

Housing Element Implementation Priorities

As required by State law, an 8-Year Housing Element Work Program has been prepared as part of the 2015 Housing Element Update (Appendix G) to address existing and projected housing needs for the community. For each Implementation Action (program), the 8-Year Work Program identifies the objective, the responsible agency, the timeframe for completion, and the funding sources, if needed and/or available. The 8-Year Work Program will subsequently be evaluated during the next housing element update (2023) to assess the progress in implementing the City's 2015 Housing Element. This is a required component of updating the Housing Element as it serves to evaluate the effectiveness and appropriateness of the goals, policies and implementation actions in meeting the objectives of the previous Housing Element planning period.

For each program identified in the 2015 Housing Element, the 8-Year Work Program identifies timeframes for completion (ongoing, ongoing with annual review, annually, 1-2 years, 3-5 years, 6 or more years and TBD). These timeframes provide an estimated target date for completing the program. In many cases the timeframe is specified as "ongoing", signifying that the program is currently being implemented as part of the City's planning process on an ongoing basis. "Ongoing with annual review" means that the program will be reviewed on an annual basis most likely through the Housing Element Annual Progress Report to HCD or the Adaptive Management Program (AMP) annual monitoring report.

Housing Element Programs to Implement

In an effort to identify Housing Element programs that could realistically be implemented in the short-term based on compliance with State law, staffing and workload, and funding availability, Staff reviewed the 23 Housing Element Implementation Actions targeted for completion in the next five years (see attached Table). Of these, five programs have been identified by Staff as priority programs that could be reasonably completed within five years.

HOUSING ELEMENT PROGRAMS
Update Bonus Density Ordinance (H11.5 and H5.1)
AUD Program Monitoring (H11.1 and H11.2)
Multi-Family Design Guidelines (H16.9)
Zoning Standards to Facilitate Housing (H17.1 and H17.2)
Preserve Rental Units (H13.1, H13.2, and H13.3)

Update Bonus Density Ordinance: The City's Bonus Density Ordinance is currently out of date with State law. Ordinance amendments are necessary in order to bring it into compliance and are expected to be straightforward. Additionally, definitions for transitional and supportive housing consistent with State law would be incorporated into the Definitions chapter of the

Zoning Ordinance along with the Bonus Density Ordinance amendments. State law requires that transitional and supportive housing be permitted as a residential use and only subject to restrictions that apply to other residential dwellings of the same type in the same zone. In other words, transitional and supportive housing are permitted in all zones where residential uses are allowed and not subject to any restrictions not imposed on similar uses. The incorporation of these definitions into the Zoning Ordinance complies with State law.

AUD Program Monitoring: The AUD Program became effective in August 2013 with a duration period of eight years or until 250 new residential units are constructed (Certificate of Occupancy issued) in the High Density and Priority Housing Overlay areas whichever occurs sooner. The Council Resolution adopting the 2011 General Plan specified that if at the end of the trial period, the AUD Program is not extended or modified, the residential density shall revert back to the Variable Density standards in place in 2011. As such, it is important to monitor the AUD Program in order to evaluate its success and effectiveness and help inform the Council's decision to extend the Program.

To date, 89 units are under construction and 29 units have been approved for a total of 118 units that count toward the 250 unit limit. With 132 units left to reach the unit limit and 6.5 years left in the trial period, it is reasonable to assume that 250 units could be achieved before the eight year period expires. With this in mind, the Planning Commission has expressed interest in further developing criteria to evaluate the success of the AUD Program in the AMP. Staff agrees that assessment of the Program should commence soon in order to adequately measure its accomplishments. Measuring the program's success will involve research and monitoring to establish the baselines necessary to quantify the overall success and effectiveness of the AUD Program.

Multi-Family Design Guidelines: This program was carried forward from the previous two Housing Element planning cycles. Due to staffing levels and workload priorities it has not been completed. The Guidelines would provide multi-family residential design guidelines and standards to address unit size, setbacks, open space, landscaping, building size, bulk and scale, and site planning. Staff considers this program a top priority as it could be an essential tool in addressing neighborhood character and compatibility issues. Development of the multi-family design guidelines would require consultant services to prepare architectural renderings and graphics.

Amend Zoning Standards: Housing Element Program H17.1 recommends incremental changes to the parking requirements to facilitate priority housing. Portions of this program could be undertaken by the NZO Update (i.e., eliminate guest parking in Downtown) and the Parking Design Guidelines (i.e., tandem parking, stacked parking, number of maneuvers), as both are currently being prepared.

Program H17.2 is intended to provide flexibility in outdoor living space and setback requirements for all residential development, especially in commercial zones. Amending the Zoning Ordinance to make these changes could also be undertaken as part of the NZO Update.

Preserve Rental Units: Several Housing Element programs (H13.1, H13.2, and H13.3) address ways to preserve rental units. These programs would explore ways to avoid the loss of rental housing, including amending the Municipal Code to allow rental apartments to rebuild or rehabilitate at non-conforming densities.

Associated with the preservation of rentals is the concern of vacation rentals and their effect on the available rental housing stock for local residents. The trend of converting owner occupied and rental units into vacation rentals has become popular in vacation destination communities such as Santa Barbara. Although vacation rentals are permitted in zones that allow hotel use, vacation rentals are now common in most zones, including residential zones. The use of residential units as short-term vacation rentals and/or only occupied as second homes poses a housing challenge in terms of decreased available long-term housing opportunities for local residents.

The issue of vacation rentals will require additional dialogue with the community and subsequent direction from City Council regarding a course of action. Exploring ways to limit and/or regulate vacation rentals in unpermitted zones would require additional funding for research, public process, and/or enforcement.

Other Housing Element Programs to Consider

Secondary Dwelling Unit Ordinance Amendments: Housing Element Program H15.1 directs amendments to the Secondary Dwelling Unit Ordinance to provide more flexibility in unit design and site planning. Discussions during the General Plan Update revealed that permitting second units “across the board” might not be the best approach. Not all single family neighborhoods support such units; therefore it is important to assess the level of supportability for each neighborhood. Additionally, the use of secondary dwelling units as vacation rentals has also emerged as a potential challenge in preserving existing housing stock for local residents. Completing this program will be complex and require extensive outreach and conversation with neighborhoods, as well as significant staff resources and time. Given other workload priorities, Staff is not recommending this program be implemented in the short-term.

Illegal Dwelling Units: Housing Element Program H20.5 directs consideration of ways to legalize illegal units in accordance with the Zoning Ordinance. The Housing Element Work Program instructs that studies be completed to identify methods and implications of increased enforcement on illegal units. Originally this program was given a “TBD” timeframe due to the staff resource and cost that would be required to complete it. However, HCD has directed that

a more specific timeframe be identified. The timeframe to complete the studies has been revised to 1-2 years. Given other workload priorities, completing these studies would require additional staff resources and funding.