for owner-occupancy by middle income households, or, in the case of Residential Lot Subdivisions for the construction of single unit homes, by upper middle income households.~~

### **SENATE BILL 35 (2017) MANDATED STREAMLINING FOR AFFORDABLE HOUSING**

SB 35 (2017) requires jurisdictions that have failed to approve housing projects sufficient to meet their State-mandated RHNA to provide streamlined, ministerial entitlement process for housing developments that incorporate affordable housing. Per SB 35 (2017), review and approval of proposed projects with at least 50 percent affordability must be based on objective standards and cannot be based on subjective design guidelines.

The local jurisdiction must approve the project within 60 days of submittal of an application for 150 or fewer housing units, or within 90 days of submittal of an application for than 150 units.

The Zoning Ordinance (Title 30) was amended in 2021 to include procedures for SB 35 projects (Affordable Housing Streamlined Approval) and the City adopted Objective Design Standards for Streamlined Housing Projects. A Supplemental Application with eligibility and design standards checklists is available online for SB-35 projects. At the time of this analysis, the City had not received any applications for projects that were eligible for SB 35 (2017) streamlining.

### **SENATE BILL 330 (2019) PROCESSING PROCEDURES**

SB 330 (2019), the Housing Crisis Act of 2019, established specific requirements and limitations on development application procedures in "affected cities". Santa Barbara is considered an affected city. The bill allows a housing developer to submit a "preliminary application" to a local agency for a housing development project. Submittal of a preliminary application allows a developer to provide a specific subset of information on the proposed housing development before providing the full amount of information required by the local government for a housing development application. Submittal of the preliminary application secures the applicable development standards and fees adopted at that time. The project is considered vested and all fees and standards are frozen, unless the project changes substantially (by 20 percent or more of the residential unit count or square footage) or the applicant fails to timely submit a complete application as required by the Permit Streamlining Act.

Each jurisdiction may develop their own preliminary application form or may use the application form developed by HCD. In addition, the bill limits the application review process to 30 days, for projects less than 150 units, and 60 days, for projects greater than 150 units, and no more than five total public hearings, including Planning Commission, design review, and City Council.



The City of Santa Barbara has established a Preliminary Housing Development (SB 330) pre-application form online preliminary application process for residential development pursuant to SB 330 (2019).

**AVERAGE TIME FROM APPLICATION SUBMITTAL TO PLANNING APPROVAL**

**Multi-Unit Residential Development**

Based on data from 2013 – 2021, the average time for projects proposed under the AUD program (multi-unit rental and ownership, total of 73 projects) from application submittal to planning approval is 322 days. This includes the time when projects are undergoing concept review or when the plans are returned to the applicant for more information before the applications are deemed complete and scheduled for a hearing. Once applications are deemed complete, the City adheres to Permit Streamlining Act timelines.

Table 35 depicts a sample development timeline for a residential project which includes 14 new duplex units in an AUD Medium High Zone, outside of the Coastal Zone. This discretionary project required Concept Review and Final Design Approval by the Architectural Board of Review. The application took 307 days from the application received to project design approval. The applicant applied for a building permit in May 2021 and it was issued in February 2022.

**TABLE 35: EXAMPLE MULTI-UNIT RESIDENTIAL PERMIT APPROVAL DEVELOPMENT TIMELINE**

Status	Example Timeline
Application Received	11/20/2018
ABR Concept Review	1/14/2019
Applicant Revised Plans	Jan - April 2019
ABR Concept Review (Continued)	4/8/2019
Applicant Revised Plans	April 2019
ABR Concept Review (Continued)	5/6/2019
Applicant Revised Plans	May - Sept 2019
Application Complete	8/13/2019
ABR Project Design Review	9/9/2019
ABR Project Design Review (Continued)	9/23/2019
Applicant Finalized Plans	Sept - Dec 2019
Final Review and Project Design	12/16/2019
Approval Granted	
City of Santa Barbara. 2022; BAE, 2022.	

**Single-Unit Residential Development**

Based on data from 2013 – 2022, the average time from application submittal to approval of a single-unit home is 193 days (total of 47 projects). This includes the time when plans are returned to the

applicant for more information before they are deemed complete. Table 36 depicts the approval timeline for a two-story, single-unit project in the Hillside Design District and located in the non-appealable area of the Coastal Zone. The project included an attached 420 sq. ft. ADU. This discretionary project required Final Design Approval by the Single Family Design Board and was categorically excluded from needing a Coastal Development Permit. While the original approval time was five months, the applicant subsequently revised the plans twice and returned to SFDB for final project design approval, adding eight months to the approval timeline.

**TABLE 36: EXAMPLE SINGLE-UNIT RESIDENTIAL PERMIT APPROVAL TIMELINE**

<b>Status</b>	<b>Example Timeline</b>
<u>Application Received</u>	<u>2/21/2017</u>
<u>SFDB Concept Review</u>	<u>3/06/2017</u>
<u>Applicant Revised Plan</u>	<u>Mar – July 2017</u>
<u>SFDB Second Concept Review</u>	<u>8/07/2017</u>
<u>SFDB Final Project Design Approval Granted</u>	<u>8/21/2017</u>
<u>Applicant Revised Plan</u>	<u>Sept 2017 – Mar 2018</u>
<u>Plans Resubmitted</u>	<u>3/15/2018</u>
<u>SFDB Final Review</u>	<u>4/02/2018</u>
<u>SFDB Final Approval</u>	<u>4/23/2018</u>
<u>Applicant Revised Plan</u>	<u>April – Sept 2018</u>
<u>SFDB Consent Review After Final (for details)</u>	<u>10/08/2018</u>
<u>City of Santa Barbara 2023.</u>	

**Accessory Dwelling Units**

Based on data since 2017, the average time from application submittal to a building permit for ADUs is 232 days (415 permits). As a ministerial permit, details are not available for these projects. City staff adhere to ADU building permit approval timelines specified in State law. Staff have noted that nearly all ADU permit applications are initially returned to the applicant because the application is incomplete. Housing Element Program HE-6 will evaluate the ADU permit application process and look for ways to clarify and simplify the application process to reduce the time it takes to get a building permit, including use of pre-approved plans.

**CONSTRAINT AND/OR FUTURE PROGRAM**

The review of local permit and processing procedures has identified a limited number of local regulations that could be construed as undue constraints on housing production. The City is either already in the process of making changes to address constraints or it will address the constraint in the Housing Plan Programs section, as noted above.

**On- and Off-site Improvement Standards**

The City requires new, expanded, or redeveloped residential projects to comply with certain on-and off-site improvement standards for quality of life, environmental, or public health and safety reasons.

**ON-SITE IMPROVEMENT STANDARDS**

On-site standards include, but are not limited to, the undergrounding of any utility and/or Cable TV connections; visual screening for mechanical equipment; capturing storm water; enclosed bicycle

parking; covered vehicle parking (for single-unit dwellings and duplexes); and dimension of driveways. Certain standards can be waived; for example, the Municipal Code provides hardship waivers for undergrounding of utilities.

### **SUBDIVISION IMPROVEMENT STANDARDS**

The City's Subdivision Ordinance (Title 27) carries out the requirements of the Subdivision Map Act and regulates the design and improvement of the subdivision of land. Title 27 is applied to subdivision of new land, urban lots splits per SB 9, new condominiums, and condo conversions. Because there are few large remaining undeveloped parcels in the City, land that is subdivided physically into more than 2-4 single unit lots is rare. The Staff Hearing Officer is the Advisory Agency for most subdivisions of four parcels or fewer, the Planning Commission is the Advisory Agency for larger subdivisions.

In 1975, City Council adopted by resolution Interim Subdivision Design and Improvement Standards that are still in use. They include objective standards for flood control, grading, lighting, lots and blocks, monuments, streets and roads, and utilities. Certain subdivision standards can be waived upon a finding that the waiver "will be in the best interest of the City and will improve the quality of the design of the subdivision" made by the Planning Commission or City Council.

The City requires each lot created by a subdivision to front upon a public street constructed to applicable standards (minimum width of 32 feet), unless the lot is served by a private road, lane, drive or driveway which serves no more than two lots, or the Planning Commission or City Council waives the requirement.

### **BICYCLE PARKING**

Parking regulations are detailed in the Land Use Controls section. In addition to automobile parking, the City requires one covered and secure bicycle parking space per unit for multi-unit housing projects of 3 or more units. This requirement helps the City meet sustainable transportation and greenhouse gas emissions reduction goals. The number of bicycle parking spaces can be reduced or waived if the Public Works Director finds that:

- Adequate site space is not available on an existing development to provide bicycle parking;
- Reduced bicycle parking is justified by reasonably anticipated demand; or
- Other criteria based on unusual or specific circumstances of the particular case as deemed appropriate by the Public Works Director.

### **STORM WATER MANAGEMENT PROGRAM**

The City's Storm Water Management Program (SWMP) details how the City will protect water quality by listing a series of Best Management Practices (BMPs) and Measurable Goals that the City must meet each year. Urban storm water runoff is the single largest source of surface water pollution in Santa Barbara and the City has been implementing a SWMP since 2006 in compliance with the prior General Permit from the state. All projects that propose new and/or replaced impervious area or qualify as a public improvement in the right-of-way are reviewed for compliance with the SWMP requirements. Four project tiers require different levels of post-construction storm water BMP implementation based on square footage of new or replaced impervious surface.

The SWMP was amended in 2021, which resulted in new on-site improvement requirements, such as requiring most projects to install at least one basic permanent storm water protection BMP. Although the new rules capture more Tier 1 and 2 projects (1 – 499 sq. ft. and 500 - 1,999 sq. ft., respectively), BMPs for these tiers can be achieved fairly easily and for minimal cost. Examples of basic BMPs for Tier 1 and 2 projects include disconnecting downspouts to vegetated areas or a rainwater collection system, installing a rainwater garden, and installing rain water barrels.

Tier 3 and 4 projects must meet storm water runoff requirements and use BMPs that target identified pollutants of concern and pollutants identified in the Clean Water Act if the project contributes runoff to one or more of the impaired receiving waters within the City. The new rules are less restrictive in some ways for Tier 3 (2,000 – 14,999 sq. ft.); for example, up to five percent of the impervious area on each parcel is exempt from the Tier 3 treatment requirement. A recent example of a proposed Tier 3 BMP includes permeable pavers and stormwater runoff collection systems to catch basins inlet, and landscape planter areas for the site and on the roof (project with three merged parcels and 78 residential units). The new Tier 4 (15,000 sq. ft. or more of new or replaced impervious surface) is more restrictive. To date, no Tier 4 projects have received building permits. Strategies to comply with the Tier 4 requirements are similar to Tier 3 and include routing runoff from impervious areas to biofiltrations BMPs incorporated into pervious landscaped areas of the sites or a combination of permeable pavement and underground infiltration BMPs (e.g., infiltration trench).

## OFF-SITE IMPROVEMENTS

With respect to off-site improvements, projects in certain zones require that sidewalks have a minimum width of five feet (if adjacent to streets with a right-of-way width of 60 feet or less), or six feet if the adjacent street is wider. The City may also require street lights or tree planting according to the Master Street Tree Plan within parkway strips.

Residential and mixed-use projects in all zones (except areas zoned for single units and duplexes) that abut a public street or right-of-way for public street purposes are required to dedicate and improve one-half of the public street or right-of-way to meet street improvement standards detailed in Title 22 of the Municipal Code.

## CONSTRAINT AND/OR FUTURE PROGRAM

Most of the on-and off-site improvements are standard requirements and do not constrain the development of housing. Regarding covered parking, the City is proposing removal of this standard as part of a package of amendments to the Zoning Ordinance multi-unit housing standards (discussed above). While compliance with SWMP is sometimes cited as problematic by applicants, particularly for redevelopment projects in the City's downtown core where buildings occupy most if not all of the lot area, compliance is required by the state General Permit, as well as additional requirements set by the Central Coast Regional Water Quality Control Board, and the Santa Barbara County Flood Control and Water Conservation District, and the examples above show that compliance is achievable. ~~The City is preparing a State Street Master Plan which could evaluate creative solutions for complying with SWMP in order to encourage more housing downtown.~~

## Other City Regulations

Aside from land use controls and project review and permitting processes, some other City regulations can impact housing development.

## NATURAL GAS INFRASTRUCTURE PROHIBITION

Natural gas is prohibited in newly constructed buildings within the City of Santa Barbara as of January 1, 2022. In some cases, significant rehabilitation is defined as a new building. More information is available here: <https://sustainability.santabarbaraca.gov/climate-actions>. Elimination of the need to provide natural gas connections to homes and to pipe homes for natural gas will reduce construction costs for new housing; thus, this Municipal Code requirement will not act as a constraint on new housing production.

## APPLICATION OF BUILDING CODES

The City of Santa Barbara generally adopts the State's Building Code as required, with some local amendments. Local amendments are typically kept to a minimum and are designed to address local conditions. For example, in 2019, the City coordinated adoption of the Building Code with adoption of the state and international Fire Code to eliminate potential conflicts and incorporate administrative, climatic, geologic, and topographic amendments that promote safe, sustainable, and accessible development.

In 2022, the State completed amendments to the codes, which the City adopted by reference with a couple of local amendments from the 2019 code adoption. As in the past, the local amendments to the code are kept to a minimum and are coordinated with the City Fire Department. This cycle, the City adopted minor edits to the Building and Fire Board of Appeals procedures, fire protection systems, and high fire hazard area construction requirements. There is no evidence that the minor local building code amendments impacts housing supply.

Residential code enforcement is almost entirely complaint driven, rarely from City-identified health, safety, or general welfare violations. Enforcement staff refers affected renters to the City's Rental Housing Mediation Program staff or local nonprofits, such as Legal Aid Foundation, when appropriate. Planning and Building and Safety staff assist in resolution of violations with meetings, public counter visits, phone, and email assistance in identifying options for correction of code violations.

## FEES

The City charges a modest level of Planning Application and building permit fees which are set at levels to cover the City's costs of providing the necessary services to new development projects. Importantly, the City does not charge any development impact fees for community infrastructure such as roads, public buildings and facilities, parks and open space, or utility infrastructure. In addition to City fees, the Santa Barbara Unified School District has adopted the levying of these fees in accordance with Assembly Bill 2926, Statutes of 1986, State of California. For residential development projects, the fee is \$3.79 per square foot.

Following are fee amount samples for representative single-unit, accessory dwelling units (ADU), and multi-unit housing projects, and other planning fees. These fees are based on specific projects and serve as one example of planning application and building permit fees applied to housing development.

Not included in these fee amount samples are fees associated with water and sewer connections (i.e., water and sewer capacity charge, water meter install, and sewer lateral install, not including contractor charges). These fees vary depending on multiple factors. Water and sewer connection fees for a sample multi-unit project (seven units) is approximately \$12,059 per unit (based on Fiscal Year 2023 fees), assuming a dedicated City water meter for each unit, and a dedicated irrigation meter. Price per

unit for larger projects can be less assuming a single offsite City meter with private submeters onsite. The water and sewer connection fees for a new single-unit project is approximately \$19,775. ADUs do not need a dedicated city water meter but a new ADU often triggers the Sewer Lateral Inspection Program and occasionally the sewer lateral needs repairing to accommodate the ADU.

In accordance with the provisions of Gov. Code § 65940.1(a)(1)(A), the City has published a comprehensive list of Adopted City Fees (both current and historic) that can be found on the City’s website [here](#).

In summary, fees charged for housing development reflect the cost to provide required services to support new housing development. Due to the lack of public facilities impact fees, the City’s overall level of housing fees is quite low and does not pose a constraint to housing development.

Table 37 shows the fee schedule sample for a single-unit development project, located outside the Coastal Zone. If this project were in the Coastal Zone (not on the coastal bluff), the total fee would increase by approximately 65 percent to cover the additional staff time necessary to process a Coastal Development Permit. As noted earlier, projects on the coastal bluff require an extensive coastal hazard analysis that further increases staff time and cost.

**TABLE 37: FEE SCHEDULE SAMPLE FOR SINGLE-UNIT DEVELOPMENT**

<b>Project Description</b>	
Number of Units	1
Number of Square Feet (including garage)	1,876
<b>Fee Description</b>	
<b>FY 2022 Fees</b>	
<b>Planning Application Fees</b>	<b>\$3,105</b>
Environmental Review - Exemption	\$395
Single Family Design Board – New Unit on Lots up to 15,000 square feet (sf)	\$2,530
Mailing List Service	\$180
<b>Building Permit Fees</b>	<b>\$11,355</b>
Building Plan Review, Medium (Permit Plan Check & Inspection)	\$217
New R3 Residence Plan Check Fee	\$5, 201
Building Plan Review, Garage	\$1,715
Growth Management/General Plan Update (14% of Total Building Permit Fees)	\$1,207
SB 1473 (2008) <sup>13</sup>	\$16
Technology Fee (8% of Total Building Permit Fees, used for maintenance, hardware, and upgrades to the permit tracking system)	\$690
Records Management Fee (7% of Planning & Building Fees)	\$821
Zoning Plan Check – New Single Family Residence (SFR)	\$605
Zoning Plan Check – Design Review Compliance	\$345
Public Works (PW) Transportation Adaptive Management Program (AMP)	\$75
Benchmark (per SFR unit, funds traffic model updates)	

<sup>13</sup> Requires cities and counties to collect a fee on building permit applications, in the amount of \$4 per every \$100,000 in valuation, a portion of which (10 percent) is for administrative costs and code enforcement education, while the remainder is for the Building Standards Commission to fund development of building standards, with an emphasis on efforts associated with green building standards.

Project Description	
PW Engineering Plan Check	\$84
PW Transportation Plan Check	\$217
Fire Department Fee	\$162
<b>School Fees (\$3.79/sf)</b>	<b>\$5,321</b>
<b>Total Fees</b>	<b>\$19,781</b>
<b>Total Fees/Unit</b>	<b>\$19,781</b>
<b>Total Fees/sf (including garage)</b>	<b>\$10.54</b>
City of Santa Barbara, 2022; BAE, 2022.	

