



Housing Development Activity & Housing Element Implementation Report

Prepared for the April 7, 2016

Joint City Council and Planning Commission Work Session

This report provides information on housing development activity in the City, including projects developed under the Average Unit-Size Density Incentive Program. This report also includes the Department of Housing and Community Development—Annual Housing Element Progress Report, as well as updates to Housing Element Implementation priority programs.

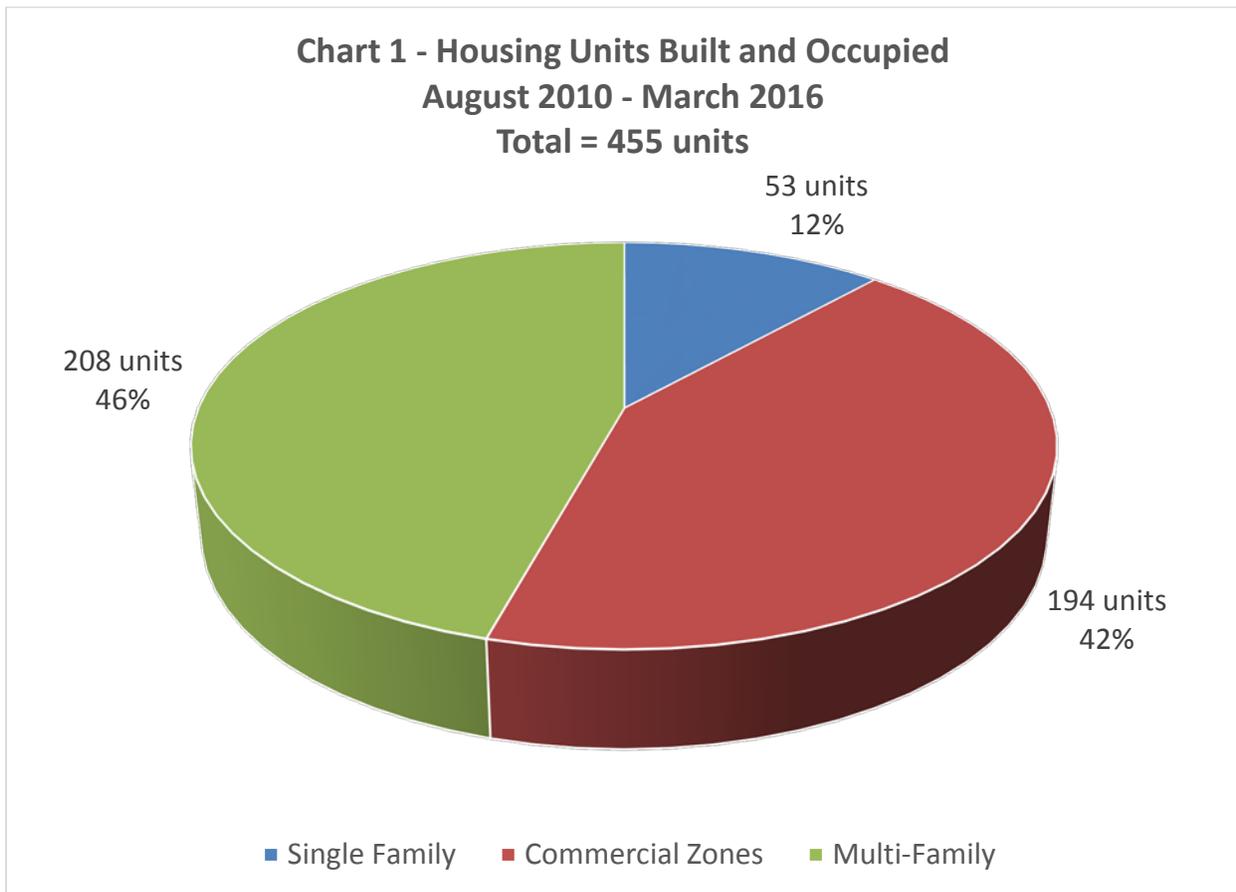
This page intentionally left blank

Housing Development Activity

This report provides information on residential development activity in the City of Santa Barbara as of March 1, 2016.

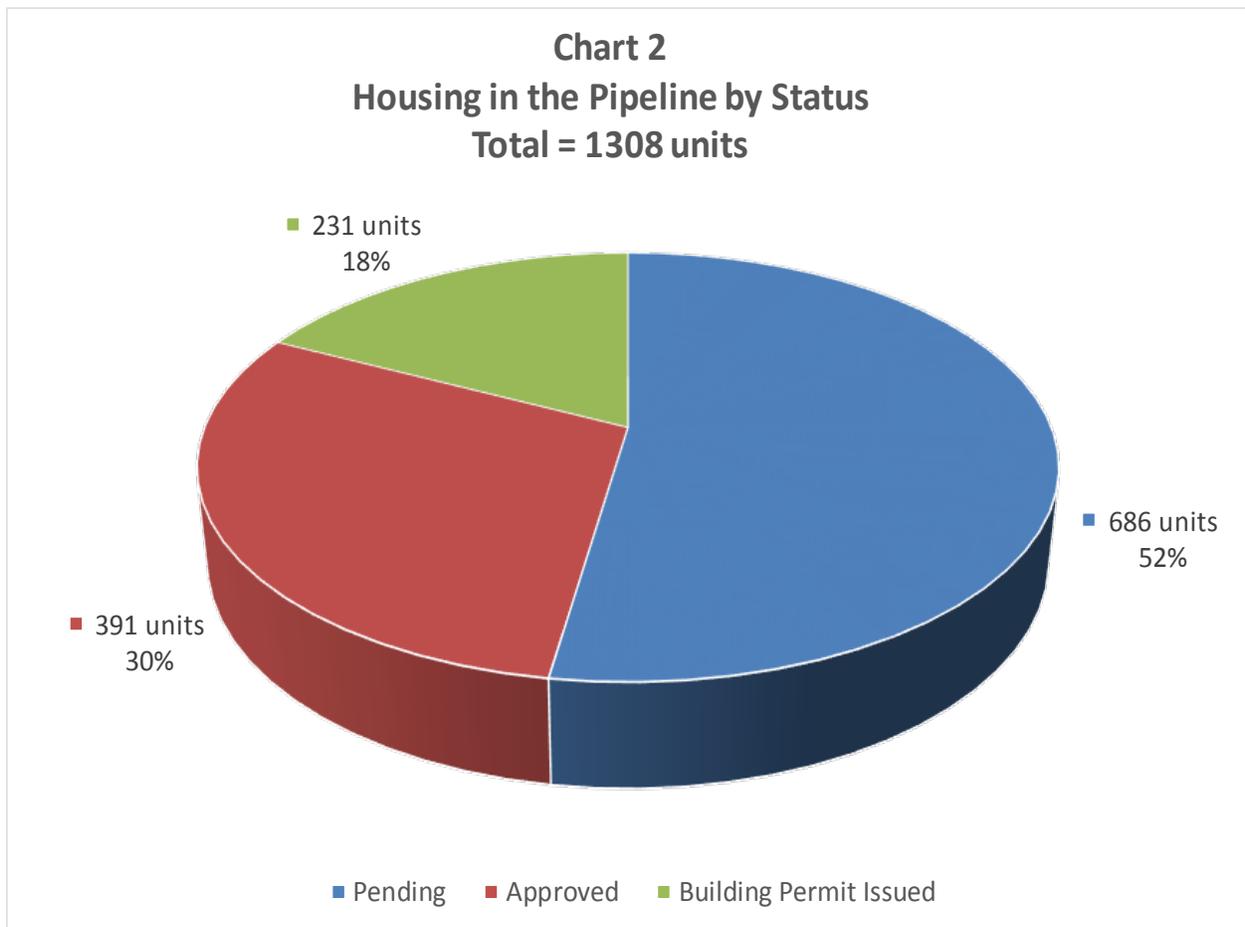
All Housing Units

For decades, the City’s General Plan Housing Element has emphasized the development of a range of housing types, with an emphasis on producing subsidized, affordable housing and multi-unit developments, as opposed to single-family development. As shown in Chart 1, over the last six years (August 2010 – March 2016), a total of 455 housing units have been built and occupied (received Certificate of Occupancy) in the City. Of these, 402 units (88%) were built in the multi-family (208 units) and commercial areas (194 units) of the City that are served by transit and close to jobs and services. Only 53 units (12%) were built in single-family neighborhoods.



A positive outcome of the General Plan policies that strive to manage new nonresidential growth, as well as the Growth Management Ordinance, is that rather than building new commercial square footage, applicants are encouraged to build residential units in commercial zones.