Table 38 presents the fee schedule sample for an accessory dwelling unit development ADU created from a converted garage with an addition, located outside the Coastal Zone. If this ADU were in the Coastal Zone (not on a coastal bluff) the fee would increase by approximately 55 percent to cover the additional staff time to process a Coastal Development Permit. As noted earlier, projects on the coastal bluff require an extensive coastal hazard analysis that further increases staff time and cost.

**TABLE 38: FEE SCHEDULE SAMPLE FOR ADU DEVELOPMENT**

Project Description	
Number of Units	1
Number of Square Feet (including garage)	462
Fee Description	FY 2022 Fees
<b>Planning Application Fees</b>	<b>N/A</b>
<b>Building Permit Fees</b>	<b>\$8,134</b>
Building Plan Review, Medium (Permit Plan Check & Inspection)	\$217
Remodel R3 – up to 300 sf Plan Check Fee	\$1,591
Room Add – up to 300 sf Plan Check Fee	\$2,751
Processing Agreements or Docs	\$420
ADU Sign	\$179
Growth Management/General Plan Update (14% of Total Building Permit Fees)	\$883
SB 1473 (2008)	\$5
Technology Fee (8% of Total Building Permit Fees)	\$504
Records Management Fee (7% of Planning & Building Fees)	\$441
Zoning Plan Check – Multi-Unit New	\$605
PW Transportation AMP Benchmark (per SFR unit)	\$75
PW Engineering Plan Check	\$84
PW Transportation Plan Check	\$217
Fire Department Fee	\$162
<b>School Fees</b>	<b>\$1,751</b>
<b>Total Fees</b>	<b>\$9,885</b>
<b>Total Fees/Unit</b>	<b>\$9,885</b>
<b>Total Fees/sf</b>	<b>\$21.40</b>
City of Santa Barbara, 2022; BAE, 2022.	

Table 39 provides the fee schedule sample for a multi-unit, mixed-use development, located outside the Coastal Zone.

**TABLE 39: FEE SCHEDULE SAMPLE FOR MULTI-UNIT DEVELOPMENT**

<b>Project Description</b>	
Number of Units	29
Number of Square Feet (including garage)	20,426
<b>Fee Description</b>	<b>FY 2022 Fees</b>
<b>Planning Application Fees</b>	<b>\$16,415</b>
Pre-application Review Team (Voluntary by Applicant)	\$2,955
Environmental Review – Exemption with one study	\$1,065
Architectural Board of Review (ABR)-NR, New 1,001-3,000 sf	\$4,095
ABR-R, New More than 20 New Units	\$8,120
Mailing List Service	\$180
<b>Building Permit Fees</b>	<b>\$88,829</b>
New Remodel, Shell (Permit Plan Check & Inspection)	\$37,241
Revision Building Permit Fees	\$320
Growth Management/General Plan Update (14% of Total Building Permit Fees)	\$9,496
SB 1473 (2008)	\$132
Commercial Strong Motion Instrument Program Fees (for the state to implement an earthquake monitoring program)	\$928
Technology Fee (8% of Total Building Permit Fees)	\$5,426
Records Management Fee (7% of Planning & Building Fees)	\$5,897
Zoning Plan Check – Nonresidential, 1,001-3,000 sf	\$605
Zoning Plan Check – Multi-Family Residence (MFR), over 20 units	\$1,120
Zoning Plan Check – Design Review Compliance	\$345
Zoning Plan Check – Supplemental Review Fee	\$350
PW Transportation AMP Benchmark Nonresidential	\$340
PW Transportation AMP Benchmark MFR	\$1,160
PW Engineering Plan Check	\$178
PW Transportation Trip Generation Fee	\$578
PW Transportation Plan Check	\$578
Misc. – Inspection Fee (each 30 minutes)	\$179
Fire Department Fee	\$328
PW Engineering Traffic Control, 1.25 years staging in street & 4 pkg restrictions	\$7,350
PW Engineering Public Improvement Plan Check, Engineer’s Estimate = \$69,489	\$11,180
PW Engineering Public Improvement Inspection, Engineer’s Estimate = \$69,489	\$5,098
<b>School Fees (\$3.79/sf)</b>	<b>\$77,415</b>
<b>Total Fees</b>	<b>\$182,659</b>
<b>Total Fees/Unit</b>	<b>\$6,299</b>
<b>Total Fees/sf</b>	<b>\$8.94</b>
City of Santa Barbara, 2022; BAE, 2022.	



Table 40 provides fees for other planning services not listed above. These fees are only charged when applicable to a particular project.

**TABLE 40: PLANNING DIVISION FEES**

<b>Fee Description</b>	<b>FY 2023 Fees</b>
<u>General Plan Amendment or Zone Change</u>	<u>\$15,000 initial deposit with actual costs charged at the fully allocated hourly rates of all personnel involved, plus any outside costs</u>
<u>Local Coastal Plan Amendment</u>	<u>\$20,000 initial deposit with actual costs charged at the fully allocated hourly rates of all personnel involved, plus any outside costs</u>
<u>Variance</u>	<u>\$10,000 initial deposit with actual costs charged at the fully allocated hourly rates of all personnel involved, plus any outside costs</u>
<b><u>Conditional Use Permit (CUP)</u></b>	
<u>Minor CUP and Amendments</u>	<u>\$14,210</u>
<u>Residential Uses (permanent or temporary)</u>	<u>\$15,790</u>
<u>Development that requires a CUP per a specific zone (e.g., Overlay Zone, Specific Plan)</u>	<u>\$15,540</u>
<b><u>Coastal Zone Review</u></b>	
<u>ADU on bluff-top lot</u>	<u>\$15,940</u>
<u>ADU on all other lots</u>	<u>\$5,495</u>
<u>Other single unit development on a bluff-top lot</u>	<u>\$24,705</u>
<u>Other single unit development on all other lots</u>	<u>\$12,835</u>
<u>2-5 New Units</u>	<u>\$12,835</u>
<u>Over 5 New Units</u>	<u>\$22,315</u>

## Non-Governmental Constraints

A variety of non-governmental constraints impact the maintenance, improvement, and development of housing in a community. The Housing Element is required to discuss the availability of financing and development costs such as the price of land and cost of construction.

### AVAILABILITY OF FINANCING

The availability of financing is a critical factor that can influence the cost and supply of housing. There are generally two types of financing used in the housing market: (1) capital used for initial site preparation and construction; and (2) capital used to finance the purchase of units by homeowners and investors. Interest rates substantially impact home construction, purchase, and improvement costs. A small fluctuation in rates can make a dramatic difference in the annual income needed to qualify for a loan. While interest rates for development and construction are generally higher than interest rates for home purchase (i.e., mortgages), financing is generally available in the City for new construction, rehabilitation, and refinancing.

While financing is generally available for market-rate development, limited availability of funding to subsidize for affordable projects is a key impediment to the construction of affordable housing, not only in Santa Barbara, but throughout California and the U.S.

## **COST OF LAND**

Typically, land costs account for the largest single component of housing development costs. The variable cost of land is influenced by many factors including location, lot size, zoning, accessibility, availability of services, and existing infrastructure.

A recent study conducted in 2021 by BAE Urban Economics indicated land costs that generally varied by residential zone. BAE used information on recent land sales in Santa Barbara as well as input received during the practitioner interviews. Due to a lack of recent sales of vacant land in Santa Barbara, the analysis focused on recently-completed multi-unit housing development projects in Santa Barbara to identify the sale price for the project sites when each site was purchased prior to redevelopment with residential uses.

Two sales were for properties located in the City's Downtown, both with sale prices above \$200 per site square foot. This is somewhat consistent with the range of \$150 to \$200 per site square foot that practitioners cited during the interview process. On parcels zoned for multi-unit residential uses outside the Downtown, sale records included prices of \$67 and \$63 per site square foot, for two different parcels that sold.

## **COST OF CONSTRUCTION**

Construction costs for residential development are based on the cost of labor and materials, which vary depending on the type of development. Once a vacant parcel is purchased, the contractor is also required to make site improvements before constructing a building on the property. Site improvements can include connections to existing utility systems, rough grading, and installation of water and sewer lines. The cost variation for site improvements depends on the lot size, unit size, and type of residential dwelling. Other factors that can influence costs are the primary infrastructure needed for the site and roadway improvements.

According to construction cost data published by RS Means (2021), the per square foot cost of single-family construction in Santa Barbara is likely to be at minimum approximately \$224 per square foot, including the garage but not including site improvement, labor, and soft costs. Site improvement costs may be approximately \$50,000 per lot; however, this can vary substantially due to contributing factors such as geology and expansive soils conditions that often require that new construction have deepened footings, grade beams, caissons, removal and compaction of soils, and other conditions that drive up costs.

In total, the cost of land, site improvements, and construction of the home itself could add up to around \$1,100,000 for a 2,000 square foot single-unit home. With the addition of financing costs, permits and fees, other soft costs, and a builder profit of approximately ten percent, the cost to a homebuyer could easily exceed \$1.5 million.

For multi-unit development, a study conducted in 2021 by BAE Urban Economics indicated multi-unit hard costs of \$388 per square foot of built space, not including parking hard costs of \$40,000 per podium space. Soft costs such as engineering, architecture, financing, and CEQA costs, as well as City cost-recovery fees for planning, permitting, and entitlements, are equal to 19 percent of hard costs. Taken together, total costs to complete a multi-unit project within the City of Santa Barbara can range from \$310,000 to \$370,000 per door, before accounting for the cost of land and parking. For projects

utilizing podium construction, structured parking is estimated to cost upwards of \$40,000 per space, or \$100 per square foot.

This can translate to anywhere from \$437 to \$447 per square foot of gross building area, inclusive of hard and soft costs.

In recent years, several factors have caused the increased cost of materials, including global trade patterns and federal policy decisions, such as tariffs, as well as state and local regulations, such as building codes. Most recently, the COVID-19 pandemic has also influenced the cost and availability of construction materials. Supply chain disruptions have resulted in project delays and increased costs due to a shortage of construction materials and equipment as well. In addition, labor costs have also increased in recent years, as the labor pool has not kept pace with the increase in demand. Since the recession, California has seen a severe tightening in the construction labor market, especially for workers trained in specific construction trades. The lack of an available labor force drives up the cost of labor and leads to project delays as workers are either unavailable or lost to more profitable projects.

### **REQUESTS TO DEVELOP HOUSING BELOW IDENTIFIED DENSITIES IN THE SITES INVENTORY**

The City did not track requests to develop housing on suitable sites from the 5<sup>th</sup> Cycle inventory below anticipated densities (at least 20 dwelling units/acre). Due to the capacity available in the 5<sup>th</sup> Cycle, the City could still fully accommodate unmet RHNA numbers even if an occasional project developed below anticipated density.

### **TYPICAL TIMEFRAMES BETWEEN APPROVAL FOR A HOUSING DEVELOPMENT PROJECT AND APPLICATION FOR BUILDING PERMITS**

Based on a sample of 58 housing projects with planning approval granted in 2013 to 2020, the average time between planning approval and application for a building permit is eight months. Applicants can apply for a building permit plan review immediately after Final Approval is granted by the design review bodies; however, a permit cannot be issued until after the ten-day appeal period has ended. Although the City might be able to offer some incentives for applicants to apply for building permits more quickly or, conversely, create disincentives for applicants to delay building permit applications, City staff's knowledge of local projects indicates that most delays in building permit applications are related to financial considerations that are beyond the City's control.

## **Environmental Constraints**

Environmental constraints to housing development include natural hazards that limit the development potential of land or increase the costs of development due to special construction standards and mitigation measures necessary to reduce the hazard. In the City, environmental constraints that could impact housing development by limiting a site from building at its full development capacity include fire hazards, flooding hazards, coastal hazards from sea level rise, biological resources, cultural resources, historic resources, seismic hazards, and hillsides/slopes. Parcels with significant environmental constraints associated with biological resources, creeks, and historic resources were removed from the suitable sites inventory database as described in the suitable sites methodology section.

## FIRE HAZARDS

Wildland fires have been and will continue to be a significant part of Santa Barbara's history. Between 1955 and 2021, 23 major wildfires have occurred in or near the Santa Barbara "front country," which is the area along the south-facing slope of the Santa Ynez Mountains between the Gaviota Pass to the west and the Santa Barbara/Ventura County line to the east. In total, these 23 fires have burned over 1,000,000 acres and resulted in eight fatalities.

The City's Community Wildfire Protection Plan (2021) identifies four distinct high fire hazard areas in the City based on wildfire hazard modeling, mostly in the residential single unit zones of the City. Development within the high fire hazard areas is guided by Title 8 of the Municipal Code, which establishes construction standards, vegetation management, and other methods to reduce fire hazards. While these methods help reduce the hazard, the City is concerned about the impact of increased density in the Foothill and Extreme Foothill High Fire Hazard Areas where roads are narrow and winding, presenting a challenge for safe and speedy evacuation in the event of a fast-moving wildfire. Based on the health and safety concern, the City imposed special development regulations on ADUs and SB 9 (2021) projects in these High Fire Hazard Areas. Only two sites identified for future housing development in the City's suitable sites inventory are in High Fire Hazard Areas.

## FLOODING HAZARDS

Four major watersheds drain through the City of Santa Barbara to the Pacific Ocean. The creeks that drain those watersheds include Arroyo Burro Creek, Mission Creek, Sycamore Creek and the Laguna Channel. There is a potential for flooding from these streams in the event of a 100-year flood. The Federal Emergency Management Agency (FEMA) has designated flood hazard zones throughout the City, and areas subject to inundation during a 100-year storm are depicted on Flood Insurance Rate Maps. Development within flood hazard zones is guided by Title 22 of the Municipal Code, which establishes required construction methods to prevent and reduce flood hazards. Sites within floodways were removed from the suitable sites inventory but some sites are within flood hazard zones. Flood hazards are mitigated by compliance with flood resistant design and construction methods.

## COASTAL HAZARDS

Coastal hazards due to sea level rise include coastal flooding and inundation, bluff and beach erosion, and wave impacts. The City participates in local, state, and federal efforts to monitor and model projected hazards due to sea level rise and has prepared a Sea Level Rise Adaptation Plan (2021). Potential shoreline hazards are mapped and used as a screening tool to determine if a site-specific technical evaluation is necessary. The Coastal Land Use Plan includes policies and procedures to reduce the impact of coastal hazards on new development.

One single-unit project on the coastal bluff is included in the site inventory as a pending project. Approximately five suitable sites are located in the potential shoreline hazards screening area (Inland Coastal Flooding). Development on these sites will be evaluated for the risk of coastal flooding on a case-by-case basis and could be subject to minimizing the flood risk by increasing the elevation of structures, restricting basements or habitable floor area below grade, and using flood proof materials.

## BIOLOGICAL RESOURCES

The City's creeks, wetlands, oak woodlands, and riparian corridors are home to sensitive plant and wildlife species that require additional review, protection, and mitigation when present on a parcel

proposed for development. Potential sensitive habitat areas are mapped and used as a screening tool to determine if site-specific biological resource surveys are necessary. Title 22 of the Municipal Code, the Coastal Land Use Plan, and the Environmental Resources Element of the General Plan includes policies and procedures to protect biological resources. Parcels with known significant biological resources were removed from the suitable sites inventory.

## **CULTURAL RESOURCES**

Evidence of cultural activity in the Santa Barbara area extends over 9,000 years. The indigenous population encountered by the Spanish in the late 1700s were the Barbareño Chumash and populations associated with these peoples are considered to have been some of the highest in California. Development proposed in any area known or suspected to contain archaeological resources or identified as archaeologically sensitive on the City's Archaeological Resources Sensitivity Map, is evaluated to identify potential for important resources and monitored during construction if recommended by a City-Qualified Archaeologist. Housing development projects may be required to evaluate impacts to cultural resources, but this requirement applies to all development and is consistent with federal, state, and City regulations for protecting cultural resources.

## **HISTORIC RESOURCES**

The City has preserved much of its historic past and is known for its distinguished architecture. Many buildings have been designated as City Landmarks or Structures of Merit. Titles 22 and 30 of the Municipal Code and the Historic Resources Element of the General Plan includes policies and procedures for protecting cultural and historic resources. Sites with designated Landmarks or Structures of Merit were removed from the suitable sites inventory.

## **SEISMIC HAZARDS**

Like the entire Southern and Central California region, Santa Barbara is in an area of high seismic activity. No active faults or fault traces are known or suspected to exist in City limits, and as a result, no Alquist-Priolo Special Studies Zones are in the City. The level of impact resulting from any seismic activity will depend on factors such as distance from the epicenter, earthquake magnitude, soil characteristics, and subsurface geology. Title 22 of the Municipal Code established methods and construction techniques to reduce the potential for loss of life, injury, and property damage in the event of a major earthquake. This requirement is not known to constrain housing development.

## **HILLSIDES/SLOPES**

Development on hillside areas where steep slopes are present can increase rates of erosion and exacerbate landslide hazards, which may threaten structures. Portions of the City include slopes that exceed 20 percent, and typically located in areas zoned for single unit development. Development on slopes with this degree of inclination is difficult and should be avoided if possible to prevent property damage resulting from slope failure. Title 30 of the Municipal Code includes a sliding scale of minimum lot size for newly created lots when slopes are 10 percent to over 30 percent and the Safety Element of the General Plan contains specific policies that address hazards related to the development of hillside areas. Sites with slopes of 30 percent or more were eliminated from the suitable sites inventory.

## **OTHER CONDITIONS**

Other conditions that could impact housing development on suitable sites include accessibility, parcel shape, easements, or known contamination. All the sites suitable for housing in the City are readily

accessible since most of them are in the downtown or upper State Street area and along major transportation and transit corridors. Most of the sites are nonvacant and there are no known easements or unusual parcel shapes that would constrain their redevelopment into housing.

Per a search of the GEOTRACKER and ENVIROSTOR Hazardous Waste Sites databases, no available sites in the suitable sites inventory are located directly on potentially contaminated parcels. If a project site or adjacent parcel does appear on the GEOTRACKER or ENVIROSTOR database, staff requires more information such as a Phase 1 Environmental Site Assessment and possible soil and groundwater testing. The City coordinates with Santa Barbara County Environmental Health Services on when technical studies are needed and appropriate course of action. If contamination is identified, the applicant must remediate the site prior to construction. Remediation includes excavating the contaminated soils or avoiding ground disturbance. In most cases, contamination issues can be remediated, and the project can be built, but the construction costs are increased.

# 4. HOUSING RESOURCES

## Regional Housing Needs Allocation

State Law requires that jurisdictions provide an adequate number of sites to allow for and facilitate the production of their share of regional housing for the Housing Element planning period. To determine whether a jurisdiction has sufficient land to accommodate its share of regional housing needs for all income groups, that jurisdiction must identify “adequate sites.” Under State law (California Government Code, § 65583[c][1]), adequate sites are those with appropriate zoning and development standards—with services and facilities—needed to facilitate and encourage the development of a variety of housing for all income levels.

### Regional Housing Targets

Table 41 shows the 6th Cycle Regional Housing Needs Assessment (RHNA) allocation for the City of Santa Barbara, as determined by the Santa Barbara County Association of Governments, for the 8-year period (2023-2031).

**TABLE 41: 6<sup>TH</sup> CYCLE RHNA ALLOCATION**

<b>Very Low (0-50% AMI)</b>	<b>Low (50-80% AMI)</b>	<b>Moderate (80-120% AMI)</b>	<b>Above Moderate (120%+ AMI)</b>	<b>Total</b>
2,147	1,381	1,441	3,032	8,001 <sup>14</sup>

Housing Element law does not require the City to ensure that the numbers of housing units identified in the RHNA are built within the planning period. However, the law requires that the City provide an inventory of land suitably zoned and with available infrastructure and utilities to meet that need.

As a suburban jurisdiction, California Government Code, § 65583.2(c)(3)(B), specifies that a minimum default density of 20 units per acre is necessary to meet the City’s low- and very-low-income housing needs. All the available sites in the Suitable Sites Inventory allow at least 20 units per acre per the ranges allowed under the AUD program.

The City satisfied its 5th Cycle RHNA requirement by planning for the number of units assigned to it in that cycle. Progress in the City’s residential development permitting during the 5th Cycle is documented in the City’s Annual Progress Reports. The following section, Sites Inventory and Analysis, along with Appendix G, detail the City’s plan to satisfy its 6th Cycle RHNA requirement.

<sup>14</sup> The City has a RHNA allocation of 2,147 very-low-income units (inclusive of extremely low income units). Pursuant to State law (AB 2634), the City must project the number of extremely low income housing needs based on Census income distribution or assume 50 percent of the very-low-income units as extremely low. Assuming an even split, the City’s RHNA allocation of 1,735 very-low-income units may be divided into 867 very low and 868 extremely low-income units. However, for purposes of identifying adequate sites for the RHNA, State law does not mandate the separate accounting for the extremely low-income category.

# Sites Inventory and Analysis

Government Code § 65583 (a)(3) requires that Housing Elements contain a parcel-specific inventory of appropriately zoned, available, and suitable sites that provide housing opportunities for all income categories. The purpose of the inventory is to identify land suitable for housing development and determine whether the City's residential development potential is adequate to meet the City's share of projected regional housing needs.

The Housing Element is required to identify sites to accommodate the RHNA by income level or identify any rezoning to accommodate any shortfall. Sites identified to accommodate lower income units must meet certain criteria for lower income housing, including minimum densities. Lower income includes both the Very Low- and Low-Income categories in RHNA. The City must maintain adequate sites at all times throughout the RHNA period to meet the City's unmet housing needs for each income category. During the 8-year period, if sites are developed with non-residential use or developed with a lower number of units at each income level, the City must demonstrate that there are adequate remaining sites in the inventory to accommodate the remaining RHNA by income level. If the City finds there is insufficient remaining capacity at any income level, additional sites would need to be added to the inventory or rezoning would be necessary.

New in the 6<sup>th</sup> Cycle is a requirement to determine if sites identified to accommodate the low- and very low-income RHNA were used in the previous planning periods, as follows:

- For a nonvacant site, included in the 5th Cycle Housing Element.
- For a vacant site included in the 5th and 4th Cycle Housing Element.

If such sites are identified, the City is required to rezone them within three years of the beginning of the planning period to allow residential use by right at a minimum of 20 units per acre for housing developments in which at least 20 percent of the units are affordable to very low- and low-income households. This program can be an overlay on these specific sites. The intent of this requirement is to further incentivize the development of housing on sites that have been available over one or more planning periods. This is addressed in Housing Element Program HE-4: Use-By-Right Permitting.

In addition, AB 686 (2018) requires the City's Sites Inventory be evaluated relative to the assessment of fair housing, ensuring site locations and zoning for new housing are provided for all income levels, and considering existing patterns of segregation and/or exclusion of residents in protected classes. Demographic patterns, disproportionate housing needs and access to opportunity, and the City's regulatory review are identified fair housing issues for the City. As a result, sites were analyzed for all income levels and will contribute toward replacing segregated living patterns with truly integrated and balanced living patterns. Suitable sites are prioritized along transit corridors and proximity to employment opportunities and services. The Affirmatively Furthering Fair Housing (AFFH) appendix includes this assessment of fair housing within the City.

The evaluation of suitable sites includes a listing of individual parcels by Assessor's Parcel Number (APN), size of parcel, zone classification, and General Plan land use designation. Existing use, allowable residential density, and the realistic unit capacity are included to demonstrate the realistic development potential for each parcel. Economic consideration of assessed land value and



improvement value was used to identify sites more likely to be redeveloped into housing during the planning period. Existing constraints, including adjacency to creeks, and protected historic resources, were also included in the analysis.

The City's land inventory was completed using a GIS land use database, County Assessor's land use codes, aerial photography, and review of the General Plan and Zoning designations. The inventory identifies suitable sites and estimates the potential development capacity by affordability level. The majority of residential development potential is in the multi-unit and commercial zones where the highest densities are allowed. This section of the Housing Element demonstrates that the City has sufficient land inventory and zoning capacity to accommodate the City's assigned share of regional housing need within existing and proposed General Plan and zoning capacities.

The following discussion of land inventory, zoning capacity, and suitable sites demonstrates that the City has the capacity to meet the overall RHNA of 8,001 units with additional buffer. A 1749.3 percent buffer is provided to ensure that sufficient capacity will be "available" to accommodate RHNA throughout the planning period consistent with State guidance. Sites are considered to be "available" if zoning and land use regulations provide appropriate densities and sufficient public facilities and infrastructure are present to make housing development feasible.

## Suitable Site Inventory and Development Capacity

To accommodate RHNA and all required income levels of affordable housing, the suitable sites inventory focused on commercial and multi-unit zones. These areas allow for the highest density residential development and have regulatory incentives for infill housing and redevelopment that are not provided to nonresidential development. The highest residential densities are at the center of the City within and adjacent to commercial uses and transit. Higher density residential and commercial zones that allow mixed-use development with densities up to 63 units per acre also have the potential for lower construction costs because of existing infrastructure and economies of scale and are therefore recognized as most suitable for development of housing affordable to very low- and low-income households.

### PROVIDING A VARIETY OF HOUSING TYPES

As noted above, the inventory supports the development of multi-unit residential and mixed-use housing in commercial and multi-unit zones, which is the housing type that best meets the City's housing needs. Other housing types are an allowed use in the single-unit zones, such as accessory dwelling units, mobilehomes and manufactured housing on an approved permanent foundation, transitional and supportive housing, and housing for agricultural employees. These housing types are not identified in the inventory by location.

### RESIDENTIAL DEVELOPMENT ON COMMERCIAL SITES

The City allows both residential and commercial development in all zone districts except for RS (Residential Single), R-2 (Two-Unit Residential), Manufacturing Industrial (M-I), P-R (Park and Recreation), and several Coastal-Oriented Zones (HRC-1, OM-1, HC). The majority of new multi-unit and mixed-use residential development in the City occurs on sites that also allow nonresidential development.

In 1989, Measure E was passed which limited nonresidential growth within the City to not more than three million square feet until 2010. Following the General Plan Update of 2011, updated Land Use

Element policy and implementation actions limited most new nonresidential floor to 1.35 million square feet until 2033. Coupled with the nonresidential floor area limitations, residential and mixed-use projects are incentivized over nonresidential uses as follows:

- Additional 3 feet over maximum height is allowed for residential and mixed-use projects in the Central Business District;
- Reduced interior setbacks in some cases; and
- Reduced or no parking requirements.

Other regulatory incentives that favor residential development over commercial include state and local density bonus provisions, streamlined residential permit processing timelines, and reduced number of hearings. Therefore, it is appropriate that the City's site inventory assumes housing capacity in commercial and multi-unit zones.

### **NONVACANT SITES DEVELOPMENT**

As a largely built out City surrounded by steep hillsides, open space, and ocean, almost all new development, including housing, occurs on nonvacant sites. Recent housing projects have included a variety of configurations on nonvacant sites including demolishing all existing structures, retaining, and adding on to existing structures, adding new units within or adjacent to designated historic resources, converting existing structures to residential uses, and moving historic resources to other locations.

Examples of completed projects include the following:

- Small Project: Four new units constructed behind an existing 838 sq. ft. single-unit dwelling for a total of five units. Two existing sheds were demolished and eight fruit trees removed.
- Converted Project: Change of use from an existing 1950s mixed-use building to all residential with 22 net new units, one existing unit retained.
- Relocated Project: Seven new units with a lot merger and relocation of a potentially historic duplex.
- Project with Historic Resource: 26 new units including City Landmark and duplex preserved and renovated on site. An existing four-unit apartment complex, three sheds, and a surface parking lot were demolished.
- Large Project: 89 new units constructed on the site of a former 12 unit motel and office building. All existing structures were demolished.

Of the total available and pending sites in the inventory (460476), 956 percent (437455) are nonvacant. To determine suitability of development on nonvacant sites, the City researched the improvement to land value (I/L) ratios of multi-unit housing sites developed throughout the 5<sup>th</sup> cycle Housing Element to determine the appropriate threshold for including sites in the 2023 – 2031 Housing Element suitable sites inventory. See the Suitable Sites Inventory Summary below for more information.

### **SMALL AND CONSOLIDATED SITES DEVELOPMENT**

Past residential development trends demonstrate that smaller opportunity sites (i.e., less than half-acre in size) can be developed with multi-unit rental and ownership housing, including for lower income households. Table 42 shows non-vacant sites less than half-acre that were developed or are pending

approval with 10 or more units since 2015. Project height and density are shown to indicate that maximum density can be achieved within the City’s height limits. Of the total 290 units, about 31 percent are or will be affordable for low- and moderate-income households. These sites demonstrate market trends to redevelop sites with existing buildings and construct multi-unit housing using density bonus concessions.

**TABLE 42: EXAMPLE PROJECTS ON SITES LESS THAN 0.5 ACRES**

Address	Status	Parcel size (after merger)	Max Density (units/acre)	Project Density (units/acre)	Project Height	Number of Units	Affordable Units
<u>813 E. Carrillo</u>	<u>Complete</u>	<u>0.34</u>	<u>27</u>	<u>50</u>	<u>34’ 6”</u>	<u>17</u>	<u>16 very low (Veterans)</u>
<u>414 Chapala</u>	<u>Complete</u>	<u>0.34</u>	<u>63</u>	<u>62</u>	<u>45’</u>	<u>21</u>	
<u>214 E. De la Guerra</u>	<u>Complete</u>	<u>0.43</u>	<u>63</u>	<u>60</u>	<u>45’</u>	<u>23</u>	
<u>634 Anacapa</u>	<u>Complete</u>	<u>0.48</u>	<u>63</u>	<u>63</u>	<u>40’</u>	<u>30</u>	
<u>604 E. Cota</u>	<u>Complete</u>	<u>0.47</u>	<u>63</u>	<u>62</u>	<u>43’ 2”</u>	<u>29</u>	
<u>116 E. Cota</u>	<u>Approved</u>	<u>0.25</u>	<u>63</u>	<u>117</u>	<u>45’</u>	<u>29</u>	<u>28 low</u>
<u>115 W. Anapamu</u>	<u>Approved</u>	<u>0.34</u>	<u>63</u>	<u>122</u>	<u>60’</u>	<u>34</u>	<u>34 very low (Supportive Housing)</u>
<u>825 De la Vina</u>	<u>Approved</u>	<u>0.33</u>	<u>63</u>	<u>63</u>	<u>48’</u>	<u>21</u>	<u>2 moderate</u>
<u>113 W. De la Guerra</u>	<u>Approved</u>	<u>0.37</u>	<u>63</u>	<u>62</u>	<u>45’</u>	<u>23</u>	
<u>428 Chapala</u>	<u>Pending</u>	<u>0.36</u>	<u>63</u>	<u>75</u>	<u>48’</u>	<u>27</u>	<u>2 very low</u> <u>2 moderate</u>
<u>425 Garden</u>	<u>Pending</u>	<u>0.38</u>	<u>63</u>	<u>96</u>	<u>52’</u>	<u>36</u>	<u>5 low</u> <u>2 moderate</u>

\*Project density is higher than maximum for projects using density bonus

Merging adjoining smaller parcels to acquire sufficient land area is also not uncommon to provide for a financially viable project. Table 42 shows examples of projects (since 2013) that merged adjoining parcels to create larger lot sizes and develop more units. In addition, development standard incentives such as minimum lot area and parking modifications are typically granted to facilitate the construction of affordable housing units. Lot Area modifications allow housing projects to exceed density standards provided that the over-density units are offered to households qualifying for affordable rents or purchase prices.

**TABLE 43: EXAMPLE PROJECTS ON LOT MERGER SITES**

<u>Address</u>	<u>Type</u>	<u>Status (Dec 2022)</u>	<u>Parcel Size (after merger) acres</u>	<u>Max Density (units/acre)</u>	<u>Project Density (units/acre)</u>	<u>Project Height</u>	<u>Number of Units</u>	<u>Affordable Units</u>
<u>3885 State</u>	<u>Mixed-use/2 parcels</u>	<u>Complete</u>	<u>1.4</u>	<u>63</u>	<u>63</u>	<u>45'</u>	<u>89</u>	
<u>835 E. Canon Perdido</u>	<u>Mixed-use/3 parcels</u>	<u>Complete</u>	<u>0.8</u>	<u>63</u>	<u>52</u>	<u>45'</u>	<u>41</u>	
<u>1220 &amp; 1222 San Andres</u>	<u>Residential/2 parcels</u>	<u>Complete</u>	<u>0.67</u>	<u>27</u>	<u>18</u>	<u>37'</u>	<u>12</u>	
<u>316 W. Micheltorena</u>	<u>Residential/2 parcels and rehabilitation of existing historic buildings</u>	<u>Complete</u>	<u>0.81</u>	<u>27</u>	<u>26</u>	<u>31' 7"</u>	<u>21</u>	
<u>410 State</u>	<u>Mixed use/3 parcels</u>	<u>Approved</u>	<u>1.3</u>	<u>63</u>	<u>58</u>	<u>51' 9"</u>	<u>78</u>	<u>8 Moderate</u>
<u>809 De la Vina</u>	<u>Residential/3 parcels and relocation of existing historic home</u>	<u>Approved</u>	<u>0.7</u>	<u>63</u>	<u>56</u>	<u>44' 2"</u>	<u>37</u>	
<u>630 Chapala</u>	<u>Mixed-use/2 parcels</u>	<u>Pending</u>	<u>0.6</u>	<u>63</u>	<u>62</u>	<u>50' 11"</u>	<u>39</u>	<u>4 Moderate</u>
<u>711 N. Milpas</u>	<u>Mixed-use/9 parcels</u>	<u>Pending</u>	<u>1.5</u>	<u>63</u>	<u>54</u>	<u>52'</u>	<u>82</u>	<u>16 Moderate</u>
<u>401 E. Haley</u>	<u>Mixed-use/2 parcels</u>	<u>Pending</u>	<u>0.5</u>	<u>63</u>	<u>55</u>	<u>44' 2"</u>	<u>28</u>	<u>3 Moderate</u>

## DEVELOPER INTEREST

Since the initiation of the 6<sup>th</sup> Cycle Housing Element, the City has been contracted by several developers expressing interest in the Suitable Sites Inventory and potential housing projects including:

- Juno Realty Partners: Interested in multi-unit apartment development and potential opportunities on sites listed in the inventory. Staff provided information on pending projects and development potential on several nonvacant sites.
- Sunrise Senior Living: Interested in suitable sites for senior housing development opportunities in Santa Barbara, with a focus on seniors with memory impairment. Staff researched potential sites and met with representatives to discuss opportunities.
- People's Self Help Housing: Interested in developing affordable housing on a specific nonvacant site in the inventory and is actively working with the property owner on plans. Staff met with representatives to discuss opportunities and provide information and support.
- Urban Rock Properties: Interested in multi-unit apartment development and potential opportunities on sites listed in the inventory. Staff provided information and the City's Density Bonus handout for consideration of development potential with increased density.

## SUITABLE SITES INVENTORY SUMMARY

The Suitable Sites Inventory (Appendix G) identifies potential housing sites on vacant and underdeveloped parcels within the City that meet certain criteria to demonstrate a potential for new housing construction.

The analysis used the City's GIS land use database and the County Assessor land use codes. Aerial photography and site inspections were also used to verify the status of certain parcels. Future development considered is in three general categories: projects in process (pending), new multi-unit/mixed-use, and accessory dwelling units.