Looking forward, Chart 2 provides a snapshot of the total number of housing units in the planning or building permit process (in the pipeline) as of March 1, 2016. Chart 2 includes all housing unit types, including single-family development.



There are 1,308 units in the pipeline. Of these, 231 units (18%) are under construction and 391 units (30%) have obtained the necessary land use and/or design review approval. In total, 622 (48%) units are approved or under construction. Another 686 units (52%) are pending planning review and approval.

The approved project category includes a mixed-use project approved in 2014 at 3714 State Street (former Sandman Hotel site). This project includes 63 market-rate condominiums and nine below-market inclusionary condominiums. While the site preparation permits have been issued and are underway for this project, the building permit for the housing units has yet to be issued.

Of the 231 units under construction, 89 of the units are part of the Mirasol project at 3885 State Street. The remaining 142 units under construction are predominantly small projects adding one or two new units and represent close to 50 separate projects. They are scattered throughout all zone districts and General Plan Growth Management Program Development Areas of the City.

On average, it takes about a year for an approved project to develop construction-level detailed drawings, finalize construction financing, and apply for and receive a building permit. In the past five years, the

minimum amount of time for an approved housing project to receive a building permit was three months. The maximum amount of time was three years, nine months. Historically, not all approved projects are constructed. Some projects are withdrawn, some are revised and some expire without being built. Whether this will continue to be the case in the current economic climate remains to be seen.

The 2015 Housing Element Quantified Objectives estimate that a total of 1,208 new units will be constructed from 2015 to 2023. This estimate, prepared in 2014 during the Housing Element Update process, was based on historical residential development trends from 1990 to 2007.

As of March 2016, the current housing in the pipeline exceeds the Housing Element Quantified Objectives through 2023 by 100 units. While it is possible that not all projects will be built, there is a high likelihood based on this current trend that the Quantified Objectives will be met, or exceeded, by 2023 or sooner. As stated in the Housing Element, “Quantified Objectives do not represent a ceiling on development, but rather set a target goal for the City to achieve based on needs, resources and constraints.”

Affordable Housing Units

Chart 3 shows the proportion of the 1,308 total units in the pipeline that are affordable to extremely low, very low, low, moderate or middle-income levels (Affordable), or otherwise considered below-market rate due to price restrictions.

The General Plan includes policies to prioritize and promote production of affordable housing.

General Plan Policy LG1 states:

Resource Allocation Priority. *Prioritize the use of available resource capacities for additional affordable housing for extremely low, very low, low, moderate and middle income households over all other new development.*

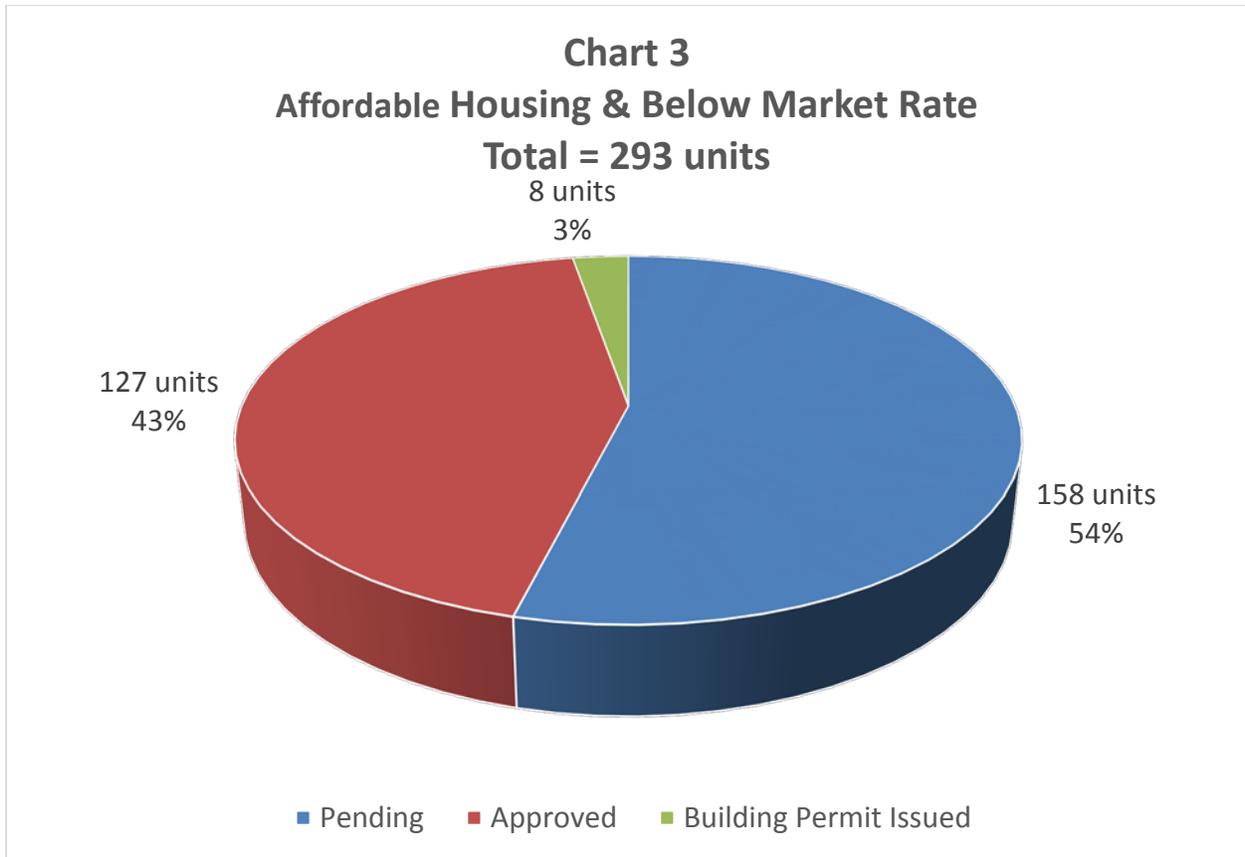
General Plan Policy LG5 states:

Community Benefit Housing. *While acknowledging the need to balance the provision of affordable housing with market-rate housing, new residential development in multi-family and commercial zones, including mixed-use projects, should include affordable housing and open space benefits.*

General Plan Housing Element Policy H11 states:

Promote Affordable Units. *The production of affordable housing units shall be the highest priority and the City will encourage all opportunities to construct new housing units that are affordable to extremely low, very low, low, moderate and middle income owners and renters.*

Chart 3 demonstrates the City’s continuing commitment to promote and incentivize below-market and Affordable housing with long-term affordability restrictions. Of all housing in the pipeline, 293 units (22%) are Affordable or below-market rate units. Of the Affordable and below market rate units, 127 units (43%) have been approved, 158 units (54%) are pending review and approval and eight units are under construction.



Housing in Commercial and Multi-Family Zones

The General Plan policies establish the parameters for new development in the City.

In particular, Policy LG4 states:

Principles for Development. Establish the following Principles for Development to focus growth, encourage a mix of land uses, strengthen mobility options and promote healthy active living.

General Plan Policy LG6 states:

Location of Residential Growth. Encourage new residential units in multi-family and commercial areas of the City with the highest densities to be located in the Downtown, La Cumbre Plaza / Five Points area and along Milpas Street.