### ***New Multi-Unit/Mixed-Use***

The following criteria were used to identify suitable sites and development potential:

#### Land Use and Zoning

- All parcels that allow for multi-unit residential use were considered. ~~Single-unit zones were not included because they do not meet the criteria of a development potential of at least 10 units.~~
- ~~All projects with pending City development applications were included (1,087 units as of June 29, 2022).~~
- ~~For the remaining sites, o~~Only those parcels with a development potential of at least 10 units were included.
- Parcels with the potential to consolidate adjacent sites under common ownership were considered. A total of 155 sites under common ownership were identified with a potential to consolidate, with a total capacity of over 1,700 units.

- Public land, including parks and public parking lots not planned for redevelopment were removed.
- Existing condominiums, planned unit developments, mobile home parks, and private right-of-ways were removed.

### Constraints

Parcels were evaluated for known environmental constraints and other conditions that would impact housing development on the identified sites. The majority of parcels suitable for new multi-unit and mixed-use development are in the urban grid or along major travel corridors where parcels are easily accessible. -The following were removed from the inventory based on known constraints:

- Parcels with designated historic buildings (City Landmarks or Structures of Merit) or owned by the State of California and part of El Presidio ~~were removed~~.
- Parcels with significant environmental constraints associated with biological resources and creeks ~~were removed~~.
- Parcels that require significant cleanup or are limited for residential development associated with hazardous waste conditions per the GeoTracker and EnviroStor databases.

### Realistic Capacity

Realistic buildout densities were determined based on average densities of projects approved during the 5th RHNA Cycle. Table 45 shows examples of density achieved for completed and approved projects in the Priority Housing Overlay and Medium-High Density areas of the City. The majority of these projects were completed on nonvacant parcels. The examples support the following assumptions:

- For Medium-High density (max 27 units/acre), 22 units/acre was used. The zones that include this density are C-G (Commercial General), C-R (Commercial Restricted), M-C (Manufacturing Commercial), O-R (Office Restricted), R-M (Residential Multi-Unit), and R-MH (Residential Multi-Unit and Hotel).
- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used. The zones that include this density are C-G (Commercial General), C-R (Commercial Restricted), M-C (Manufacturing Commercial), O-R (Office Restricted), R-M (Residential Multi-Unit), and R-MH (Residential Multi-Unit and Hotel).
- For multi-unit residential in the Coastal Zone (max 27 units/acre), 20 units/acre was used. The zones that include this density are C-1 and C-2 (Commercial), HRC-2 (Hotel and Related Commerce II), OC (Ocean Related Commerce) and R-4 (Residential Multi-Unit and Hotel)

**TABLE 44: DENSITY ACHIEVED ON PROJECTS OF 10 OR MORE UNITS**

<u>Address</u>	<u>Density Achieved units/acre</u>	<u>Site Constraints</u>
<b>Medium High Density 15-27 units/acre</b>		
<u>1120 &amp; 1122 Hutash</u>	<u>11</u>	<u>Adjacent to creek.</u>
<u>915 E. Anapamu</u>	<u>27</u>	<u>Slopes, existing trees</u>
<u>1317 Punta Gorda</u>	<u>26</u>	
<u>1220 &amp; 1222 San Andres</u>	<u>18</u>	<u>Adjacent to creek and City park</u>
<u>316 W. Micheltorena</u>	<u>26</u>	<u>Included rehabilitation of two existing potentially historic buildings on site</u>
<b>Average Density</b>	<b><u>22</u></b>	
<b>Priority Housing Overlay 37-63 units/acre</b>		
<u>809 De la Vina Street</u>	<u>56</u>	<u>Existing City Structure of Merit</u>
<u>410 State</u>	<u>58</u>	
<u>825 De la Vina</u>	<u>63</u>	
<u>835 E. Canon Perdido</u>	<u>52</u>	
<u>214 E. De la Guerra</u>	<u>60</u>	<u>Existing City Landmark</u>
<u>414 Chapala</u>	<u>62</u>	
<u>219 E. Haley</u>	<u>62</u>	
<u>113 W. De la Guerra</u>	<u>62</u>	<u>Existing Potential City Structure of Merit</u>
<u>634 Anacapa</u>	<u>63</u>	
<u>800 Santa Barbara</u>	<u>54</u>	<u>Existing trees</u>
<u>15 S. Hope</u>	<u>57</u>	<u>Adjacent to creek</u>
<u>604 E. Cota</u>	<u>62</u>	
<u>3885 State</u>	<u>63</u>	
<b>Average Density</b>	<b><u>59</u></b>	

Financial Viability

- To ~~screen~~review sites for financial viability, assessor parcel Improvement Value, Land Value, and parcel area were considered. A low improvement to land value ratio indicates improvements on the site are worth less than the land, suggesting that the land is underutilized and there has been a lack of significant improvements in recent years. Properties ~~chosen~~identified as financially viable were all within the improvement Value, Land Value, and parcel area parameters of projects that were ~~proposed~~issued permits and constructed during the 5th RHNA cycle.
- The Improvement to Land Value (I/L) and Improvement to Square Foot ratios (I/ft<sup>2</sup>) were based on the median value of projects developed under the Average Unit Size Density Incentive (AUD) program since 2015 (77 total projects). The methodology used the following median values depending on if the project was developed under the Medium High or Priority Housing Tier as follows:
  - Medium High: 0.66 I/L and 16.11 I/ft<sup>2</sup>
  - Priority: 0.53 I/L and 16.23 I/ft<sup>2</sup>.

- The median value screening tool supports the assumption that the majority of new housing units will be constructed on nonvacant parcels with relatively low improvement to land value and improvement to square foot ratios.

**Accessory Dwelling Units**

- Accessory dwelling units (ADUs) were considered based on the ADU survey results and average construction rate. A total of 629 accessory dwelling units are included in the inventory, assuming that 65 percent of ADUs permitted each year would be counted as a housing unit for RHNA purposes. Specific locations were not identified.

**Pending Projects**

All projects with pending City development applications (except accessory dwelling units) that are consistent with allowable densities by zoning or through state density bonus law were included in the inventory. All projects currently in process that are not yet permitted are generally expected to be constructed within the planning period (before February 2031). Table 44 shows the type, existing use, and number of units assigned to pending projects, with details provided for projects of 10 or more units. Note that projects ~~that are~~ permitted after June 30, 2022 will be credited for meeting the 6th cycle RHNA allocation in the annual reporting to HCD in 2023.

Pending projects with units listed in the very low, low, or moderate income categories based their affordability assumptions on the project description and if the project is applying for density bonus concessions, if the project is subject to the City’s Inclusionary Housing Ordinance, or if the project is proposed by the City’s Housing Authority or other nonprofit as an affordable housing project.

- Pending single unit projects: All of the pending single residential unit projects (22 units) are considered Above Moderate.
- Pending 2 – 9 unit projects: 133 total units, 123 Above Moderate, 10 are Low Income.
- Pending 10 units and above projects: 1,446 total units, 149 Very Low and Low, 101 Moderate, 1,196 Above Moderate.

**TABLE 45: SUITABLE SITES INVENTORY PENDING PROJECTS (IN REVIEW OR PROJECT DESIGN APPROVED)**

<b>Address(es)</b>	<b>Existing Uses</b>	<b>Project Description</b>	<b>Total Units and Affordability</b>
<b>Combined Single Unit Projects</b>			
<u>Various</u>	<u>Vacant, single-unit, multi-unit, commercial, medical</u>	<u>Single residential units</u>	<u>22 Above Moderate</u>
<b>Combined Multi-Unit Projects of 2-9 Units</b>			
<u>Various</u>	<u>Vacant, Single-unit, multi-unit, commercial, retail, nursing home, common space</u>	<u>2-9 residential units</u>	<u>10 Lower 123 Above Moderate</u>
<b>Multi-Unit Projects of 10 or More Units</b>			
<u>1529 State Street</u>	<u>Commercial market</u>	<u>Mixed-use with 27 units</u>	<u>2 Moderate 25 Above Moderate</u>



<u>Address(es)</u>	<u>Existing Uses</u>	<u>Project Description</u>	<u>Total Units and Affordability</u>
<u>222 E. Canon Perdido</u>	<u>Commercial building</u>	<u>27 units</u>	<u>3 Moderate</u> <u>24 Above Moderate</u>
<u>201 E. Haley</u>	<u>Vacant lot</u>	<u>48 Units</u>	<u>5 Low</u> <u>4 Moderate</u> <u>39 Above Moderate</u>
<u>3805 State Street</u>	<u>Shopping Center</u>	<u>Mixed-use with 685 units</u>	<u>39 Very Low</u> <u>17 Moderate</u> <u>629 Above Moderate</u>
<u>113-117 W. De la Guerra Street</u>	<u>Three commercial buildings. A portion of the historic façade and tile roof will be preserved for historic purposes</u>	<u>Mixed-use with 23 units</u>	<u>23 Above Moderate</u>
<u>401 and 409 E. Haley Street</u>	<u>Two commercial buildings and two residential buildings</u>	<u>Lot merger of 2 lots and mixed-use with 28 units</u>	<u>3 Moderate</u> <u>25 Above Moderate</u>
<u>219 E. Haley Street</u>	<u>Eight residential units</u>	<u>Mixed-use with 34 units</u>	<u>34 Above Moderate</u>
<u>425 Santa Barbara Street</u>	<u>Single-Unit Residence</u>	<u>Mixed-use with 19 units</u>	<u>1 Moderate</u> <u>18 Above Moderate</u>
<u>410 State Street, 27 E. Gutierrez Street, &amp; 409 Anacapa Street</u>	<u>Multi-tenant retail and appliance store</u>	<u>Lot merger of three parcels and mixed-use with 78 units</u>	<u>8 Moderate</u> <u>70 Above Moderate</u>
<u>825 De la Vina Street</u>	<u>Parking lot</u>	<u>Mixed-use with 21 units</u>	<u>2 Moderate</u> <u>19 Above Moderate</u>
<u>115 W. Anapamu Street</u>	<u>Medical clinic and an eight-unit affordable apartment building (to remain)</u>	<u>Mixed-use with 34 units</u>	<u>34 Low</u>
<u>630 Chapala Street &amp; 25 W. Ortega Street</u>	<u>Service building, auto showroom building, and storage building</u>	<u>Lot merger of two parcels and mixed-use with 39 units</u>	<u>4 Moderate</u> <u>35 Above Moderate</u>
<u>809 De La Vina Street, 815 De La Vina Street, &amp; 208 W. De La Guerra Street</u>	<u>Four commercial/residential buildings and one Structure of Merit (to be relocated)</u>	<u>Lot merger of three parcels and 31 units</u>	<u>31 Above Moderate</u>
<u>701 N. Milpas Street</u>	<u>Commercial and warehouse buildings and two apartments</u>	<u>Mixed-use with 82 units</u>	<u>16 Moderate (with "Local Preference")</u> <u>66 Above Moderate</u>
<u>428 Chapala Street</u>	<u>Restaurant</u>	<u>Mixed-use hotel and 27 units</u>	<u>2 Very Low</u> <u>2 Moderate</u> <u>23 Above Moderate</u>
<u>425 Garden Street</u>	<u>Three commercial buildings</u>	<u>36 units</u>	<u>5 Low</u> <u>2 Moderate</u> <u>29 Above Moderate</u>
<u>220 N. La Cumbre Road</u>	<u>Office and parking/storage</u>	<u>100% affordable housing project with 48 units</u>	<u>24 Very Low</u> <u>24 Low</u>

<u>Address(es)</u>	<u>Existing Uses</u>	<u>Project Description</u>	<u>Total Units and Affordability</u>
<u>400 W. Carrillo Street</u>	<u>City-owned parking lot</u>	<u>63 units operated by the City's Housing Authority</u>	<u>30 Moderate</u> <u>33 Above Moderate</u>
<u>418 N. Milpas Street</u>	<u>Retail and parking lot</u>	<u>Lot merger of 2 lots and mixed-use with 82 units</u>	<u>13 Low</u> <u>6 Moderate</u> <u>63 Above Moderate</u>
<u>821 State Street</u>	<u>Commercial building to be retrofitted</u>	<u>Mixed-use with 14 units</u>	<u>3 Low</u> <u>1 Moderate</u> <u>10 Above Moderate</u>

**Total Capacity**

The Suitable Sites Inventory identified 7,829,115 units in multi-unit/mixed-use zones. With ADUs and pending projects, the total capacity identified was 9,352,545 units. Table 46 shows the total capacity by income level. The breakdown of capacity by affordability level is 2,475 very low income (24 percent above RHNA), 1,505 low income (26 percent above RHNA), 1,626 moderate income (25 percent above RHNA), and 2,223 above moderate income units (10 percent above RHNA).

**TABLE 46: TOTAL CAPACITY BY INCOME LEVEL**

<u>RHNA</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Moderate</u>	<u>Total</u>
	<u>2,147</u>	<u>1,381</u>	<u>1,441</u>	<u>3,031</u>	<u>8,001</u>
<u>Pending Projects</u>	<u>79</u>	<u>80</u>	<u>101</u>	<u>1,348</u>	<u>1,608</u>
<u>ADUs</u>	<u>148</u>	<u>148</u>	<u>74</u>	<u>259</u>	<u>629</u>
<u>Suitable Sites</u>	<u>2,351</u>	<u>1,418</u>	<u>1,456</u>	<u>1,890</u>	<u>7,115</u>
<b><u>TOTAL</u></b>	<b><u>2,578</u></b>	<b><u>1,646</u></b>	<b><u>1,631</u></b>	<b><u>3,497</u></b>	<b><u>9,352</u></b>
<u>Buffer (percent)</u>	<u>20%</u>	<u>19%</u>	<u>13%</u>	<u>15%</u>	<u>17%</u>

**CITY-OWNED SITES**

The inventory includes one pending City-owned site to accommodate RHNA with a capacity of 63 units. The approximately one-acre site at 400 W. Carrillo Street is currently a commuter parking lot. The General Plan designation is Commercial / Medium High Density Residential and the maximum density is 27 dwelling units/acre. The site is adjacent to Mission Creek and a setback of at least 25 feet from top of bank is required.

A pre-application for development of 63 moderate- and middle-income affordable rental units was submitted in February 2022 by the City of Santa Barbara Housing Authority. As of December 2022, the proposed project received two pre-application reviews and no formal application has been submitted. Modifications are required for the proposed density and to allow a height increase. The project is likely

to receive approval as proposed based on the track record of City of Santa Barbara Housing Authority projects and with support from the City and the community.

The City intends to evaluate City-owned sites for future housing development opportunities with Program HE-12: City Land Registry.

## **INFRASTRUCTURE WATER AND SEWER CAPACITY**

Existing City services, including water, sewer, storm drain facilities, and dry utilities (electrical and internal service) are available to serve all the sites in the inventory. The Program Environmental Impact Report (PEIR) being prepared for the Housing Element will further analyze the sufficiency of City services to accommodate the number of units planned to comply with the RHNA.

The City of Santa Barbara operates a water supply system that serves most of the properties within the City limits (except for the City's airport, which is served by the Goleta Water District and the Coast Village Road and Westmont Road areas, served by Montecito Water District). The City also serves selected areas located outside the City limits, most notably the unincorporated areas known as Mission Canyon and Barker Pass. The extent of the services currently provided and those that are planned into the future are detailed in the City's 2024~~0~~ Enhanced Urban Water Management Plan (EUWMP). ~~The City also operates a wastewater collection system.~~

The City's wastewater treatment plant, El Estero Water Resource Center (WRC) has a design capacity of 11 million gallons per day (MGD) and an average flow of 6.0 MGD. El Estero WRC includes tertiary filtration and disinfection capacity to produce recycled water for use at the plant and for the recycled water distribution system.

Water demand projections were developed as part of the City's 2020 Water Conservation Strategic Plan, and further developed and analyzed in the EUWMP. As stated in the EUWMP, the residential component of the water demand projection is based on population projections from the Regional Growth Forecast 2050 Santa Barbara County (RGF). The RGF projected an average of 175 new residential units a year. Population growth is anticipated to have a minimal impact on water demand through 2050 because most new residents are assumed to be housed in multi-unit housing or accessory dwelling units, which have a relatively low per capita water use. Because the EUWMP was prepared before the City's RHNA allocation was received from the state, the EUWMP assumed a growth rate 30 percent higher than the baseline, which is equivalent to 227 units per year. The EUWMP also evaluates existing and future water demand for lower-income households from 2020 to 2050 based on historical information from the City's affordable housing inventory and projections for the future availability and use of housing-related subsidies and incentives.

~~The Program Environmental Impact Report (EIR) being prepared for the Housing Element will evaluate the effects on the environment that may occur as a result of future growth in the City until 2035, including the effects associated with additional growth and development activity with the Housing Element. Impacts to water and sewer capacity will be included in the evaluation.~~

## **QUANTIFIED OBJECTIVES**

State law acknowledges that total housing needs identified through the RHNA process may exceed available resources and the community's ability to satisfy this need. Under these circumstances, the quantified objectives need not be identical to the total housing needs. The quantified objectives should

estimate the number of housing units by income category that are likely to be built, rehabilitated, or conserved/preserved over the 2023-2031 Housing Element planning period.

The quantified objectives do not represent a ceiling on development, but rather a likely outcome based on needs, resources, and constraints. While the City has identified sufficient sites to meet RHNA, the City does not anticipate having financial resources to ensure the entire need for extremely low-, very low-, low-, and moderate-income units will be met by 2031. The City’s best estimate of what could actually be constructed during the 2023-2031 Housing Element planning period is based on recent residential development trends from 2013-2022 and expected redevelopment of a portion of La Cumbre Plaza during the planning period. Market conditions and property owner interest in developing or redeveloping property are major factors in providing new housing. For the extremely low, very low, low and moderate-income housing, the estimate is based on past performance, current regulations, and budget assumptions from affordable housing subsidy sources. The Housing Element includes the development of new programs which ~~could~~ are expected to accelerate increase production of these affordable units during the planning period as programs are implemented, including HE-29 Affordable Housing Funding and HE-10 Affordable Housing Strategy Overlay.

The City’s quantified objectives from 2023-2031 are shown in Table 47. New construction using public and/or private sources over the planning period is estimated to total 3,083 units, including a mix of extremely low, very low, low, moderate, and above moderate units. Based on actual rehabilitation and conservation/preservation of units between 2015 and 2022, City staff project approximately 162 existing units to be rehabilitated, and 43 existing affordable units to be preserved. To account for the objectives of Program HE-21 Monitor and Preserve Existing Affordability Covenants, an additional 58 low-income units were added to the preservation total. The total number of housing units estimated to be constructed, rehabilitated, or preserved during the 2023 - 2031 Housing Element planning period is 3,346 ~~288~~ units. This is a significant increase in anticipated production compared to the 1,832 units constructed between 2015 and 2022. The additional units are expected to result in new programs favorable to infill housing development and increased production of affordable units.

**TABLE 47: QUANTIFIED OBJECTIVES (2023 – 2031)**

<b>Income Category</b>	<b>New Construction</b>	<b>Rehabilitation</b>	<b>Conservation/ Preservation</b>
Extremely Low	148	0	0
Very Low	90	4	0
Low	328	158	<u>101</u> <del>43</del>
Moderate	293	0	0
Above Moderate	2,224	0	0
<b>Totals</b>	<b>3,083</b>	<b>162</b>	<b><u>101</u> <del>43</del></b>

# Financial Resources

The extent to which the City can achieve its Housing Element goals and objectives is in large part dependent on the availability of financial resources for implementation. A variety of local, state, and federal funds are available to support affordable housing activities, described below. Table 48 identifies a variety of funding or free programs currently available on a competitive basis to leverage local funding for affordable housing activities including new construction, acquisition/rehabilitation, preservation of at-risk housing, homebuyer assistance, among others.

**TABLE 48: FUNDING PROGRAMS**

Program Name	Description	Eligible Activities
<u>California Housing Accelerator</u>	Provides gap funding to replace tax credit equity in shovel-ready projects to reduce the backlog of projects in the California Debt Limit Allocation Committee funding pipeline and accelerate the development of housing to those in need.	HCD funded affordable housing projects that were unable to secure tax credits
Affordable Housing and Sustainable Communities Program (AHSC)	Provides grants and/or loans to projects that achieve Greenhouse Gas reductions and benefit Disadvantaged Communities through increasing accessibility of affordable housing, employment centers, and key destinations. The program is funded by the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.	New construction Acquisition & Rehabilitation Preservation of affordable housing at-risk Conversion of non-residential to rental
<del>CA Covid-19 Rent Relief Program (ERAP)</del>	<del>ERAP is for local governments within California seeking Emergency Rental Assistance Funds under California SB-91 (2021) from California's State Rental Assistance Program and/or a block grant.</del>	Rental assistance
CalHome	Grants to cities and nonprofit developers to assist individual homeowners with homebuyer assistance and rehabilitation and ADU/JADU assistance (construction, repair, reconstruction or rehabilitation). Program also includes loans to developers for homeownership projects.	Homebuyer Assistance Down payment assistance Rehabilitation Acquisition & Rehabilitation ADU/JADU

Program Name	Description	Eligible Activities
		Developer Assistance Site acquisition, development, predevelopment and construction period expenses
California Housing Finance Agency (CalHFA) Residential Development Loan Program	Loans to cities for affordable infill, owner-occupied housing developments. Links with CalHFA's Down Payment Assistance Program to provide subordinate loans to first-time buyers.	Site acquisition Pre-development costs
<u>CommUnify of Santa Barbara County</u>	<u>Income eligible low or no cost home energy upgrades</u> <u>Free senior "safe at home" repairs for health and safety</u>	<u>Rehabilitation</u>
Emergency Solutions Grants (ESG) Program	Grants to address homelessness by providing funding for supportive services, emergency shelter/transitional housing, homelessness prevention, and permanent housing.	Street outreach Rapid re-housing assistance Emergency shelter Homelessness prevention
Excess Sites Local Government Matching Grants Program (LGMG)	Provides grant-based funding to match certain local government funding for selected developers and local governments for predevelopment and development of affordable housing on excess state sites.	Projects that accelerate housing production and align with state planning priorities
Foreclosure Intervention Housing Preservation Program	Preserves affordable housing and promotes resident or nonprofit organization ownership of residential real property at risk of foreclosure or in the foreclosure process.	Acquisition Rehabilitation
Golden State Acquisition Fund (GSF)	Short term loans (up to 5 years) to developers for acquisition or preservation of affordable housing.	Preservation Site acquisition
<u>Habitat for Humanity Southern Santa Barbara County Neighborhood</u>	<u>Home Repair Program: Free interior and exterior repairs for low-income homeowners to address health, safety, and security issues.</u> <u>A Brush with Kindness: Free exterior painting.</u>	<u>Rehabilitation</u>

Program Name	Description	Eligible Activities
<u>Revitalization</u>	<u>landscaping, and repairs for homeowners performed by volunteers.</u>	
Housing for a Healthy California (HHC)	Funds the creation and support of new and existing permanent supportive housing for people who are experiencing chronic homelessness or are homeless and high-cost health users.	Acquisition New construction
<u>Housing Trust Fund of Santa Barbara County</u>	<u>Workforce Homebuyer Program: Low-to-Middle income home buyer down payment loans. Revolving Loan Fund for Affordable Housing: below market-rate interest loan funds where at least 25 percent of units are for low-to-moderate income households.</u>	<u>Acquisition</u> <u>New construction</u> <u>Home buyer assistance</u>
Infill Infrastructure Grant Program (IIG)	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc.) that supports higher-density affordable and mixed-income housing in infill locations.	Parks and open space Utility service improvements Streets, parking structures, transit linkages Traffic mitigation features Sidewalks and streetscape improvements
Local Early Action Planning (LEAP) Grants	Funding of public infrastructure (water, sewer, traffic, parks, site clean-up, etc.) that supports higher-density affordable and mixed-income housing in locations designated as infill.	Development of parks and open space Water, sewer or other utility service improvements Streets, roads, parking structures, transit linkages, transit shelters Traffic mitigation features Sidewalks and streetscape improvements Streamlining and acceleration of housing production
Local Housing Trust Fund (LHTF) Program	Matching grants (dollar for dollar) to local housing trust funds that are funded on an ongoing basis from private and public contributions or public sources.	Rental & ownership housing Transitional housing Emergency shelters
Mobile Home Park Rehabilitation and Resident Ownership Program (MPROP)	Short-term and long-term loans at up to three percent for mobile home park resident organizations, nonprofit entities, and local public agencies. Low-income residents of converted parks can apply for individual loans to the entity that has purchased the park.	Purchase of mobile home park Rehabilitation or relocation of a purchased park Purchase of a share of space in a converted park by a low-income resident

Program Name	Description	Eligible Activities
Multifamily Housing Program (MHP)	Deferred payment loans with 55-year term for cities, for-profit and nonprofit corporations, limited equity housing cooperatives and individuals, and limited partnerships. Three percent simple interest on unpaid principal balance.	New construction, rehabilitation, or acquisition/rehab of permanent or transitional rental housing
National Housing Trust Fund Program	Deferred payment and forgivable loans for nonprofit and for-profit developers and local public entities to support development of housing for extremely low income households	New construction
Permanent Local Housing Allocation (PLHA)	Grants (competitive for non-entitlement jurisdictions) available to cities that assist increasing the supply of affordable rental and ownership housing, persons experiencing homelessness, facilitate housing affordability, and ensure geographic equity in the distribution of funds.	Competitive Allocations: Development of affordable rental housing Assistance for homeless
Predevelopment Loan Program (PDLP)	Provides pre-development short term loans to cities and nonprofit developers to finance the start of lower income housing projects.	Predevelopment costs to construct, rehabilitate, convert or preserve assisted housing
Regional Early Action Planning (REAP) Grants	Grant funding is available to help regional entities and governments (such as the council of government (COGs)) facilitate local housing production. This funding allows collaboration on projects that have a broader regional impact on housing.	Developing an improved methodology for the distribution of RHNA Sub-allocation funds in the form of planning grants that will accelerate housing production
No Place Like Home Program	Loans to counties or their housing development sponsors for the acquisition, construction, rehabilitation or preservation of permanent supportive housing for persons living with a serious mental illness who are experiencing homelessness or at risk of homelessness	New supportive housing Rehabilitate existing affordable housing
Veterans Housing and Homeless Prevention Program (VHHP)	Loans for development multi-family rental housing with minimum 55-year affordability restrictions. Projects must include permanent	Multi-family rental housing that provides at least 25 percent or 10 units (whichever is greater) to veterans. Minimum 45 percent of these units for extremely low-income veterans.



<b>Program Name</b>	<b>Description</b>	<b>Eligible Activities</b>
	supportive housing units and affordable units for Veterans and their families.	
Workforce Housing Program	Government bonds issued to cities to acquire market-rate apartments and conversion to affordable for moderate/middle income households, generally households earning 80 percent to 120 percent of AMI.	Acquisition of market rate apartments and conversion to affordable units

## Administrative Resources

The City's 2020-2024 Consolidated Plan describes funding sources and institutional structure used to address needs in Santa Barbara in detail. Key resources and partnerships in delivering housing and community development services are summarized below.

The City receives about \$1.4 million per year in Community Development Block Grant (CDBG) and HOME Investment partnership funding directly from HUD. Additional resources the City makes available to, or are received by the City's partners vital to addressing housing and community development needs, include:

- **Housing Choice Vouchers:** The Housing Authority of the City of Santa Barbara administers the Housing Choice Voucher program in the City and receives funds annually to provide rent subsidies to nearly 3,000 residents.
- **Continuum of Care funds:** The City is a partner in the County of Santa Barbara Continuum of Care which receives HUD funding and recently secured a Homeless Emergency Aid Program (HEAP) grant. Some of those funds are allocated to programs supported with City CDBG funds.
- **Low-Income Housing Tax Credits (LIHTC):** The federal 4 and 9 percent LIHTC is the principal source of funding for the construction of affordable rental housing. They provide a credit against federal tax liability.
- **Human Services Grants:** The City budget commits approximately \$700,000 annually from the General Fund for human services. Human Services funds are intended to support programs that provide basic human needs, such as food and shelter, and programs that are preventative in nature or promote high degree of functioning. Many of the programs supported through this source aid in the prevention of homelessness, provide emergency and transitional shelter, permanent supportive housing, and other supportive services to persons who are homeless or at risk of becoming homeless.
- **Santa Barbara General Fund:** The City commits General Funds to support homeless programs such as the Restorative Policing program, which helps chronically homeless individuals achieve self-sufficiency, and for general operations-support of PATH Santa Barbara, an interim housing program for homeless individuals.
- **Private Banks:** Women's Economic Ventures receives private bank funds to support the Community Development Loan Fund, which is augmented with repayment funds from previously provided CDBG seed money.

### Rental Housing Mediation Program

In 1975, a grassroots effort to provide a forum for landlords and tenants to resolve rental housing disputes out of court led the City to establish the Rental Housing Mediation Task Force (now known as the Rental Housing Mediation Board) in 1976. In 1978-1979, the City began using CDBG administrative funds to pay for Rental Housing Mediation Program (RHMP) staff. Currently, the staff of three are funded by grants and a limited amount of the City's General Fund. The program, which is free of charge

and aims to mediate disputes between landlords and tenants, investigate Fair Housing issues, and prevent homelessness, serves the City of Santa Barbara as well as the cities of Goleta and Carpinteria by contract. RHMP’s services are neutral, and staff does not give out legal advice, but they do offer information on rights and responsibilities to landlords and tenants. Low income and other vulnerable residents can be referred to nonprofit law firms such as the Legal Aid Foundation of Santa Barbara County.

## Nonprofits and Public Agencies

Santa Barbara is characterized by a capable and extensive housing and community development delivery system. Strong City and County agencies anchor the federal programs and housing and community development programs the City is able to support. In the community, there is a large network of experienced nonprofit organizations that deliver a full range of services to residents. The Housing Authority of the City of Santa Barbara, and various other community affordable housing development organizations, are integral to implementing the City’s affordable housing program, including activities for acquisition/rehabilitation, preservation of assisted housing, and development of affordable housing. Additional affordable housing development organizations include the following nonprofits and public agencies:

**TABLE 49: NONPROFITS AND PUBLIC AGENCIES**

<b>Nonprofits</b>	
Family Service Agency City Net New Beginnings Counseling Center PathPoint Good Samaritan Shelters United Way Center for Successful Aging Santa Barbara Neighborhood Clinics Foodbank CommUnify Casa Pacifica Council on Alcoholism and Drug Abuse Unity Shoppe Isla Vista Youth Project Transition House	PATH Independent Living Resource Center CHANCE Garden Court Inc. 2 <sup>nd</sup> Story and Associates People’s Self-Help Housing Habitat for Humanity Community Housing Corp. Organic Soup Kitchen Sanctuary Centers SB Neighborhood Clinics Mental Wellness Center CALM My Home/YMCA Women’s Fund
<b>Public Agencies</b>	
BeWell Santa Barbara County Housing & Community Dept (HCD) Public Health Department of Social Services (APS, IHSS, Medi-Cal, CalWorks and others)	

# Opportunities for Energy Conservation

## Energy Conservation and Sustainable Housing Development

As residential energy costs rise, increasing utility bills can adversely affect housing affordability. State of California Energy Efficiency Standards for Residential and Nonresidential Buildings were established in 1978 in response to a legislative mandate to reduce California’s energy consumption. The standards are codified in Title 24 of the California Code of Regulations and are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods.

California’s building efficiency standards (along with those for energy- efficient appliances) have saved more than \$100 billion in electricity and natural gas costs since 1978.

Title 24 sets forth mandatory energy standards for all new residential buildings and additions to residential buildings. Separate requirements are adopted for low-rise residential construction (i.e., buildings no more than 3 stories) and nonresidential buildings, which include hotels, motels, and multi-unit residential buildings with four or more habitable stories. The standards specify energy-saving design for lighting, walls, ceilings, and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards, and the use of non-depleting energy sources such as solar energy or wind power. The City enforces Title 24 regulations through the plan check and building inspection processes.

The California Energy Efficiency Strategic Plan sets a policy goal for the state to make all new residential buildings to be “net zero energy” by 2020. In 2021, the California Energy Commission adopted new energy efficiency standards for both residential and commercial buildings.

Some of the recent changes to residential standards include:

- Expanding solar photovoltaic systems and battery storage standards to reduce the grid’s reliance on fossil fuel power plants;
- Encouraging electric heat pump technology and use, which uses less energy and produces fewer emissions;
- Establishing electric-ready requirements when natural gas is installed; and
- Strengthening ventilation standards to improve indoor air quality and improve occupant health.

Other recent legislation regarding energy efficiency and conservation includes SB 350 (2015), which includes an energy efficiency target of doubling energy efficiency in buildings by 2030. In addition, AB 2722 (2016) designates polluter fees to funding transportation, affordable housing, urban forestry, energy savings, and other sustainable projects to benefit disadvantaged communities.

In 2012 the City approved its first Climate Action Plan. There have been many advancements in climate policy, science, technology, and greenhouse gas (GHG) emissions targets since 2012. Notably, the City achieved the GHG emissions target of 1990-level total carbon emissions by 2020 set by the Global Warming Solutions Act (AB 32 [2006]) and the 2012 Climate Action Plan. In 2019 the City approved a Strategic Energy Plan that provides energy projects, innovative programs, and strategic policies for the City to achieve its goal of using 100 percent renewable electricity by 2030. Since 2019, the City has

been progressively implementing the plan, including launching Santa Barbara Clean Energy, a community choice energy program that provides carbon-free energy to the City.

In 2020, the City approved a new green building policy for all municipal buildings. In 2021, the City passed an ordinance prohibiting the installation of natural gas infrastructure in newly constructed buildings. The City annually conducts energy efficiency, solar micro grids, and other renewable projects every year. The City has also adopted streamlined permitting processes for solar energy systems and electric vehicle charging stations pursuant to State mandates. The City is also installing over 200 electric vehicle charging stations at city owned facilities for use by the community and strategically placed near areas with a high number of rental and multifamily use properties.

The City is currently in the process of updating the 2012 Climate Action Plan to meet City Council's adopted goal of carbon neutrality by 2035. The updated Climate Action Plan will include a new community-wide GHG emissions inventory and new climate action strategies. Strategies will address issues such as electrifying transportation, switching from vehicular to active transportation, improving infrastructure to support telecommuting, decarbonizing the energy and building sectors, and supporting sequestration of carbon.

# 5. HOUSING PLAN

## Introduction

This section describes the City's housing strategy for the 6th Cycle planning period (2023 - 2031). The housing plan is organized by goals. Goals are aspirational purpose statements that indicate the City's direction on housing-related needs. Each goal encompasses several policies, which are specific statements that will guide decision-making. Policies serve as directives for decision makers to achieve a desired goal. Policies may refer to existing programs or call for the establishment of new ones.

Programs are the core of the City's housing strategy, translating goals and policies into actions. These include on-going programs, procedural changes, zoning ordinance changes, and other actions that implement the housing policies and help achieve housing goals. Each program identifies the funding source, responsible party, and timeframe for implementation, including programs that are ~~Timeframes are stated as short (1-2 years from adoption), medium (3-5 years from adoption), long (6-8 years from adoption), or~~ ongoing (throughout the planning period). Timeframes were informed by priority ranking of draft programs by decision makers, community input, and available staff resources.