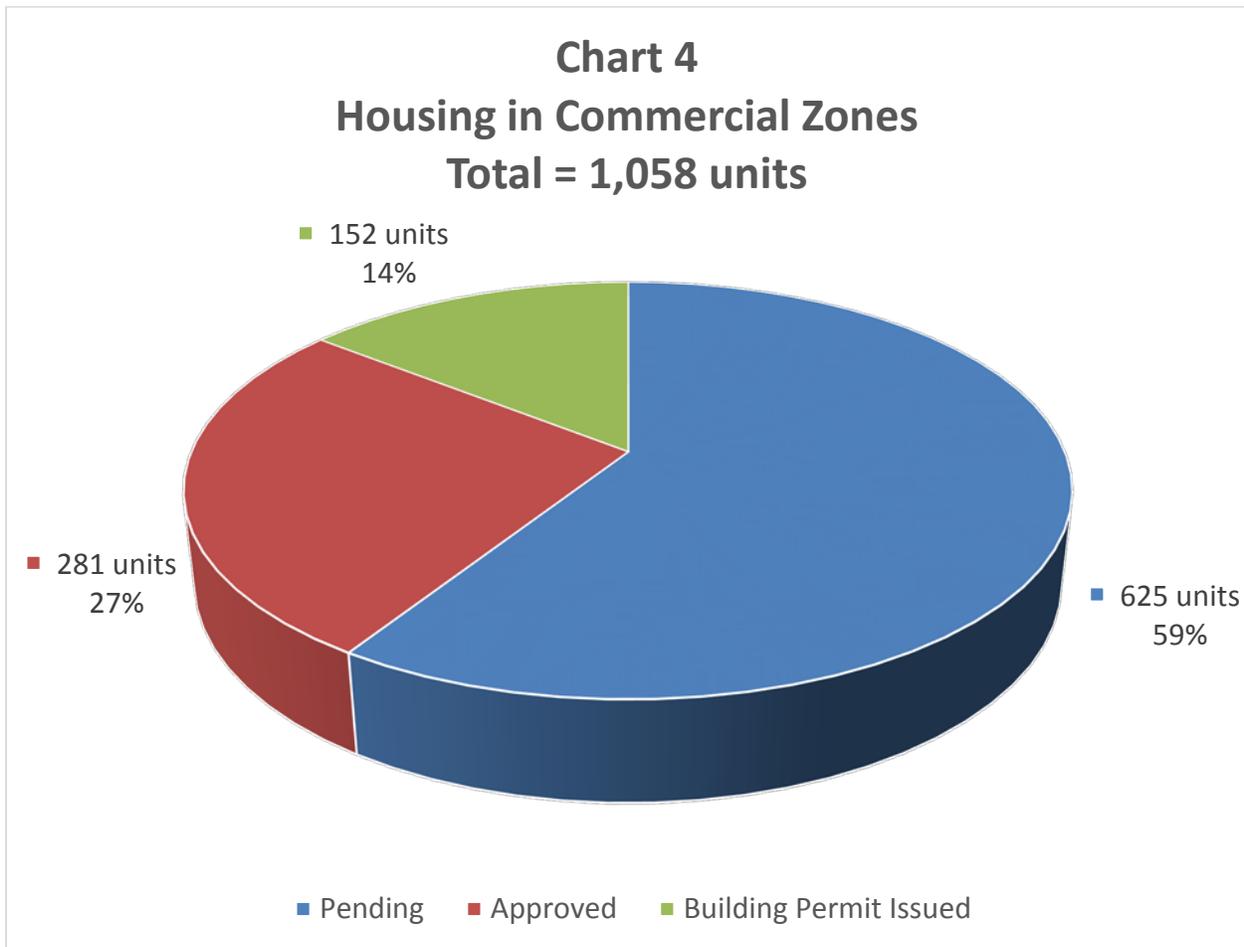
General Plan Housing Element Policy H10 states:

New Housing. Given limited remaining land resources, the City shall encourage the development of housing on vacant infill sites and the redevelopment of opportunity sites both in residential zones, and as part of mixed-use development in commercial zones.

One of the top priorities of the General Plan is to encourage workforce and affordable housing in the City's multi-family and commercial zones. Chart 4 illustrates that of the 1,308 units in the pipeline, 1,058 units (80%) are located in the City's commercial zones. When combined with the 177 units in the multi-family

zones, this represents 94% of all new housing units (1,235 units) being built in and around Downtown and near transportation corridors. This continues and strengthens the trend observed in units constructed over the past six years (as shown in Chart 1).

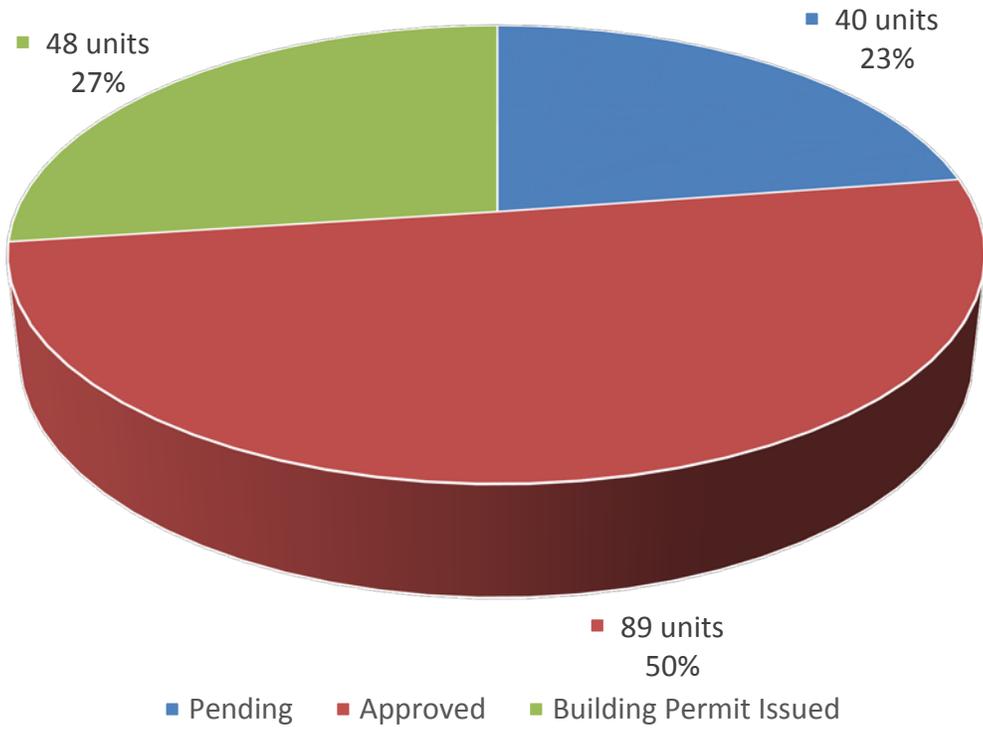
Housing projects utilizing the Average Unit-Size Density Incentive Program (AUD) comprise 734 units and represent 58% of the housing in the pipeline. AUD Incentive Program projects are discussed separately and in more detail later in this report.



Taking a closer look at housing in the pipeline, Charts 4 and 5 illustrate the status of these units and success in focusing the development of new housing in Downtown areas that are close to jobs, services and transit. Chart 4 shows the status of all housing units proposed in commercial zones. Of the 1,058 units in commercial zones, 281 units (27%) have been approved, 625 units (59%) are pending review and 152 units (14%) are under construction.

Chart 5 shows the status of all housing units in multi-family zones. Of the 177 units in the pipeline in multi-family zones, 89 units (50%) have been approved, 40 units (23%) are pending review and 48 units (27%) are under construction.

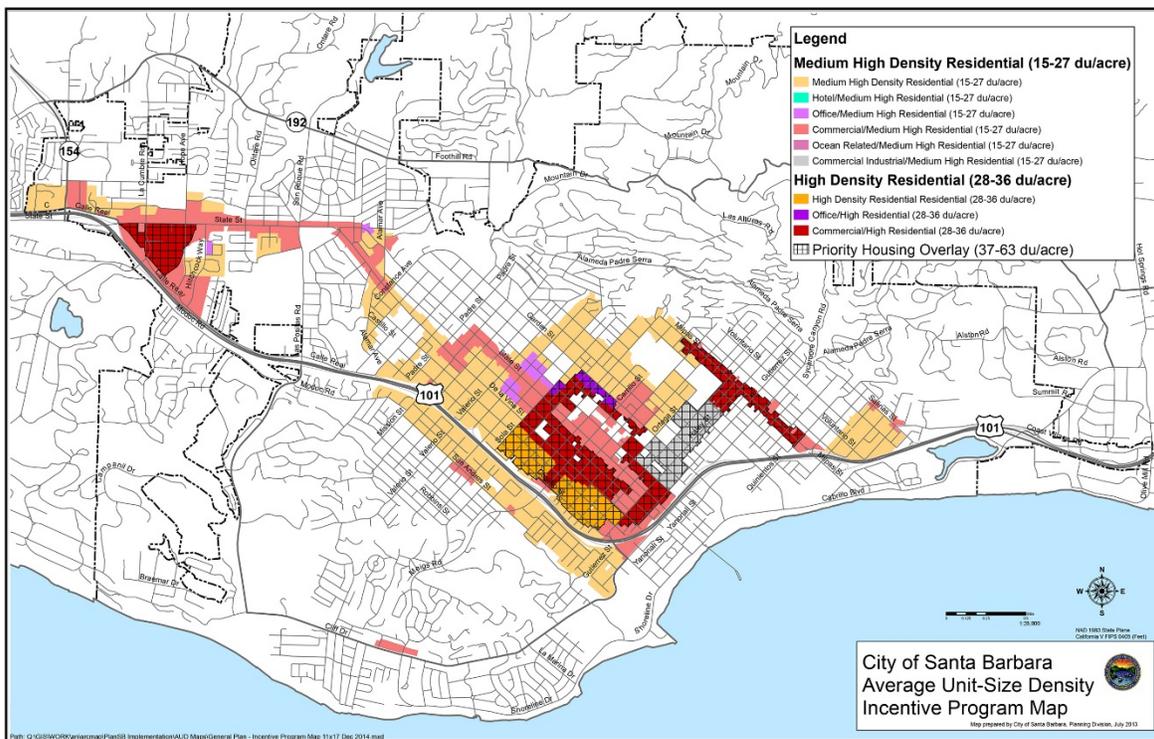
Chart 5
Housing in Multi-Family Zones
Total = 177 units



AUD Incentive Program Housing Units

On July 30, 2013, the City Council adopted the Average Unit-Size Density (AUD) Incentive Program (SBMC Chapter 28.20). The AUD Incentive Program is intended to encourage smaller, more affordable rental housing units through the application of increased densities and development incentives in selected areas of the City.