Programs are subject to the review and direction of the City Council as well as relevant City Departments. Program implementation includes ordinance amendments, resolutions, and incentives, as well as outreach and education activities. Successful program development is often contingent on the availability of funding and staff resources, which is likely to change over time due to economic conditions, the priorities of City Council, federal and state governments, funding agencies, and other conditions. The programs are reviewed annually through an Annual Progress Report (APR) to City Council and Housing and Community Development and prioritized by City Council to reflect funding limitations and the City's objectives.

The following goals, policies, and programs were developed to meet the needs of all economic segments of the City. They are informed by the demographics and technical assessments conducted throughout the Housing Element update, such as the housing needs assessment and governmental and non-governmental constraints assessment. Programs in this plan were also informed by notable best practices in other jurisdictions, as well as input from community members, local stakeholders, and advocacy groups.

# Goals, Policies, and Programs

**Goal 1 Create New Housing: Create new healthy, safe, and energy-efficient housing that meets community needs, within our resources.**

## POLICIES

*Policy 1.1: Sustainability. Ensure that new housing programs and housing developments are consistent with the City's sustainability initiatives for energy efficiency and active transportation goals.*

*Policy 1.2: Infill Housing. Encourage development of housing on infill sites near transit and jobs, particularly redevelopment of sites suitable for housing, while continuing to limit residential density in High Fire Hazard Areas.*

*Policy 1.3: Adaptive Reuse. Provide incentives and promote flexibility for adaptive reuse projects that convert existing structures to multi-unit housing in order to reduce construction waste and extend the life of existing buildings.*

*Policy 1.4: Reduce Constraints. Reduce and, where feasible and practical, remove unnecessary City-imposed constraints that impede housing development.*

*Policy 1.5: Objective Design Standards. Establish citywide objective design and development standards for multi-unit housing, coupled with alternatives to conventional zoning regulations, to accommodate infill development in existing neighborhoods.*

*Policy 1.6: Housing Sites Inventory. Maintain an up-to-date inventory of vacant and underutilized sites that allow housing, including City-owned sites.*

*Policy 1.7: Prioritize Housing and Community Benefit. Prioritize residential development and nonresidential priority projects with broad community benefit on sites zoned for both residential and other uses.*

*Policy 1.8: Flexible Standards. Increase flexibility in multi-unit housing densities and other standards to allow a variety of unit sizes and affordability levels.*

*Policy 1.9: Senior Housing. Facilitate housing development for Santa Barbara's growing senior population, including designs that support "aging in place," senior housing with supportive services, veterans housing, assisted living facilities, and accessory dwelling units.*

*Policy 1.10: Housing for Persons with Disabilities. Encourage housing that addresses the needs of persons with disabilities through reasonable accommodation procedures, zoning provisions for supportive and group housing, owner and renter grants for accessibility features, and integration of universal design features.*

## PROGRAMS

### **HE-1: Facilitating Conversion of Nonresidential Buildings to Housing**

The City has older commercial, office, and industrial buildings and larger single-unit residential buildings that are appropriate for conversion (i.e., adaptive reuse) to multi-unit residential. There are also historic buildings that could be converted to residential use or expanded to accommodate multiple

residential units consistent with the Secretary of Interior's Standards for Rehabilitation. The City will adopt an Adaptive Reuse Ordinance for existing buildings within the Central Business District and existing buildings designated as a historic resource. will evaluate and amend the Zoning Ordinance and other portions of the Municipal Code to remove potential constraints for adaptive reuse, such as review/approval process, design, open yard, and parking standards.

The City shall prepare outreach materials, and online forms and applications to also encourage adaptive reuse to property owners and interested developers. ~~The City will review and amend permit procedures and infrastructure requirements if feasible to promote successful conversion implementation projects.~~

**Funding Source:** General Fund

**Responsibility:** Planning Division

**Time Frame:** ~~Short~~ December 2024 to adopt ordinance, June 2025 for outreach materials.

**Corresponding Goal/Policy:** Goal 1; Policies 1.1, 1.2, 1.4, 1.7, and 1.8

### **HE-2: La Cumbre Plaza Planning Area**

La Cumbre Plaza is a 31-acre site comprised of eight parcels suitable for substantial redevelopment as a residential/mixed-use site development during the Housing Element planning period. It is within the AUD Program Priority Housing Overlay (37-63 units/acre) and is included in the Suitable Sites Inventory. Rezoning is not needed to meet the number of units (housing capacity) assumed in the Suitable Sites Inventory.

The City has a special and unique opportunity to guide and facilitate redevelopment of this large site, identified as a High Resource Area on the California Tax Credit Allocation Committee opportunity maps. The site is served by transit and has unique challenges with respect to topography and habitat resources.

~~A Specific Plan or similar~~ A planning document will be prepared for La Cumbre Plaza Planning Area that facilitates the full residential development potential of the site. This effort will consider effects on ~~with~~ Arroyo Burro Creek; provision of new public open space; multi-modal circulation improvements; impacts to nearby schools; new affordable housing, and increased height limits, among other things.

**Funding Source:** General Fund/Grants/Permit Fees/Developer Contribution

**Responsibility:** Planning Division

**Time Frame:** June 2028

**Corresponding Goal/Policy:** Goal 1; Policies 1.1, 1.2, 1.4, 1.7, and 1.8

### **HE-3: Amend the Zoning Ordinance for Special Needs Housing ~~to Reduce Governmental Constraints and Comply with State Law~~**

The 2023 Housing Element identified potential governmental constraints to housing, including Zoning Ordinance amendments necessary to comply with changes in state law. Persons and households with special needs, particularly extremely low-income households and persons experiencing homelessness or at risk of becoming homeless, have limited housing options. Housing types appropriate for these



groups include emergency shelters, low barrier navigation centers, transitional housing, supportive housing, and single-room occupancy units. Special needs persons may also find housing opportunities in residential care facilities and group homes.

As part of the Governmental Constraints analysis, amendments were identified to the City's Zoning Ordinances to better facilitate a variety of special needs housing types, as required by State law. In some instances, the Coastal Zoning Ordinance (Title 28) has not been updated because the City intends to submit the updated Inland Zoning Ordinance (Title 30) to the Coastal Commission for certification, resulting in one updated Zoning Ordinance for the entire City. This program will be a two-step process: first the City will amend the Title 30 Zoning Ordinance, then the City will submit Title 30 as a Local Coastal Plan (LCP) amendment to the Coastal Commission for certification and use in the Coastal Zone.

The City will complete the following Zoning Ordinance amendments within one year of Housing Element adoption. for compliance with state law:

- ~~Create findings for compliance with the Housing Crisis Act (Government Code §66300(d)) requirements for residential and nonresidential projects to replace any demolished housing units on a site with at least as many residential dwelling units as the greatest number of units that existed on the project site within the last five years. New housing projects are also required to include deed restricted, affordable units if there are, or have been any "protected units" on the project site~~
- **Residential Facilities/Group Homes:** Amend ~~Revise~~ the Conditional Use Permit/Performance Standard P permit requirements for Community Care Facilities, Residential Facilities for the Elderly, and Hospices and ~~to~~ clarify that only projects that include a housing type not allowed by right in the base zone (e.g., multiple units in a single unit zone) or includes non-residential accessory uses, will trigger the Use Permit requirements. The required findings for facilities serving seven or more individuals in a residential zone will be revised to ensure they are objective with approval certainty similar to other residential uses.
- **Low Barrier Navigation Centers:** Amend ~~to allow Permit~~ Low-Barrier Navigation Centers (as defined in Government Code § 65660 (a)) in mixed-use and non-residential zones permitting multi-unit uses.;
- **Employee and Farmworker Housing:** ~~California Health and Safety Code § 17021.5, § 17021.6, and § 17021.8 generally require agricultural employee housing to be permitted without a Conditional Use Permit (CUP) in single unit zones for six or fewer persons and on land designated for agriculture with no more than 12 units or 36 beds (the City does not have an agriculture land use designation). To comply with these provisions, the City will~~ Amend the Zoning Ordinance to categorize agriculture as an accessory use where allowed by zoning; thus clarifying that California Health and Safety Code § 17021.8 does not apply and to allow agricultural employee housing as "employee housing" (as defined in Health and Safety Code §17008) for six or fewer persons to be permitted without a Conditional Use Permit in all zones where single-unit residences are allowed.

- **Emergency Shelters:** Amend parking standards to comply with ~~Address~~ new state law parking provisions for emergency shelters.; and

~~Rezone sites identified in the Suitable Sites Inventory (Appendix G) as follows: 1) nonvacant sites previously identified in the 5th cycle housing element, and 2) vacant sites previously identified for both the 5th and 4th cycle housing elements. The rezone would allow use by right for housing developments pursuant to Government Code § 65583.2(i) when 20 percent or more of the units are affordable to very low- and low-income households. Housing developments that do not contain the requisite 20 percent very low- and low-income units would still be allowed to be developed according to the underlying (base) zoning and incentives but would not be eligible for the same use by right approval.~~

~~Through the City's Land Development Team (LDT) Oversight Subcommittee, the City will also implement process improvements recommended by The Novak Consulting Group, Inc. including Zoning Ordinance and other Municipal Code amendments to streamline the design review process, such as reducing the number of design review triggers and appealable actions for projects that require design review approval.~~

**Funding Source:** General Fund, Grants if available

**Responsibility:** Planning Division

**Time Frame:** June 2024 Short (Title 30 amendments) to Medium (LCP amendment)

**Corresponding Goal/Policy:** Goals 1, 2, and 3; Policy 1.44;

#### **HE-4: Use-By-Right Permitting**

Use-by-right approval of housing projects with at least 20 percent of units affordable to lower income households is required on 1) nonvacant sites previously identified in the 5th cycle housing element, and 2) vacant sites previously identified for both the 5th and 4th cycle housing elements pursuant to AB 1397 (2017). The City's sites subject to this provision are already zoned at the specific density set forth in the statute (i.e., default density of at least 20 units per acre) and rezoning of these sites is not required.

Within one year of adoption of the Housing Element, the City will amend the Zoning Ordinance, followed by development of processes and procedures to ensure sites identified for housing in the Suitable Sites Inventory in the 4<sup>th</sup> and 5<sup>th</sup> cycles but not yet developed for housing allow use-by-right approval for housing developments pursuant to Government Code § 65583.2(i) when 20 percent or more of the units are affordable to very low- and low-income households.

"Use-by-right" means that the City review is ministerial and therefore the project must not require a conditional use permit, planned unit development permit, or other discretionary review or approval that would constitute a "project" as defined in CEQA. A local ordinance can provide that "use-by-right" does not exempt the use from design review, consistent with the City Charter mandate for design review, but the design review must be objective in accordance with Government Code § 65589.5 (f).

**Funding Source:** General Fund

**Responsibility:** Planning Division

**Time Frame:** June 2024 for Ordinance Amendments, December 2024 for forms and mapping.

**Corresponding Goal/Policy:** Goals 1, 2, and 3; Policy 1.4

### **HE-5: Process Improvements**

Since 2020, the City has been implementing discretionary and ministerial permit process improvements recommended by the Novak Consulting Group, Inc., (Novak Report, August 2020) guided by the City Council Land Development Team (LDT) Oversight Committee. In addition to the Novak Report, the Governmental Constraints analysis also identified City processes that potentially constrain housing projects, including multiple concept reviews and appealable actions. Through the City's LDT Oversight Subcommittee, the City will implement the design review process improvements recommended by the Novak Report and Governmental Constraints analysis including. Zoning Ordinance and other Municipal Code amendments to streamline the design review process, such as reducing the number of design review triggers and appealable actions for projects that require design review approval.

**Funding Source:** General Fund

**Responsibility:** Planning Division

**Time Frame:** December 2025

**Corresponding Goal/Policy:** Goals 1, 2, and 3; Policy 1.4

### **HE-6: Facilitate Production of Accessory Dwelling Units (ADUs)**

In 2017, the State legislature identified production of ADUs as an important strategy to increase housing statewide and made significant changes to the manner by which local governments can regulate ADUs. In 2018, the City adopted an ADU Ordinance, which ~~is periodically was subsequently~~ amended in compliance with State law. As of May 2022, 365 ADUs have been constructed and many more have received building permits or are pending approval.

Despite the City's success in number of ADUs permitted, ~~the~~ the permit process for ADUs can be confusing and complicated for property owners and staff spends significant time explaining the ordinance, fees, procedures, and vetting various permutations of proposed ADUs. Property owners have expressed interest in pre-approved designs and increasing the allowed number of ADUs on properties with existing multi-unit development.

To facilitate further production of ADUs and meet the objective of 629 ADUs permitted during the 6<sup>th</sup> cycle, the City will implement the following programs:

- **Zoning Ordinance Amendments:** The City is currently amending the ADU Ordinance to comply with changes in State law adopted in 2022, these are expected to be in effect by March 2023. The amendments also including the following changes to increase ADU production based on suggestions from decision-makers and applicants:
  - Allow conversion of commercial portions of mixed-use buildings to ADUs;
  - Allow additional ADUs on existing multi-unit properties; and
  - Revise standards for ADUs allowed above garages and carports for increased flexibility.

- **Procedural Evaluation:** The City will conduct outreach to evaluate and implement procedural changes to assist ADU applicants. The changes could include: to identify which ADU Ordinance requirements pose unnecessary compliance difficulties or limit ADU production and propose amendments and additional guidance to address those obstacles.
  - Reduce the triggers for design review for ADUs that currently require discretionary design review because they don't meet the City's architectural design criteria; and
  - Use of pre-approved plans, especially for manufactured homes, consistent with design criteria. Pre-approved plans that include innovative fire-safe designs would be specifically helpful for projects allowed in the City's High Fire Hazard Areas.
  - ~~At a minimum, the following concepts will be included in the ordinance evaluation:~~
    - ~~Conversion of commercial portions of mixed-use buildings to ADUs;~~
    - ~~Additional ADUs on existing multi-unit properties; and~~
    - ~~Two ADUs allowed above larger garages and carports on multi-unit properties~~
    -
  - The City will also research amendments to the architectural design criteria for ADUs to reduce the number of projects that request discretionary design review because they don't meet the criteria, and will evaluate the use of pre-approved plans, consistent with design criteria. Pre-approved plans could include use of innovative fire-safe designs specifically for projects allowed in the High Fire Hazard Areas. The
- **Guidance:** The City will ~~also~~ conduct outreach and develop additional guidance to provide greater support to applicants who are seeking City approval for ADUs. The guidance will include manuals, webinars, checklists, financing options, and Spanish language materials.
- **Affordability:** The City will research and collaborate with community organizations and nonprofits who are interested in offering ADUs as deed-restricted affordable housing and look for ways to implement a pilot program with incentives for property owners to provide ADUs as deed-restricted housing or housing choice vouchers for low-income seniors, students, and other community members in need of affordable housing.

ADU procedures or the Ordinance shall be amended per the results of the outreach and evaluation.  
Note: Unless otherwise required by State law, Any ADU Ordinance amendments that would increase the number of units on a parcel or the size of allowed ADUs will not be implemented in the City's designated High Fire Hazard Areas due to public health and safety concerns and Safety Element policies to limit additional development in High Fire Hazard Areas.

**Funding Source:** General Fund, Grants if available

**Responsibility:** Planning Division

**Time Frame:** March 2023 for Zoning Ordinance Amendments, December 2026 for Procedural Evaluation and Guidance, December 2029 for Affordability. Medium to Long

**Corresponding Goal/Policy:** Goals 1, 2; Policies 1.1, 1.2, 1.3, 1.4, and 1.9

### **HE-7: Objective Design Standards**

In 2021, the City adopted Objective Design Standards for Streamlined Housing Projects specifically for projects that qualify for streamlined review under SB 35 (2017). Unless extended by the State legislature, SB 35 (2017) will expire on January 1, 2026. As a follow up to the SB 35 (2017) Design Standards, the City is currently developing citywide objective design and development standards for multi-unit housing development projects. These standards include a new section of the Municipal Code that provides alternatives to conventional zoning regulations to accommodate infill development in existing neighborhoods and are intended to apply to all areas of the City that are zoned for two or more units. This program is envisioned as an opt-in alternative for developers who are seeking a streamlined alternative to the City's design review process.

**Funding Source:** Local Early Action Planning (LEAP) Grant (consultant), General Fund (staff)

**Responsibility:** Planning Division

**Time Frame:** Adoption in 2023

**Corresponding Goal/Policy:** Goal 1; Policy 1.5

### **HE-8: Innovative Housing Types**

The housing needs assessment and demographic changes indicate a need for a variety of housing types to suit different household compositions, changes in circumstances, incomes, and existing and future household needs. The City will study amend the Zoning Ordinance to determine if amendments are necessary as needed to incentivize and facilitate innovative housing types, such as shared housing (co-living), cooperative housing, tiny homes on wheels, flexible spaces (mix of long and short-term tenancy types), housing oriented towards telework, single-room occupancy units, and group quarters. Based on the results of the study, the City will amend the Zoning Ordinance to increase the production of innovative housing types.

**Funding Source:** General Fund, Grants

**Responsibility:** Building and Safety and Planning Divisions

**Timeframe:** June 2027 Medium to Long

**Corresponding Goal/Policy:** Goals 1 and 2; Policies 1.1, 1.2, 1.3, 1.4, and 1.9

### **HE-9: Resource Protection and Development Certainty**

The City needs to plan for housing that protects unique ecological and cultural resources, responds to the climate crisis, and provides certainty for developers of parcels with constraints. With a recent comprehensive update to the Coastal Land Use Plan (LUP), the City established clear coastal resource protection policies and regulations for development in the Coastal Zone. Conversely, development on constrained parcels in the inland areas of the City often require technical studies and case-by case evaluation of impacts to resources, adding costs and time to project entitlement. While some of these

studies are essential for project safety and environmental quality, resource protection could be more efficiently addressed through cumulative area-wide analyses that cover multiple potential projects at one time, such as establishing measurable inland creek setback standards to protect public health and safety and riparian habitat. This would reduce the need for site-specific technical studies and streamline the environmental review process for projects, while ensuring the protection of environmental resources.

To facilitate residential development Citywide and provide better development certainty, the City will amend the Zoning Ordinance and update the Master Environmental Assessment procedures, as applicable, to implement General Plan resource protection policies and establish clear, measurable standards for cultural, biological, and other resource protection needs as identified in the Program Environmental Impact Report for the Housing Element, in tandem with housing goals.

**Funding Source:** General Fund, Grants if available.

**Responsibility:** Planning Division, Creeks Division.

**Timeframe:** August 2025

**Corresponding Goal/Policy:** Goal 1, Policies 1.1, 1.2, 1.4.

**Goal 2 - Prioritize Affordable Housing:** Prioritize housing that is affordable to the workforce and vulnerable communities, by the use of deed restrictions and other measures, over other types of development, with special emphasis on housing that meets the needs of extremely low, very low, low, moderate, and middle income, and special needs households.

## POLICIES

*Policy 2.1: Prioritize Affordable Housing and Community Benefit Projects. Prioritize production of deed-restricted affordable housing and nonresidential priority projects with broad community benefits over all other land uses and housing types.*

*Policy 2.2 Increase Production of Affordable Housing. Encourage and provide development opportunities and incentives to increase production of affordable housing for special needs and extremely low-, low-, very-low, and moderate-income households.*

*Policy 2.3: Ownership Housing. Encourage development of ownership housing for moderate- and middle-income households, including opportunities for employer-provided housing.*

*Policy 2.4: Nonprofit Partnerships. Pursue partnership opportunities with nonprofit developers to develop deed-restricted affordable housing on City-owned sites.*

## PROGRAMS

### **HE-10: Affordable Housing Strategy Overlay**

The City's Average Unit-Size Density Incentive (AUD) Program successfully increased production of multi-unit housing but much of the new housing produced is market rate. Additional strategies are needed to incentivize and increase production of deed-restricted affordable units.

The City will create a strategy ~~an Affordable Housing (AH) Overlay Zone~~ to encourage development of deed-restricted affordable housing for moderate-, low-, very low-, and extremely low-income households and for deed-restricted employer-sponsored housing. The strategy will consider AH Overlay incentives ~~will be~~ applicable for projects that ~~substantially~~ exceed the percentage of affordable units that would otherwise be required under inclusionary housing or local and state density bonus programs, or other state laws that streamline housing production with inclusion of affordable units (e.g., Senate Bill 35) and for deed-restricted employer-sponsored housing. The required percentage of deed-restricted affordable units and available incentives will be determined when this program is implemented and could include incentives such as higher densities, increased allowable height, lower or no parking requirements, reduced setbacks and open yard, use-by-right approval, objective design standards, streamlined permitting, deferral or reduction in permit fees, etc.

Based on the results of the study, the City will amend the Zoning Ordinance to implement this program. In addition, the City will contact nonprofit affordable housing developers annually to identify and discuss development opportunities on these sites.

**Funding Source:** General Fund

**Responsibility:** Planning Division

**Time Frame:** ~~Short~~ Strategy by December 2024, Ordinance Amendments by June 2025

**Corresponding Goal/Policy:** Goal 2; Policies 2.1, 2.2, and 2.3

### **HE-11: Inclusionary Housing Ordinances Evaluation**

The City's Inclusionary Housing Ordinances have been used to increase the number of affordable units in ownership projects since 2004 and rental housing projects since 2019. In some cases, the developer can pay in-lieu fees rather than the required on-site inclusionary unit(s). In-lieu fees are allocated to a reserve fund intended to increase and improve the supply of deed-restricted affordable housing and ensure compliance with the City's Affordable Housing Policies and Procedures. There are relatively few projects that pay the in-lieu fees and the current balance of the fund is only approximately \$675,000. generally applies to projects with 10 or more units, whereby at least 15 percent of the total units must be constructed and offered for sale as Inclusionary Units deed-restricted for owner-occupancy by middle-income households or, in the case of residential lot subdivisions for the construction of single unit homes, for upper middle income households. Housing projects of less than 10 units but more than one pay an in-lieu fee.

Inclusionary requirements for rental projects developed in accordance with the AUD Program apply to developments of 10 or more residential units. At least 10 percent of the total residential units on-site must be deed-restricted for rent at the moderate-income level. Projects with 4 to 9 units may pay an in-lieu fee. Since 2019, 11 deed-restricted moderate-income inclusionary units have been approved and 25 are pending.

Economic studies conducted in 2017 and 2019 evaluated a range of potential inclusionary requirements and in-lieu fees to determine the appropriate balance for the 2019 amendment. Since then, development costs and rents have increased to the extent that a new study should be conducted.

- **Evaluation:** The City will conduct a study ~~The City will reevaluate the Inclusionary Housing Ordinances~~ to determine if the inclusionary requirement or in-lieu fee should be ~~they could be~~ adjusted to produce a greater percentage of deed-restricted affordable housing units or in-lieu funds for affordable housing. or if the in-lieu fee could be raised to allow flexibility for the developer with the intent that the funds would be appropriated to the Affordable Housing Trust Fund (Program HE-12). The evaluation will also review consistency with "No Net Loss" law to ensure any existing deed-restricted affordable units or other "Protected Units"<sup>15</sup> proposed to be demolished as part of a the new housing project are replaced in addition to the required inclusionary units or in-lieu fee.
- **Zoning Ordinance Amendments.** By December 2026, the Inclusionary Housing Ordinance shall be amended if warranted by the results of ~~per the results of~~ the evaluation.

**Funding Source:** General Fund

**Responsibility:** Planning and Housing and Human Services Divisions

**Time Frame:** Study by December 2025, Zoning Ordinance Amendment by December 2026 (if warranted) ~~Short~~

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<sup>15</sup> Also includes units subject to rent or price controls and units rented by low or very low-income households over the past five years.



**Corresponding Goal/Policy:** Goals 1, 2; Policies 2.1, 2.2, and 2.3

### **HE-12: City Land Registry**

State law (AB 1486, adopted 2019) requires the City to annually list City-owned sites that are included in the Housing Element sites inventory that were sold, leased, or otherwise disposed of during the reporting year. The listing of sites must include the entity to whom the site was transferred, and the intended use of the site. Further, AB 1255 (2019) requires cities and counties to create an inventory of surplus lands (land owned by the City which is declared by City Council to be surplus and not necessary for the City's use), and all lands in excess of its foreseeable needs, if any.

In addition to State law requirements, the City will evaluate City-owned land (not including lands dedicated to parks and recreation purposes) including parking lots, to determine future needs and if the publicly-owned site could be donated, leased, or sold at a reduced price to develop affordable housing. Following the evaluation, the City will conduct ongoing outreach with affordable housing developers to gauge interest in the City-owned sites and to prioritize sites for future development. Sites identified in this evaluation will be considered for inclusion in future suitable site inventories.

**Funding Source:** General Fund

**Responsibility:** Public Works Department/City Administrator's Office

**Time Frame:** ~~Medium to Long~~ December 2027

**Corresponding Goal/Policy:** Goals 1 and 2; Policy 2.4

### **HE-13: Housing Production Tracking**

~~Recent m~~ Modifications to Housing Element law adopted through SB ~~166 4333~~ (2017 8), known as the "No Net Loss" provisions, require that the City maintain adequate capacity to accommodate the remaining unmet portion of its Regional Housing Needs Allocation (RHNA) target ~~for each of the income categories~~ throughout the 8-year Housing Element planning period. Senate Bill 1333 (2018), effective on January 1, 2019, confirmed that the No Net Loss Law applies to all cities, including charter cities.

New for the 6<sup>th</sup> and subsequent cycle Housing Elements, the City is required to identify housing capacity by income level. Therefore, the City must also monitor housing production as the planning period progresses, and ensure that the Housing Element sites inventory continues to have City does not reduce the housing capacity at all times to below what is needed to meet the its RHNA target by income level. Furthermore, the City cannot through either (1) adoption of adopt reductions in allowable residential densities for sites identified in the Suitable Sites Inventory through General Plan update/amendment or rezone, or approve approval of development or building permits for sites identified in the inventory with that authorize the construction or development of fewer units or affordable to a different income category (by income level) than identified as possible in the inventory, unless findings are made that the Housing Element's remaining sites have sufficient capacity to accommodate remaining unmet RHNA for each income level.

Within one year of adoption of the Housing Element, the City will expand upon and improve the ongoing "no-net-loss" efforts to develop a procedure to track and report on:

- Projects proposed on sites identified for housing in the sites inventory;

- Unit count and income/affordability assumed on parcels, ~~particularly those included in the sites inventory;~~
- Actual number of units permitted and -constructed achieved by and income/affordability ~~when parcels are developed;~~
- Net change in capacity and summary of remaining capacity by income level in meeting remaining RHNA; and

Accessory dwelling units are not assigned to specific sites but they are assumed to provide a portion of the City's RHNA allocation, including for affordable units. A related effort will be initiated to track production, intended use, and rents of new ADUs by use of surveys or other methods to determine if they are meeting production and affordability assumptions. This effort will be initiated within one year of adoption and conducted every other year.

In accordance with No Net Loss law, if project approval results in the remaining sites capacity becoming inadequate to accommodate RHNA by income category, the City will identify or rezone sufficient sites to accommodate the shortfall within 180 days of approval.

The results of the tracking will be reported in the Housing Element Annual Progress Report reported annually to City Council and posted online for public review.

**Funding Source:** General Plan

**Responsibility:** Planning Division

**Time Frame:** ~~Short (No net loss tracking by June 2024, ADU surveys starting June 2024 and every other year) to Medium (ADU tracking) plus ongoing~~

**Corresponding Goal/Policy:** Goals 1 and 2; Policies 2.1, 2.2, and 2.3

**Goal 3 - Provide Housing Assistance: Provide financial resources and supportive services for members of the community who need housing assistance.**

**POLICIES**

*Policy 3.1: Shelter for People Experiencing Homelessness. Partner with and support other agencies and nonprofit organizations in their efforts to provide shelter and services for people experiencing homelessness or those on the verge of homelessness.*

*Policy 3.2: Transitional and Supportive Housing. Promote innovative strategies and increase transitional and supportive housing opportunities for people experiencing homelessness.*

*Policy 3.3: Financial Assistance. Develop programs to provide financial assistance for income-qualified first-time home buyers and home repairs of affordable units.*

*Policy 3.4: Rental Assistance. Support rental assistance and emergency rent relief to lower income households, including those with extremely low incomes, and encourage landlords and property managers to participate in the Section 8 Housing Choice Voucher Program.*

**PROGRAMS**

**HE-14: Affordable Housing Trust Fund**

In October 2022, City Council directed staff to create a new Affordable Housing Trust Fund. The intent is to consolidate existing Inclusionary Housing in-lieu payments, and any voluntary donations, grants, and matching funds or other similar payments into an Affordable Housing Trust Fund(s) to be used in support of the production, acquisition, maintenance, or rehabilitation of affordable housing. The Affordable Housing Trust Fund would complement other funding sources such as Community Development Block Grant (CDBG) and HOME funds.

The City will develop a program to manage and prioritize use of the Affordable Housing Trust Fund, which could include the following financial support:

- Gap financing for deed-restricted affordable housing development;
- Down payment or home repair assistance for income-qualified households;
- Rehabilitation of low-income deed-restricted rental units;
- Rent security/emergency rent relief grants and low-interest loans; and
- Extension of affordability covenants on units at risk of conversion.

The City will conduct outreach to qualified developers of affordable housing and report transparently on a regular basis to the public and decision-makers on revenue sources and quantifiable outcomes.

**Funding Source:** In-lieu fees, grants

**Responsibility:** Community Development Department, Housing and Human Services Division, Finance Department, City Attorney

**Time Frame:** Starting in 2023 Medium and ongoing.

**Corresponding Goal/Policy:** Goal 3; Policies 3.1, 3.2, 3.3, 3.4 and 4.4

**Goal 4 - Promote Housing Stability: Implement tenant protection measures, promote full-time occupancy of existing housing, and discourage conversion of housing to other uses.**

**POLICIES**

*Policy 4.1: Anti-Discrimination Assistance. Continue to provide and strengthen anti-discrimination legal assistance and support for tenants facing harassment or eviction in efforts to prevent displacement of existing tenants.*

*Policy 4.2: Rental Housing Mediation Program. Conduct education and outreach to tenants regarding applicable state and local laws that ensure their right to decent, safe, and sanitary housing, and the Rental Housing Mediation Program.*

*Policy 4.3: Housing for Residents. Promote the use of housing for residents through ordinances and zoning changes and limit practices such as short-term rentals, conversions to hotels, and prolonged vacancies.*

*Policy 4.4: Extend Affordability Covenants. Encourage and promote the use of public and private funding to extend affordability covenants on units at risk of conversion to market-rate, and to provide rent security for residents.*

**PROGRAMS**

**HE-15: Support Rental Housing Mediation Program**

On an ongoing basis, the City will ensure the City's Rental Housing Mediation Program continues to meet the needs of tenants requiring assistance, including providing online and printed bilingual resources explaining, including a Right to Counsel for eviction proceedings. Make Program procedures and landlord/tenants' rights and responsibilities, information and mediation procedures, and conducting outreach and education to clients. available to all renters in bilingual printed materials and on the City's website.

**Funding Source:** General Fund

**Responsibility:** Housing and Human Services Division

**Time Frame:** ~~Short and e~~ Ongoing

**Corresponding Goal/Policy:** Goal 4; Policies 4.1 and 4.2

**HE-16: Right of First Refusal Purchase Program**

State laws require owners of specified, government-assisted developments to provide "notices of intent" to terminate affordability provisions to all affected households and public agencies (unless exempted by State law), and provide an exclusive "notice of opportunity to submit an offer to purchase" to each identified qualified entity, defined by State law as:

- The tenant association of the development.
- Local nonprofit organizations and public agencies.
- Regional or national nonprofit organizations and regional or national public agencies.
- Profit-motivated housing organizations or individuals.

To further limit tenant displacement and promote preservation of affordable rental housing, some jurisdictions have adopted first right/opportunity to purchase programs that gives tenants or qualified nonprofit organizations the right of first offer, and/or the right of first refusal to purchase multi-unit residential buildings not included in the government-assisted programs described above. The City will conduct a study to evaluate a similar program including what kinds of affordable properties are covered; what event triggers application; the nature of the purchase opportunity provided; and which entities can take advantage of the purchase opportunity. The program will be implemented per the results of the study.

**Funding Source:** General Fund, Grant

**Responsibility:** City Attorney's Office

**Time Frame:** Study by December 2028, Program Implementation by 2030~~Medium to Long~~

**Corresponding Goal/Policy:** Goal 4; Policy 4.4

### **HE-17: Short-Term ~~Vacation Rental/Hotel~~ Framework and Ordinance**

Recent trends of increasing numbers of illegal short-term rentals (30 days or less), fractional ownership properties, and hotels in the City has led to concerns that these uses are displacing existing long-term housing. In a September 2022 report to City Council on a potential future short-term rental permitting program, it was estimated that there are 1,560 listings of vacation rentals on web based rental platforms, a 27 percent increase from the previous year. Of those, only 19 have been permitted.

Legal short-term rentals are currently allowed only in zones where hotel uses are allowed, in compliance with certain requirements and procedures. Short-term rentals are considered a nonresidential use and applicants go through a Change of Use permit process. Projects of two or more units require a conversion permit to a hotel.

The City operates an on-going enforcement program on a complaint-driven basis. Enforcement is a staff-intensive and time-consuming process which takes on average four to nine months to resolve by code compliance staff. Enforcement in the Coastal Zone is complicated by a recent court case that only allows the City to enforce on nuisance-based complaints, until a new short-term rental program is certified by the California Coastal Commission. ~~or that properties that could have accommodated housing are being developed/redeveloped as hotels instead.~~

Short-term rentals (30 days or less) are prohibited in the City except in zones that allow for hotels and similar uses and in compliance with certain requirements and procedures. Since at least 1983, the City has regulated short-term rentals and operated an on-going enforcement program on a complaint-driven basis. The City's Zoning Ordinance allows both hotel and residential uses in a significant portion of the City zoned for multi-unit residential use.

Based on direction from City Council, the City will continue to develop a framework for a future short-term rental permit program. The program will determine which residential units would be eligible for short-term rental, including evaluating how to preserve existing long-term rental housing by considering a requirement that the unit is occupied by the owner as their primary residence (all rental units would be ineligible), the unit is not deed-restricted affordable housing, and the unit is not a type of housing that prohibits short-term rental (e.g., accessory dwelling units). Once adopted, enforcement of illegal short-term rentals would be improved by contracting with a web monitoring firm that would identify illegal

listings, requiring that hosting platforms delist illegal rentals, and establishing higher fines and penalties to discourage noncompliance. Once the framework is approved, the Zoning Ordinance will be amended by June 2025 to implement the program.

**Funding Source:** General Fund

**Responsibility:** Community Development Department

**Time Frame:** Framework in 2023, Zoning Ordinance Amendments by June 2025 ~~Short to Medium~~

**Corresponding Goal/Policy:** Goal 4; Policy 4.3

### **HE-18: Hotel Zones Evaluation**

The City's Zoning Ordinance allows both hotel and multi-unit residential and mixed uses in approximately 9.3 percent of the City. These areas are also permitted for legal short-term rentals as discussed above. In recent years there has been a strong uptrend in demand for hotel rooms and several projects that were initially proposed for multi-unit housing changed into applications for a hotel. This had led to concern that the City's available parcels for new infill development are not being prioritized for multi-unit housing over hotel use.

Similar to this trend, there is a concern that fractional ownership properties could proliferate and replace long term housing in residential areas. This type of ownership model is facilitated by professional companies that manage the sale, temporary use, and other aspects for non-primary owners. To date, one such property has been advertised in the City of Santa Barbara. Some cities and counties in California and elsewhere are adopting ordinances to prohibit fractional ownership or issuing Cease and Desist Orders against the companies purchasing homes for this use.