The AUD Incentive Program will be in effect for a trial period of either eight years or until 250 residential units have been constructed (as evidenced by the issuance of a Certificate of Occupancy) in the areas designated for High Density Residential or the Priority Housing Overlay, whichever occurs earlier. The focus of the 250 test period is on projects that are built using the High Density Residential Category range of 28-36 units/acre or the Priority Housing Overlay range of 37-63 units per acre.



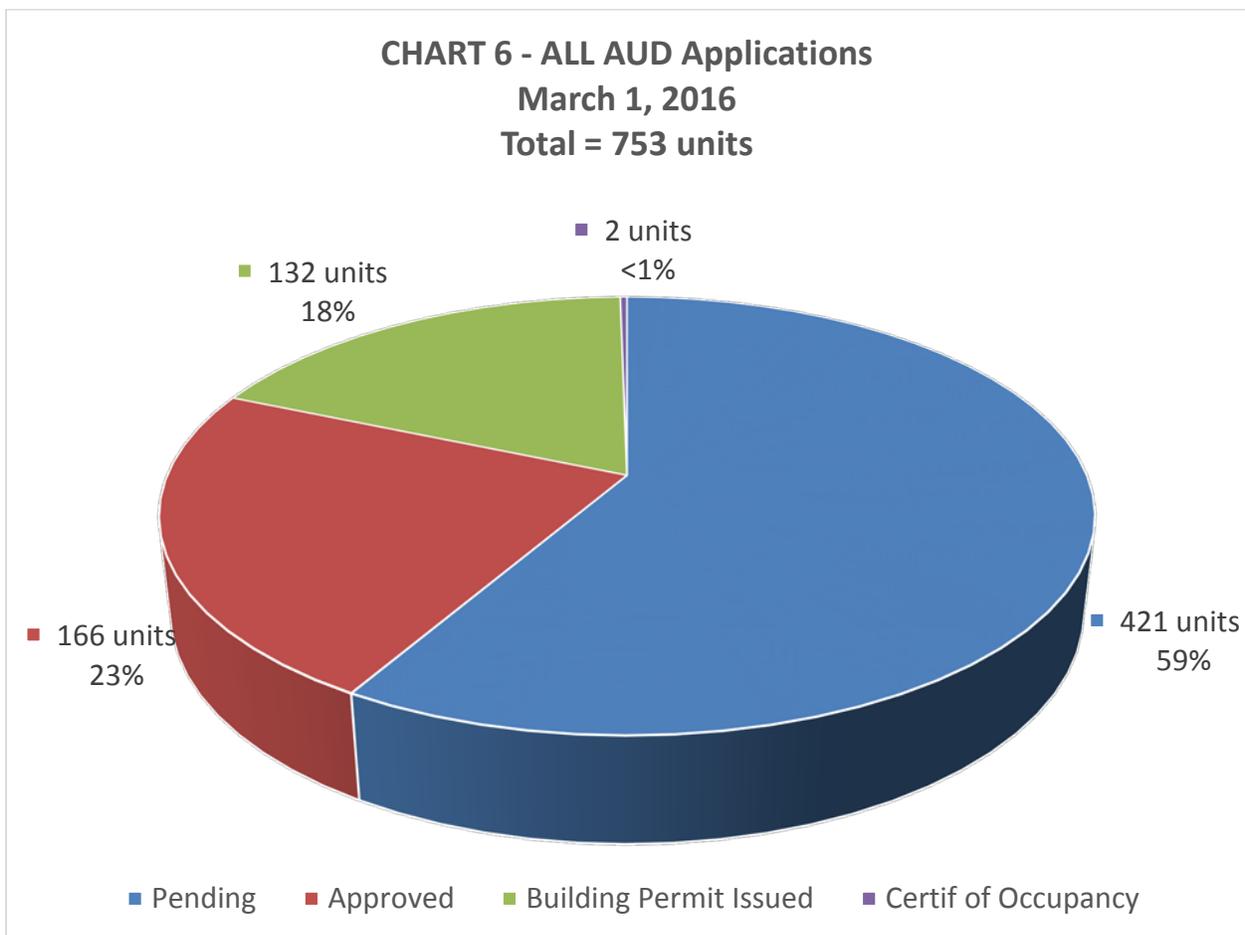
The High Density Residential category allows density levels for rental units that were previously only allowed with: (1) Modifications; and (2) long-term deed restrictions for very low, low and moderate income households. The Medium High Density Residential Category allows the same density range of 15-27 dwelling units per acre that was possible through the previous variable density standards of the Zoning Ordinance without modifications or income-based deed restrictions. Except in the Coastal Zone, the variable density standards have been replaced for the duration of the AUD Incentive Program.

Any application for new units deemed complete prior to the expiration of the AUD Incentive Program may continue to be processed under the AUD Incentive Program. For the purposes of the AUD Incentive Program, a formal project application is considered complete if it is scheduled for review on an agenda of the Architectural Board of Review (ABR), the Historic Landmarks Commission (HLC), or the Staff Hearing

Officer (SHO). AUD Incentive Program projects subject to a formal 30-day staff review per Government Code §65920 et seq. (Permit Streamlining Act) are “deemed complete” upon a written decision to that effect from staff to the project applicant. A Pre-application Review Team (PRT) submittal alone, by its nature, is not a sufficient mechanism to deem a project “complete” for purposes of the AUD Incentive Program.

All AUD Incentive Program Applications and Status

As of March 1, 2016, there are 36 applications for projects in the pipeline utilizing the AUD Incentive Program. These 36 projects encompass 753 units and are a sub-set (58%) of the 1,308 total housing units in the pipeline described above (Chart 2). Chart 6 illustrates the status of the 753 AUD Incentive Program units in the pipeline: 132 units (18%) are under construction; 166 units (23%) have been approved; and, 421 units (59%) are pending review and approval.



Certificate of Occupancy Issued

One project involving two units has been issued a Certificate of Occupancy as part of a project at 1023 Cacique Street, in the Medium High Density area. This project involves legalizing two as-built studio units and making them ADA compliant and will result in a total of four units. The density is in the 15-27 units / acre range. The average unit size is 963 square feet.

Building Permits Issued

Five AUD Incentive Program projects are now under construction. Three projects are in the Medium High Density category and two projects are in the Priority Housing Overlay. These projects are described below.

Medium High Density Rental Projects Under Construction (allowed density 15-27 du/ac)

522 Garden Street is a new three-story, mixed use project on a previously vacant 3,320 square-foot lot. The project consists of two commercial tenant spaces on the ground floor with two rental housing units above. Two residential parking spaces and two bicycle parking spaces will be provided in a two-car garage. Two uncovered parking spaces will be provided for the commercial space. The average unit size for this project is 718 square feet. This project is nearing completion. A Certificate of Occupancy is anticipated within a month.

Also under construction in this category is a project at 810 E. Canon Perdido Street. This project was an enforcement case and legalizes the conversion of as-built structures. The project addresses zoning violations and results in one new unit and five uncovered parking spaces. .

The third Medium High Density Rental project was submitted in 2014, and located at 312 Rancheria Street. This project will construct a new seven-unit apartment complex, with seven uncovered parking spaces and seven bicycle parking spaces. The average unit size is 812 square feet and the project density is 27 units / acre.

Priority Housing Overlay Rental Projects Under Construction (allowed density 37-63 du/ac)

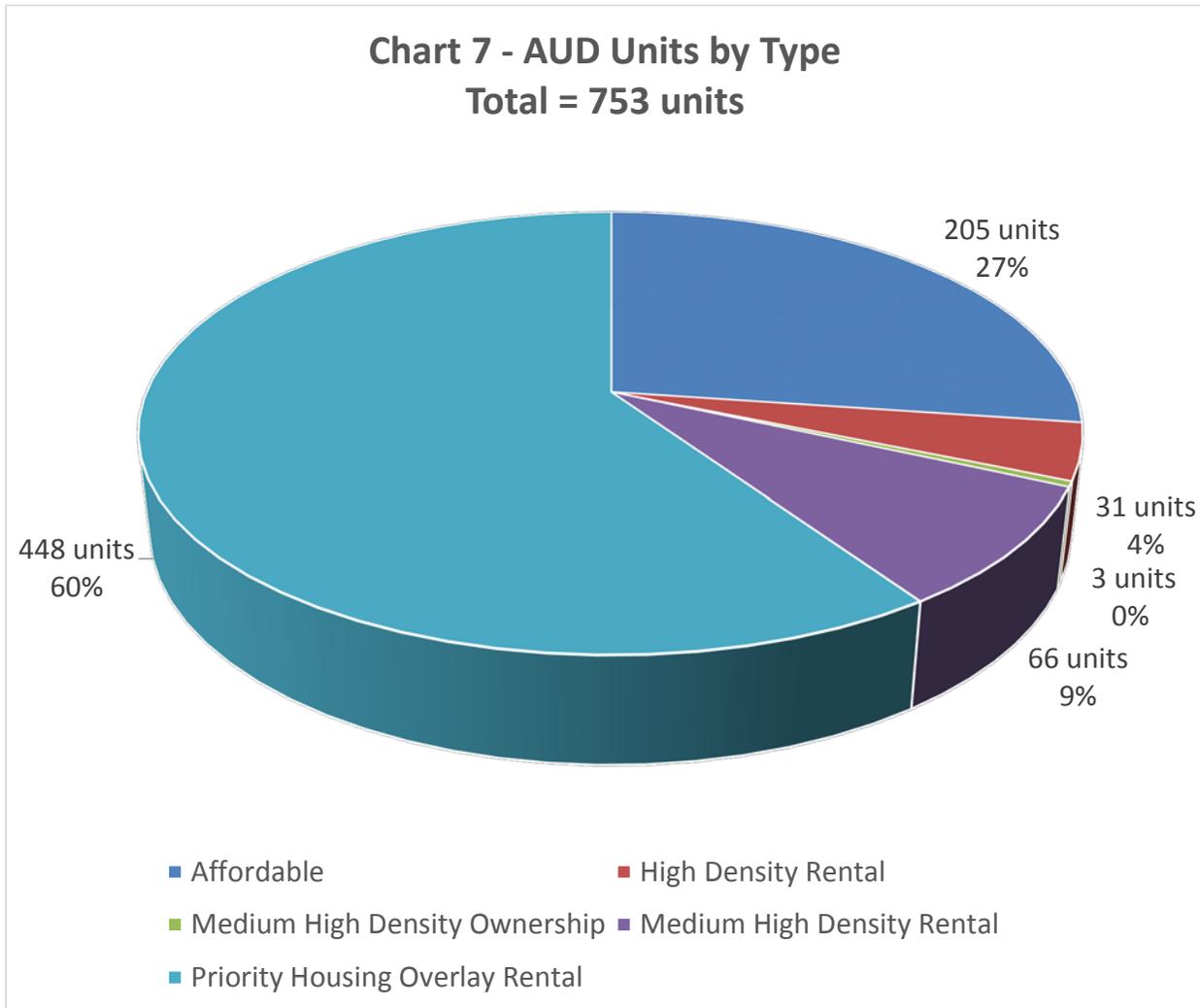
The Mirasol project at 3885 State Street was the first Priority Housing Overlay rental project under construction. The project will result in a new four-story building with 89 apartment units, a subterranean parking garage with 134 parking spaces and 4,469 square feet of commercial space. The project also includes 13 surface commercial parking spaces, 92 bicycle parking spaces, a swimming pool and a roof deck. The average unit size is 804 square feet. The approved project density is 63 dwelling units per acre. The maximum building height is 45 feet.

The Arlington Village rental housing project was originally approved in 2013 under the Variable Density Ordinance, and is currently under construction. The applicant is requesting to split the parcel so that the residential development is on a separate lot from the Arlington Theater. Because the Arlington Village project density was calculated and approved based on the entire site lot area, the subdivision is only possible using the AUD Incentive Program density standards. The project meets all AUD Incentive Program standards on the residential lot to be created with the addition of required bicycle parking. It is a 33 unit rental project with an average unit size of 821 square feet. If the subdivision is approved in late March (scheduled for SHO action on March 30), the project density would be 46 units /acre. The maximum building height is 41.5 feet.

AUD Incentive Program Units by Type

The AUD Incentive Program encourages many types of units. Chart 7 illustrates the types of AUD Incentive Program units in the pipeline:

- 205 units (27%) are Affordable to very low or low-income households
- 3 units are Medium High Density Ownership
- 66 units (9%) are Medium High Density Rental
- 31 units (4%) are High Density Rental
- 448 units (60%) are Priority Housing Overlay Rental

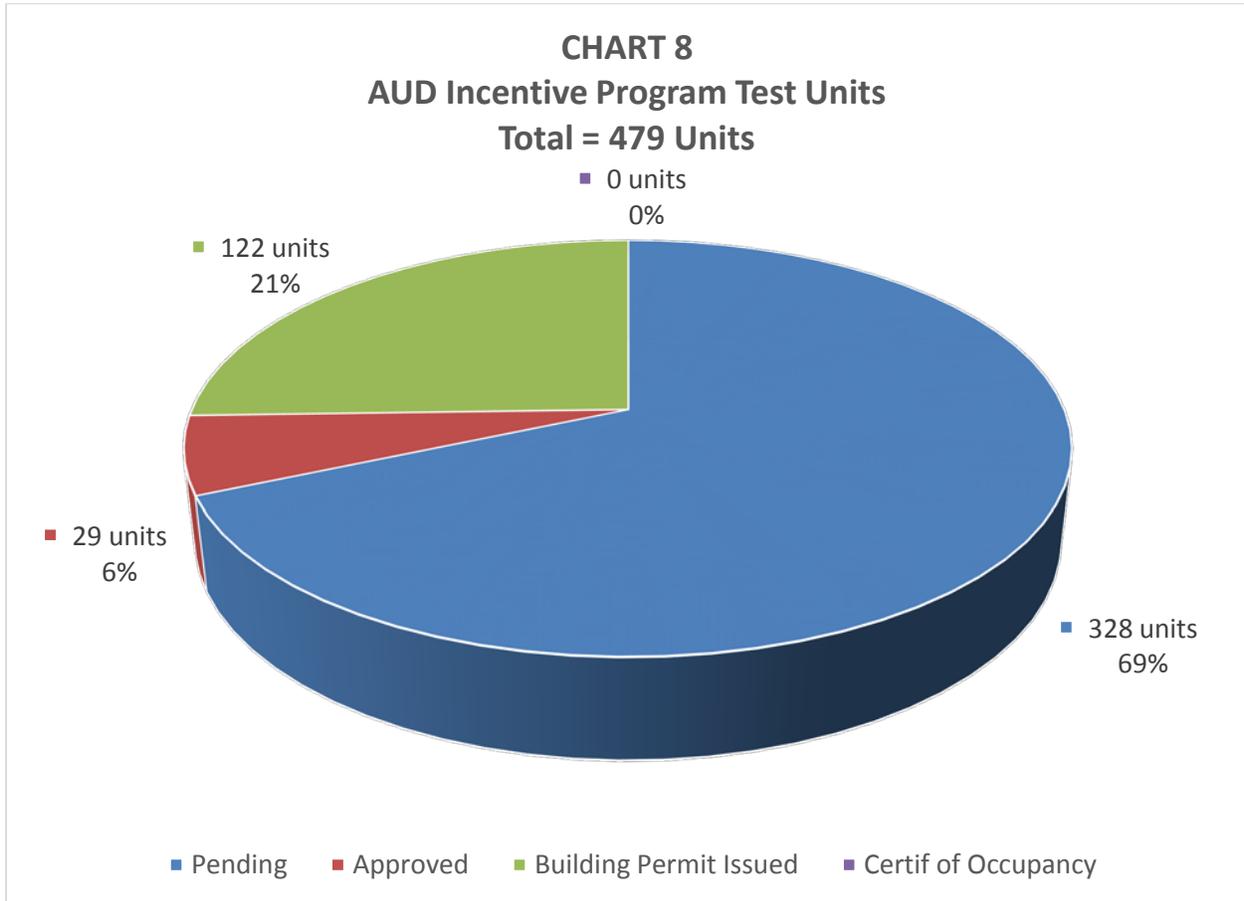


The AUD Incentive Program Ordinance defines Priority Housing to include the following three categories: Employer-Sponsored Housing; Limited-Equity Housing Cooperatives; and Rental Housing. To date, all Priority Housing applications have fallen into the Rental Housing category. Since July 2013, no applications for Employer-Sponsored or Limited-Equity Cooperatives have been received.