To respond to these trends, the City will complete the following:

- **Monitor Trends:** ~~Continue to track monitor~~ the proliferation of legal and non-legal short term vacation rentals, hotels and fractional ownership projects in residential zones.
- **Review and Rezone Hotel Zones:** ~~and will review~~ Review zone districts that allow both hotel and residential use. Based on the review, amend the Zoning Ordinance to further regulate legal short term vacation rentals and to rezone some areas of the City that allow both uses residential and hotel use, with the aim of increasing multi-unit residential development, to reduce the ~~ing~~ conversion of residential uses to hotel uses, reducing the development of new hotels, and affirm a priority of incentivizing residential development over hotel development in appropriate areas.
- **Study Fractional Ownership:** Study how other jurisdictions are responding to fractional ownership trends. Based on the study, draft Zoning Ordinance amendments if warranted to protect long term housing stock.

**Funding Source:** General Fund

**Responsibility:** Community Development Department

**Time Frame:** Monitor Trends ongoing, Review and Rezone Hotel Zones December 2024, Study Fractional Ownership December 2027, Zoning Ordinance Amendments June 2028 (if warranted).

**Corresponding Goal/Policy:** Goal 4; Policy 4.3

### **HE-19: Residential Units Conversion Ordinance**

The City's Conversion of Residential Units to Condominiums, Hotels, or Similar Uses Ordinance establishes criteria for conversions and reduces the impact of such conversions on residents who may be required to relocate. Since 2019, units approved, permitted, or constructed under the AUD program are not allowed to convert to a hotel or other similar uses. For non-AUD projects, if any units in a conversion project have been "affordable rental units" (as defined by City Council) for at least 24 of the previous 48 months preceding the application, the conversion may only be approved if the same number and type of units in the project after conversion are subject to a recorded affordability covenant. The City will evaluate the Conversion of Residential Units to Condominiums, Hotels, or Similar Uses Ordinance to determine if amendments are needed to strengthen this provision and ensure no net loss of affordable units. The Zoning Ordinance will be amended per the results of the evaluation.

**Funding Source:** General Fund

**Responsibility:** Planning Division

**Time Frame:** Evaluate Ordinance December 2024, Amend Zoning Ordinance June 2025 (if warranted)  
Short

**Corresponding Goal/Policy:** Goal 4; Policy 4.3

### **HE-20: Affirmatively Further Enhance the Fair Housing Program and Opportunities**

Based on the City's Analysis of Impediments to Fair Housing (2020) and Fair Housing assessment (Appendix B), existing Fair Housing programs will be continued and enhanced, and new actions initiated to affirmatively further fair housing. This program includes initiatives to expand housing opportunities for lower-income households, persons with special needs, and other protected classes, including the following:

**Fair Housing Program:** The Fair Housing Enforcement Program is a component of the City's Community Development Department. The Program was established to assist people who believe that they have experienced discrimination with rental housing, with an emphasis on discrimination against families with children. The City's Fair Housing Enforcement Officer investigates Complaints of Discrimination in rental housing, provides information/education to tenants and landlords, and refers cases as necessary to the State Department of Fair Employment and Housing or to the City Attorney for civil action. Over past five years, the City referred the 1-2 complaints received annually to the Rental Housing Mediation Program (RHMP). RHMP staff made the initial contact and each case was successfully settled. The goal for this program is to continue to successfully resolve fair housing complaints with the RHMP as much as possible.

In compliance with the 2020 Analysis of Impediments to Fair Housing Choice, The City's Fair Housing website includes an online complaint form and a copy of the Housing Discrimination Ordinance and the City has printed and disseminates a Fair Housing brochure in English and Spanish. The City will continue ongoing efforts to promote fair housing services and education through announcements on City News in Brief and participating in the Housing Authority's annual Housing Santa Barbara Day. Throughout the planning period, the City will identify a source of funding and conduct outreach and regular audits to evaluate fair housing compliance and identify discrimination.

**Increase Access to Opportunity and Mobility:** The analysis noted a concentration of racial/ethnic

minorities in the Downtown and Eastside neighborhoods and lower access to economically strong neighborhoods. In Santa Barbara, the lowest economic opportunity scores areas are found in the Coastal Zone (West Beach, East Beach, and the Waterfront) and neighborhoods within the western areas of the City (Campanil and Hidden Valley) (Figure B-17). This is likely because these areas include more lower income household and are further from job centers. The majority of sites suitable for future housing development are prioritized along transit corridors and with easy access to employment opportunities and services in areas designated as Moderate, High, or Highest Resource areas (Figure B-29). Furthermore, many of the programs are intended to improve access to housing in high opportunity areas such as HE-6 Facilitate Production of ADUs (expands housing options and mobility in high-opportunity single-unit neighborhoods), HE-8 Innovative Housing Types (expands the types and sizes of housing available), HE-10 Affordable Housing Strategy (intended to increase the number of deed-restricted units in targeted areas, including high opportunity areas, and HE-14 Affordable Housing Trust Fund (provides a one-stop funding pool for deed-restricting housing choices throughout the City).

**Disproportionate Housing Needs.** The analysis noted disproportionate housing needs for racial/ethnic minorities, large family households, and people with disabilities. As noted above, increasing deed-restricted affordable housing opportunities will continue to be an important focus. The City will continue to use federal, State, and local funds to support affordable and special needs housing, including for large families. Housing Element Program HE-23 Fund Home Improvements and Repairs provides opportunities for people with disabilities to make access improvements to stay in their existing homes.

**Regulatory Review Zoning and Land Use:** The analysis noted that barriers to affordable housing development contribute to market realities that limit housing choice and exacerbate vulnerability of residents that may experience housing discrimination. The Government Constraints section identified zoning and land use changes to reduce constraints and comply with State law. Housing Element Programs HE-3, HE-6, HE-8 and others will implement zoning changes to provide more housing choice and reduce the vulnerability of residents to housing discrimination.

**Funding Source:** General Fund

**Responsibility:** Community Development Department, Housing and Human Services Division

**Time Frame:** ~~Short and~~ Ongoing

**Corresponding Goal/Policy:** Goal 4; Policies 4.1 and 4.2

### **HE-21: Monitor and Preserve Existing Affordable Housing**

There are approximately 199 affordable, deed restricted rental and ownership units that are at risk for conversion to market rate in the next 10 years. The City will continue to monitor the status of at-risk projects, ensure that required notice is given to tenants, and advise property owners and tenants in advance of potential conversion dates.

The City will strive to ensure that deed restricted affordable housing will remain affordable for the longest term per City policy. In expenditures from the Affordable Housing Trust Fund and other actions, the City will prioritize preservation of existing affordable units, with the objective of preserving at least 73 affordable rental units owned by nonprofit entities during this 6<sup>th</sup> Cycle Housing Element. Specific actions that will be conducted on an ongoing basis include:



- Continue to maintain an up-to-date inventory of affordable housing subject to recorded affordability agreements and potential expiration dates.
- Continue to work with property owners and other parties to extend affordability covenants. Coordinate with the Housing Authority and other nonprofit partners seeking to acquire and rehabilitate affordable rental housing units.
- In the event that a property is scheduled for conversion, coordinate with the property owner to ensure that state noticing requirements are followed prior to conversion and that tenant education is available regarding their options.

**Funding Source:** General Fund

**Responsibility:** Housing and Human Services Division

**Time Frame:** Ongoing

**Corresponding Goal/Policy:** Goal 4, Policy 4.4

**Goal 5 - Preserve Housing: Maintain and improve the physical condition of existing housing at all affordability levels.**

**POLICIES**

*Policy 5.1: Repair and Upgrade Housing. Encourage the maintenance and repair of existing renter- and owner-occupied housing to prevent deterioration and assist property owners that can demonstrate financial need in upgrading substandard units.*

**PROGRAMS**

**HE-22: Home Rehabilitation Funding and Technical Assistance**

One of the City's CDBG and HOME Consolidated Action Plan priorities is support to local housing partners for rehabilitation of affordable multi-family rental housing. The City will continue to offer CDBG and HOME grants and loans to rehabilitate existing multi-unit affordable housing through the Housing Rehabilitation Loan Program. Proactive outreach on this program is conducted annually via application workshops and through the Community Development and Human Services Committee monthly meetings. The majority of entitlement funding is targeted to census tracts with 51 percent or more of the residents who are low-or moderate income. The program prioritizes rehabilitation in concentrated areas of poverty with disproportionately more health, safety, and building code violations. The objective is rehabilitation of 10 rental units per year.

The City offers express, over-the-counter permits for certain rehabilitation projects including replacement windows and roofs. The City will continue to provide technical assistance via virtual appointments, phone and email and walk-in permit counter assistance ~~personal appointments to for~~ residents, including seniors, veterans, and people with disabilities, to help review and permit their housing rehabilitation needs. The program will prioritize rehabilitation in concentrated areas of poverty and areas with disproportionately more health, safety, and building code violations.

**Funding Source:** Grants, General Fund

**Responsibility:** Planning, Housing and Human Services, and Building and Safety Divisions

**Time Frame:** Ongoing Long

**Corresponding Goal/Policy:** Goals 1 and 5; Policies 1.9 and 1.10

**HE-23: Fund Home Improvements and Repairs for Senior and Disabled Homeowners and Renters**

There is an unmet need to fund repairs for income-qualified residents of existing naturally affordable (i.e., older units not subject to affordability covenants) homes. In 2023, City Council established a Low-Income Homeowner Rehabilitation Pilot Program with funding from the Inclusionary Housing Reserve Funds to Habitat for Humanity of Southern Santa Barbara County to operate the program. Habitat Program data indicates that home repair clients are 78 years old on average, 70 percent have a disability, average annual income is below \$30,000 annually, and all homeowners served are at or below 80 percent of Area Median Income.

To the extent possible, based upon needs and the continued availability of funds in the Affordable Housing Trust Fund or other sources and/or CDBG, the City will monitor the success of the pilot program and continue to support Habitat for Humanity or other local nonprofits that provide small-home

repair and equipment grants to income-qualified ~~senior~~ households, including seniors or persons with disabilities, to improve safety, security, and comfort. ~~The home improvement and equipment grants could include wheelchair ramps, disabled access toilets, handrails, quick releases for bars on windows, ground fault circuit interrupter outlets, smoke and carbon monoxide detectors, hand held showers, bath/shower seats, and grab bars. On an ongoing basis, the City program will work with nonprofit partners to publicize the program and prioritize home repairs~~ rehabilitation in concentrated areas of poverty and areas with disproportionately more health, safety, and building code violations.

**Funding Source:** Affordable Housing Trust Fund, ~~CDBG~~

**Responsibility:** Planning and Housing and Human Services Divisions

**Time Frame:** Pilot Program 2023, Outreach Ongoing for CDBG, ~~other aspects after implementation of Affordable Housing Trust Fund~~

**Corresponding Goal/Policy:** Goals 1, 3, and 5; Policies 1.9, 1.10, 3.3, and 5.1

**Goal 6 - Engage the Community: Educate and support the community on housing issues, affordable housing opportunities, and available resources and programs.**

**POLICIES**

*Policy 6.1: Community Outreach. Continue to work with local and regional organizations and partners to engage in community outreach strategies to provide information on fair housing laws and programs, including community workshops and public awareness campaigns.*

*Policy 6.2: Promote Housing. Develop campaigns that raise awareness about the importance of and need for housing and affordable housing citywide and encourage public participation in the formulation and review of housing programs. Build and maintain relationships with local journalists, media outlets, neighborhood groups, and community organizations to help expand awareness of housing challenges, initiatives, needs, and resources.*

**PROGRAMS**

**HE-24: Renters Rights Information**

The City provides ~~rental housing landlord and tenant rights~~ information online and, as of 2019, requires landlords to offer residential tenants one-year leases in many circumstances. To further this program, the City will amend the Municipal Code Just Cause and Relocation Assistance Ordinance to require landlords to provide bilingual renters' rights information with their lease and conduct outreach to landlords to ensure compliance with this requirement.

**Funding Source:** General Fund

**Responsibility:** Housing and Human Services Division, City Attorney's Office

**Time Frame:** Municipal Code Amendment December 2028, Outreach ongoing thereafter~~Short to Medium~~

**Corresponding Goal/Policy:** Goals 4 and 6; Policies 4.1, 4.2, and 6.1

**HE-25: Housing Resources for the Public**

The City will continue to provide information, resources, and referrals for housing issues and affordable housing availability and will increase its efforts to educate the public on fair housing rights and responsibilities and work with landlords and real estate agents to increase knowledge of fair housing and reasonable accommodation requirements. This action includes but is not limited to promoting Fair Housing month, continuing to provide access to fair housing information/posters, and providing and posting resources available for renters, including how to avoid rental scams and other misinformation.

**Funding Source:** General Fund

**Responsibility:** Planning and Housing and Human Services Divisions

**Time Frame:** Information and outreach Ongoing, Increase efforts by December 2026

**Corresponding Goal/Policy:** Goals 4 and 6; Policies 4.1, 6.1, and 6.2

**HE-26: Housing Supply and Affordability Education Campaign**

The City will develop, with support from the City of Santa Barbara Housing Authority and other local affordable housing providers, an awareness campaign to bolster community support for housing programs and new housing construction, including affordable housing. This campaign could include social media content about housing needs, challenges, and resources and informational interviews for reporters who work on housing challenges and programs.

**Funding Source:** General Fund

**Responsibility:** Planning and Housing and Human Services Divisions, Housing Authority of the City of Santa Barbara

**Time Frame:** Awareness campaign by December 2024 and Ongoing thereafter

**Corresponding Goal/Policy:** Goal 6; Policies 6.1 and 6.2

**Goal 7 - Coordinate with Regional Partners: Coordinate with surrounding communities and regional agency partners to address regional housing issues, homelessness, and the jobs/housing balance.**

**POLICIES**

*Policy 7.1: Regional Housing. Continue to work with neighboring jurisdictions, nonprofit organizations, and the private sector to address regional housing issues, homelessness, and the jobs/housing imbalance.*

*Policy 7.2: Student, Faculty, and Staff Housing. Encourage the University of California Santa Barbara (UCSB) and other institutions of higher education to develop additional on-campus student, staff, and faculty housing to meet the needs of their students and employees. Partner with UCSB, Santa Barbara City College (SBCC), and other educational institutions to expand near-campus student housing, to relieve the strain on supply for the general city population/housing.*

*Policy 7.3 Santa Barbara City College Housing Issues. Work with local organizations and interested parties to address housing issues associated with SBCC.*

*Policy 7.4: Employer-Sponsored Housing. Partner with regional agencies and local employees to facilitate employer-sponsored housing.*

**PROGRAMS**

**HE-27: Joint Legislative Platform**

The City will continue ongoing work with other jurisdictions to advocate for State legislation that would provide ongoing funds for nonprofit developers to build affordable housing and related infrastructure improvements, and other programs to address South Coast housing and associated community support needs.

**Funding Source:** General Fund

**Responsibility:** Community Development Department/ City Administrator's Office

**Time Frame:** Ongoing

**Corresponding Goal/Policy:** Goal 7; Policies 7.1 and 7.4

**HE-28: Affordable Student, Staff, and Faculty Housing**

The City will regularly consult and coordinate with UCSB, SBCC, and City of Goleta on an ongoing basis to discuss ideas on housing options for students, staff, and faculty. The City will work the City of Goleta and the County to advocate for State legislation that would: 1) provide funding to help UCSB provide adequate on-campus student housing, and 2) allow greater flexibility for State universities and community colleges to enter into public/private partnerships to construct student housing.

**Funding Source:** General Fund

**Responsibility:** Community Development Department

**Time Frame:** Ongoing

**Corresponding Goal/Policy:** Goal 7; Policies 7.2 and 7.3

**Goal 8 - Fund Affordable Housing: Develop a permanent source of local funding to produce deed-restricted affordable housing.**

**POLICIES**

*Policy 8.1: Affordable Housing Funding. Identify new funding sources and strategies to support affordable housing.*

**PROGRAMS**

**HE-29: Affordable Housing Funding**

Starting in 2023, the City will study and adopt measures to secure permanent source(s) of funding for affordable housing and renter protections. The options the City will explore ~~Explore options~~ for generating affordable housing funds locally, include, including but are not limited to, the following:

- Progressive real estate documentary transfer tax;
- Vacancy/empty land tax
- Out-of-state transaction tax
- Transient occupancy tax
- Speculation/flipping tax
- Nonresidential development impact fee for housing (requires a nexus study)

Following the results of the studies and if warranted, the City will proceed with the voter-approval process by the 2026 general election date for any new tax initiatives.

By December 2025, the City will conduct a nexus study for a potential to consider a housing development impact fee for nonresidential development to be collected for the Affordable Housing Trust Fund. The fee will be implemented by 2027 if warranted by the results of the study.

**Funding Source:** General Fund

**Responsibility:** City Administrator’s Office, Finance Department, Community Development Department

**Time Frame:** Study initiated in 2023, Voter Approval Process 2026 General Election (if warranted), Nexus Study for Impact Fee December 2025, Implementation December 2027 (if warranted) ~~Short~~

**Corresponding Goal/Policy:** Goal 8; Policy 8.1

**HE-30: Support for Affordable Housing Funding Legislation**

The City will continue to provide ongoing support for State and Federal legislation and voter initiatives that create funding programs or new sources of funds for affordable housing (i.e., bond initiatives, tax increment financing, support removal of barriers for affordable housing (e.g., repeal California Constitution Article 34), state surplus funding, new state affordable housing bonds, increasing Housing Trust Fund funding, etc.).

**Funding Source:** General Fund

**Responsibility:** City Administrator's Office, Community Development Department

**Time Frame:** Ongoing

**Corresponding Goal/Policy:** Goal 8; Policy 8.1



# 6. APPENDICES