AUD Incentive Program 250 test units

Chart 8 takes a closer look at the 479 AUD Incentive Program in the pipeline, within the High Density and Priority Housing Overlay areas, that will count toward the 250 unit test. As of March 1, 2016, no units have been issue a Certificate of Occupancy. However, 122 units (21%) are under construction (Mirasol and

Arlington Village). Another 29 units (6%) have been approved but are not yet under construction (one project at 604 East Cota Street). Another 328 units (69%) are pending review and approval.



There are 328 units within the AUD Incentive Program’s High Density and Priority Housing Overlay areas pending review and approval. Some of these projects have been described in previous reports and include:

15 South Hope Avenue

Demolish an existing 8,368 square-foot commercial building and construct a four-story, mixed-use development on an approximately 35,500 square-foot lot (48 units, 45 parking spaces). The residential portion of the project includes 13 studio, 30 one-bedroom, and three two-bedroom units. The average unit size is 742 square feet. The project density is 59 units / acre and the maximum proposed building height is 45 feet.

634 Anacapa Street

Demolish two existing commercial buildings and a single-family residence and construct a new three-story, mixed-use building on two lots totaling approximately 21,000 square feet (30 units, 32 parking spaces). The residential portion of the project includes eight studio, 13 one-bedroom, and nine two-bedroom units. The average unit size is 733 square feet. The project density is 62 units / acre and the maximum proposed building height is 40 feet.

825 De la Vina Street

A conceptual proposal to construct a mixed-use building on an approximately 14,750 square-foot vacant lot (21 units, 27 parking spaces). The residential portion of the project includes three studios, 15 one-bedroom, and one two-bedroom and two three-bedroom units. The average unit size is 801 square feet. The project density is 62 units / acre and the maximum proposed building height is 45 feet.

715 Bond Avenue

Demolish an existing single-family residence and construct a new four-story building on a 5,000 square-foot lot (7 units, 7 parking spaces). The project includes two two-bedroom and five three-bedroom units. The average unit size is 862 square feet. The project density is 62 units / acre and the maximum proposed building height is 40.75 feet.

800 Santa Barbara Street

Demolish an existing office building and construct a new three-story, mixed-use building on an approximately 18,500 square-foot lot (23 units, 32 parking spaces). The residential portion of the project includes four one-bedroom, 15 two-bedroom and four three-bedroom units. The average unit size is 775 square feet. The project density is 53 units / acre and the maximum proposed building height is 35 feet.

In the last six months, applications received for High Density and Priority Housing Overlay projects include:

125 E. Gutierrez Street

Proposal to construct a 10-unit, 3-story rental apartment building with 10 parking spaces. An existing one story single-family dwelling and garage will be demolished. The project includes two one-bedroom, and eight two-bedroom units. The average unit size is 802 square feet. The project density is 62 units / acre and the maximum proposed building height is 37.5 feet.

219 E. Haley Street

Proposal to demolish 6 existing units and replace with a 3-story mixed use project consisting of 36 two-bedroom, two-bathroom units and two commercial spaces. A total of 46 parking spaces would be provided. The average unit size is 795 square feet. The project density is 62 units / acre and the maximum proposed building height is 40 feet.

510 E. Ortega Street

Proposal to demolish an existing unit and garage and construct a 3-story, 5-unit apartment building. The project consists of two studio units, two two-bedroom units, and one three-bedroom unit and five parking spaces. The average unit size is 952 square feet. The project density is 44 units / acre on a 5,000 square-foot lot. The project addresses zoning violations and is an enforcement case. The maximum proposed building height is 37.75 feet.

1032 Santa Barbara Street

Proposal to demolish a one-story office and one-story residential unit and replace with a new 3-story mixed use project with eight units: one studio, seven two-bedroom units, 11 parking spaces.

The average unit size is 970 square feet. The project density is 46 units / acre and the maximum proposed building height is 43 feet.

113 W. De la Guerra Street

Proposal for a new mixed project that includes 23 residential rental units and 29 parking spaces. The residential portion of the project includes five one-bedroom, and 18 two-bedroom units. The average unit size is 725 square feet. The project density is 62 units / acre and the maximum proposed building height is 43 feet.

116 East Cota Street

Proposal for a new 4-story mixed use building adjacent to Vera Cruz Park. The project includes 15 two-bedroom, two-bathroom units and a small commercial space. Seventeen (17) parking spaces would be provided. The proposed density is 61 units / acre with an average unit size of 827 square feet. The maximum proposed building height is 45 feet.

701 N. Milpas Street

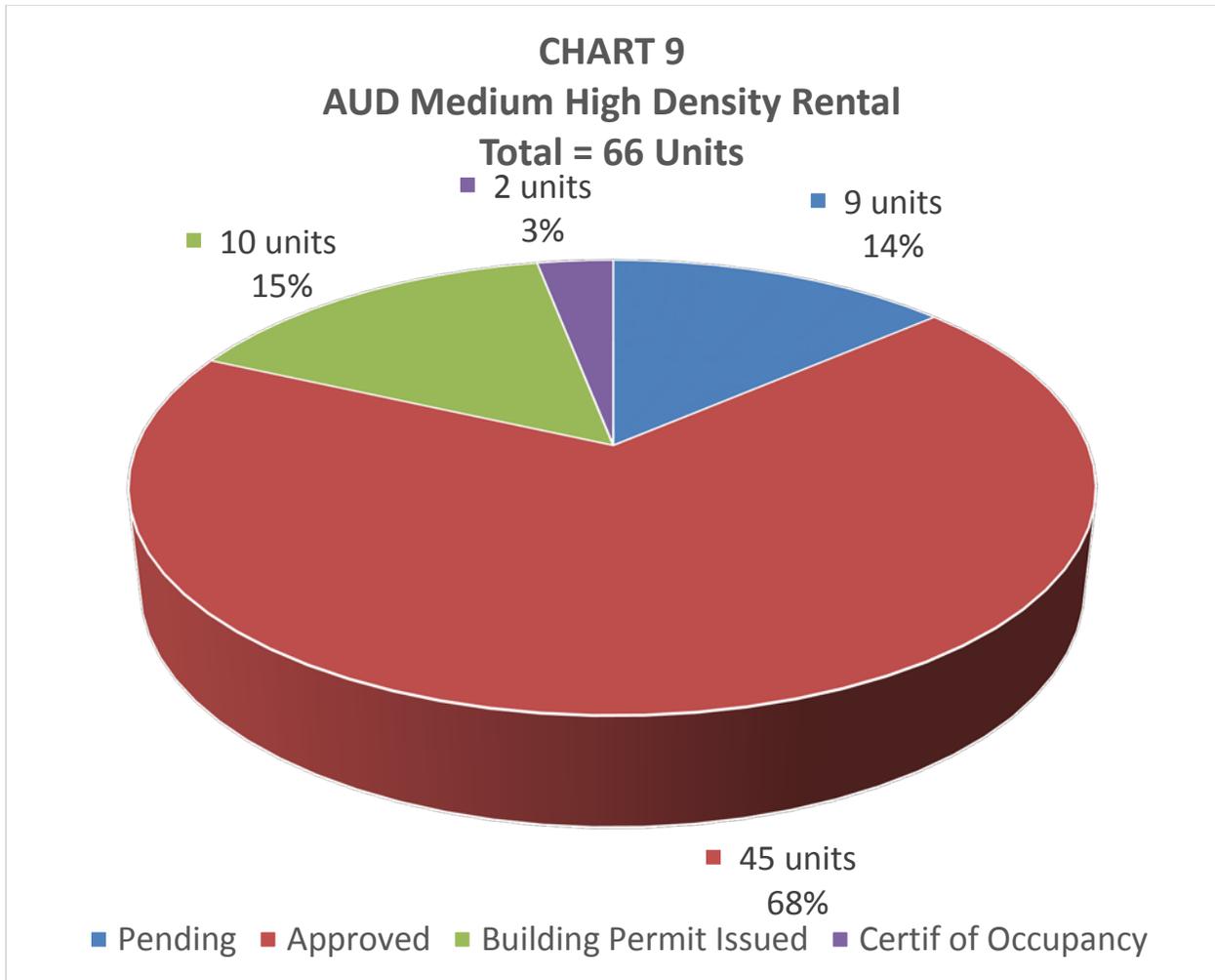
Proposal for a new 4-story mixed use development. A total of 71 units are proposed: 30 one-bedroom, 41 two-bedroom units with 93 parking spaces and 77 bicycle parking spaces. The average unit size is 690 square feet. The proposed project density is 47 units / acre. The maximum proposed building height is 45 feet.

418 N. Milpas Street

A very conceptual proposal to construct a 4-story mixed-use project consisting of 31 apartments, a 114-room hotel and 145 parking spaces. No additional project details are available at this time.

AUD Incentive Program – Medium High Density Rental Projects

Chart 9 provides the status of the 66 units of AUD Incentive Program Medium High Density rental projects in the pipeline. Two new units (3%) have received Certificate of Occupancy, 10 units (15%) are under construction and 45 units (68%) have been approved in this category. Another nine units (15%), representing three projects, are pending review and approval.



Housing Element Implementation

Attached is the City's Annual Housing Element Progress Report. The State Department of Housing and Community Development requires this report annually to maintain the City's compliance with State housing element law. The report provides information for calendar year 2015. In addition to the data provided in the Annual Housing Element Progress Report, the following summarizes the City's progress to-date in implementing the top five Housing Element priorities.

Housing Element Implementation Priorities

At the March 3, 2015 joint City Council and Planning Commission work session, the focus was prioritizing Housing Element Implementation programs that could realistically be accomplished in the short-term based on compliance with State Law, staffing, workload and funding availability. Five programs were identified as priority programs that could be completed within five years. They are listed below with a brief status update.

1. Density Bonus Ordinance Update (H11.4)

Working with the City Attorney's Office, staff will prepare a limited scope density bonus ordinance update to comply with State law. This process would delete text that is out of date and replace it with the State law requirements. It will include language to incorporate state law as amended over time. The ordinance amendment will be scheduled for review in the near future.

A more comprehensive approach, tailoring a Density Bonus Ordinance specific for the City of Santa Barbara while still consistent with State law, would be extremely challenging given the current litigious climate in California density bonus law.

2. AUD Incentive Program Monitoring (H11.1 and 11.2)

Based on the level of development activity experienced since adoption of the AUD Incentive Program, it is clear that the initial eight year or 250 unit "test" period, whichever occurs first, will be triggered by the number of units prior to reaching the eight-year mark for the Program. Therefore, staff has been closely monitoring the number of all housing units in the pipeline, with particular attention to those that contribute toward the 250 units occupied in the High Density or Priority Housing Overlay areas. Monthly tracking reports are prepared and Planning staff presents updated statistical information on AUD Incentive Program housing development activity to the Planning Commission on a quarterly basis. The AUD Incentive Program web page also provides a place for staff to post information about AUD Incentive Program development activity with an emphasis on tracking the 250 test units (High Density and Priority Housing Overlay units). Staff will continue to update the web page regularly. Staff has also developed an interactive map that provides project specific details and illustrates where AUD Incentive Program projects are located in the City.

Additionally, during 2015, the Planning Commission Housing Subcommittee met monthly with Planning staff to discuss ways to measure the success of the AUD Incentive Program. This resulted in refining the information to be requested through an annual survey of AUD Incentive Program unit occupants.

To-date, the annual survey has been required of all AUD Incentive Program projects in the High Density or Priority Housing Overlay areas, as a condition of approval by either a design review board, the Staff hearing Officer or the Planning Commission. The following is the AUD Incentive Program survey requirement condition of approval, as updated on January 21, 2016.

The project owner shall conduct an annual resident survey commencing six months after the final Certificate of Occupancy issued for the project. For example, if an AUD project was granted occupancy in November 2016, the first survey report will be due to staff on December 31, 2017. The survey report must include findings for each unit and be submitted to the Planning Division by December 31 of each year for the first eight years of the project. The annual survey report for each unit shall include:

- a. Net floor area
- b. Number of bedrooms
- c. Monthly rent (or condominium purchase price) and utilities
- d. Periods of vacancy
- e. Household size
- f. Current employment location of each adult resident by zip code
- g. Prior employment location of each adult resident by zip code
- h. Prior residence zip code for each adult
- i. Number of cars, trucks and bikes owned by each resident. Please list types of alternative transportation used (if any)

The timing for reports to evaluate the AUD Incentive Program will be contingent upon the survey information received from projects completed and occupied for a year.

3. Multi-Family Design Guidelines (H16.8)

This program has been carried forward from several Housing Element updates. 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 new development in transitional neighborhoods and areas that are under-developed relative to what is allowed by the Zoning Ordinance. The Guidelines would specifically be helpful in the review of higher density projects, such as AUD Incentive Program units. The Guidelines would also address neighborhood character and compatibility issues. Development of the multi-family design guidelines will require consultant services to prepare architectural renderings and graphics.

4. Zoning Standards to Facilitate Housing (H17.1 and 17.2)

These implementation actions are being partially addressed in the New Zoning Ordinance (NZO) currently underway. A comprehensive draft of the New Zoning Ordinance is expected to be released for public review in Fall of 2016. NZO Module 2: Development Standards was reviewed and discussed by the Planning Commission on March 18, 2016, and includes the following to facilitate housing:

Outdoor Living Space

- Proposal for a new and *simpler* approach to the Open Yard/Outdoor Living Space requirements. Instead of being zone dependent, it is proposed to be dependent on the *number of units*. This is a bit of a hybrid approach that is viewed as clearer and more equitable while providing more flexibility in design.
- For smaller lots, less than 4,000 square feet, the required minimum Open Yard area is reduced from 1,250 square feet to 800 square feet.
- Proposal to remove the requirement for a specific distance between buildings on the same lot, which would contribute to site design flexibility.

Setback Requirements

- Proposal to effectively standardize the allowed encroachment distance into open yards and setbacks for various building elements (e.g. porches, bay windows, balconies) and mechanical equipment encroachments (e.g. utility boxes, rain barrels, electric vehicle supply equipment). This is not a significant change but should make design considerations a bit easier.
- In multi-unit residential zones, NZO proposes to ease the setback requirement from six feet to three feet for site development of *up to a maximum of two residential units*. Where currently the multi-unit zones are *more restrictive* in regard to parking setbacks compared to the two-unit zone (R-2), this would reconcile the difference and provide slightly more flexibility.
- Further, in the current Zoning Ordinance where there is variability in setbacks or height based on existing and proposed building height, NZO proposes instead to specify a discreet setback distance to eliminate the uncertainty/variability that can be a design obstacle.
- For flexibility with respect to buildings that are nonconforming to interior setbacks, NZO proposes to allow small, first floor additions along the same wall plane as the existing building but, no closer than five feet (5') to an interior property line. The length of the addition in the setback would be limited to 20 feet to keep it "modest." This is proposed to address buildings that were built five feet from the interior property line and became nonconforming as a result of the 1975 downzone (in which the setback increased to six feet).
- Undersized garages and carports within setbacks would be allowed to expand or be demolished and rebuilt to meet the current interior size standards, provided that the number of parking spaces is not increased (i.e. an undersized one-car garage/carport could be expanded to the current minimum dimensions now required for a one-car garage/carport).

Reduction of Minimum Unit Size, Studio

- Indirectly related to the policies seeking flexibility in outdoor living space and setback requirements is the NZO proposal to reduce the minimum unit size from 400 square feet to 220 square feet of livable floor area for *studio units*, regardless of whether it is an Affordable Efficiency Dwelling Unit (which can be 150 sf). This is in response to current trends for small or tiny homes.

5. Preserve Rental Units (H13.1)

In the City of Santa Barbara, short-term (less than 30 consecutive days) residential rentals, including Vacation Rentals and Home Sharing, are regulated as "Hotels," pursuant to the Zoning Ordinance. In June

2015, City Council directed staff to continue enforcement of the City's existing zoning regulations prohibiting all residential short-term rentals, unless properly permitted.

For now, preservation of rental units is being addressed through the comprehensive, multi-year vacation rental enforcement program. Staff is also monitoring applications to legally convert residential units in the R-4 and commercial zones to short-term rentals. To date, one such project has been approved at 109 W. Ortega Street. It was a one-story, three-bedroom residence. It is currently in plan check review for building permits to convert the entire residence to a vacation rental. Two additional applicants have sought a Pre-application planning consultation meeting to discuss the requirements to convert, but no formal applications have been submitted yet for these two sites.

Another project has been approved to create a youth hostel at 111 N. Milpas Street. This project is also in plan check for building permits.

**Department of Housing and
Community Development**

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: City of Santa Barbara

Mailing Address: P.O. Box 1990, Santa Barbara, CA 93102

Contact Person: Elizabeth Limón Title: Project Planner

Phone: 805.564.5470 FAX: 805.564.5477 E-mail: Elimon@santabarbaraca.gov

Reporting Period by Calendar Year: from 1/1/2015 to 12/31/2015

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

1		2		3		4				5	5a	6		7	8
						Housing Development Information						Housing with Financial Assistance and/or Deed Restrictions			
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes			Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.					
			Very Low-Income	Low-Income	Moderate-Income						Above Moderate-Income				
(9) Total of Moderate and Above Moderate from Table A3	▶	▶	▶	▶	0	180	180								
(10) Total by income Table A/A3	▶	▶	▶	▶		180	180								
(11) Total Extremely Low-Income Units*															

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

**Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1) units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income			
(1) Rehabilitation Activity				0		
(2) Preservation of Units At-Risk				0		
(3) Acquisition of Units				0		
(5) Total Units by Income	0	0	0	0		

* Note: This field is voluntary

**Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)**

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate						0	
No. of Units Permitted for Above Moderate	22	23	135	0	0	180	180

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.	Permitted Units Issued by Affordability										Total Remaining RHNA by Income Level	
	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total Units to Date (all years)		
Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed											962
	Restricted Non-deed restricted											
Low	Deed											701
	Restricted Non-deed restricted											
Moderate	Deed											820
	Restricted Non-deed restricted											
Above Moderate		114	180								294	1,323
Total RHNA by COG		114	180								294	3,806
Enter allocation number.												
Total Units											294	3,806
Remaining Need for RHNA Period												

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

**Table C
Program Implementation Status**

Program Description (By Housing Element Program Names)	Objective	Timeframe in H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
H2.1 Special Needs Population	Fund and support RHMTF	Ongoing	Program serves approximately 1,400 people per year
H2.2 Rental Housing Mediation	Fund and support RHMTF	Ongoing	Program serves approximately 1,400 people per year
H2.3 Promote Public Awareness	Publicize housing opportunities	Ongoing	Publicized through organizations/media sources/website
H2.4 Enforcement Against Discrimination	Enforce against discrimination	Ongoing	Approx. 1 enforcement case per year
H3.1 Continuum of Care Program	Implement Continuum of Care	Ongoing	Provided \$106,342 to assist homeless prevention
H3.2 Prevention Programs	Fund homeless prevention	Ongoing	Provided \$106,342 to assist homeless prevention
H3.3 Supportive Housing	Support homeless housing	Ongoing	TBRA assisted 47 people
H3.4 Recreational Vehicle Park	Facilitate RV park	Ongoing	RV parking locations continued
H3.5 RV Park Program	Fund RV park project	Ongoing	RV parking locations continued
H3.6 Parking Locations	Locate RV parking areas	Ongoing	90 overnight RV spaces located in City parking lots
H4.1 Year-Round Homeless Shelter	Allow homeless shelter by right	Dec. 2012	Emergency Shelter Ordinance adopted in July 2014
H4.2 Casa Esperanza Homeless Shelter	Fund and support Casa	Ongoing	AS of 7/17/2016, People Assisting the Homeless (PATH) has taken over Casa Esperanza. City provided PATH \$90,000 in 2015
H4.3 Operational and Service Needs	Support services and programs	Ongoing	City continues to fund and support services (\$759,165 in 2015)
H5.1 Transitional Housing	Provide transitional housing	Ongoing	Funded transitional housing programs (\$93,019)

Table C (continued)
2014 Program Implementation Status

Program Description	Objective	Timeframe	Status of Program Implementation
H5.2 Regional Coordination	Coordinate with County/Cities	Ongoing	City participates in regional application
H6.1 Senior Housing	Promote senior housing	Ongoing	Continues to promote senior housing
H6.2 Unit Acquisition & Rehab	Promote senior housing	Ongoing	City provided \$1,000,000 in funding to Grace Village
H6.3 Upgrade Senior Facilities	Facilitate private sector efforts	Ongoing	Continues to support efforts to upgrade
H6.5 Senior Advocacy	Work with Area Agency on Aging	Ongoing	Provided \$19,000 to program in 2015
H6.7 Housing Incentives	Provide reduced parking incentives	Ongoing	City allows reduced parking standards
H6.8 Design Guidelines	Develop accessibility guidelines	2014-2016	Program not yet completed
H7.1. Congregate Care	Promote congregate housing	Ongoing	Provided \$20,000 to Sarah House in 2015
H7.2 Support for Landlords	Increase housing for disabled	Ongoing	Program not undertaken due to funding
H7.3 Special Needs Housing	Encourage special needs housing	Ongoing	City continues to fund special needs housing
H7.4 New Housing Opportunities	Assist with special needs housing	Ongoing	None due to lack of funding.
H7.5 Priority Status	Priority status for disabled persons	Ongoing	100 Section 8 vouchers reserved for disabled
H7.6 Accessibility Funding	Fund accessibility improvements	Ongoing	No funding available in 2015
H7.7 At-Risk Afford. Disabled Units	Ensure at-risk units remain afford.	Ongoing	Continues to extend affordability controls
H8.1 Accessibility Review	Review plans for accessibility stds.	Ongoing	Continues to review plans per State/Fed laws
H8.2 Accessibility Guidelines	Ensure compliance with regulations	Ongoing	Continues to provide guidance to builders
H8.3 Accessible Housing	Adhere to Fair Hsg Access. Guide.	Ongoing	Continues to adhere to State/Fed laws
H9.1 Accessible Housing Incentives	Provide incentives for access. Units	Ongoing	Provides through zoning modifications
H10.1 Early Project Consultation	Provide predevelopment consult	Ongoing	City offers predevelopment consultation
H10.2 Property Profiles	Provide property profile services	Ongoing	Property profiles prepared upon request
H10.3 Building Reuse	Encourage reuse of buildings	2016-2017	Program not yet undertaken
H10.4 Housing at Shopping Centers	Develop housing at shopping ctrs	Ongoing	Continues to encourage hsg at shopping ctrs
H11.1 Affordable & Workforce Hsg	Promote afford. workforce housing	2012-2013	Density Incentive Program adopted in 2013
H11.2 Priority Housing Overlay	Promote afford. workforce housing	2012-2013	Density Incentive Program adopted in 2013
H11.3 Inclusionary Housing	Increase inclusionary hsg req'mts	2014-2016	Program not yet undertaken
H11.4 Density Standards	Increase density for price restricted	2012-2013	Program not yet undertaken
H11.5 Bonus Density	Inc bonus density above State law	Ongoing	Density Bonus Ordinance Update in 2016
H11.6 Private Sponsors	Solicit hsg from private sponsors	Ongoing	Continues to solicit hsg from private sponsors
H11.7 Infill Housing	Develop infill hsg with assistance	Ongoing	No funding available.
H11.8 Opportunity Sites	Identify infill and opportunity sites	Ongoing	2,423 opportunity sites identified in Hsg Element
H11.9 Sweat Equity Projects	Support sweat equity projects	Ongoing	12 units constructed w/sweat equity
H11.10 Large Rental Units	Construct larger units	Ongoing	Continues to encourage larger units
H11.11 Condominium Conversions	Promote housing opportunities	Ongoing	Zoning provisions in place to allow conversions.
H11.19 Parcel Consolidation	Encourage consolidation of parcels	Ongoing	Continues to encourage the merging of lots
H12.1 Above Moderate Housing	Encourage hsg for first-time buyers	Ongoing	Encourages thru bonus density/inclusionary
H12.2 Large Employers	Encourage employer housing	Ongoing	115 units constructed for Hospital employees

Table C (continued)
2014 Program Implementation Status

Program Description	Housing Programs Progress Report - Government Code Section 65583.		
Name of Program	Objective	Timeframe	Status of Program Implementation
H13.1 Preserve Rentals	Avoid loss of rental units	2014-2016	Re-fi & extend affordable covenants (14 units)
H13.2 Condominium Conversion	Amend Municipal Code	2012-2013	Program not yet undertaken
H13.3 Rental Units	Allow nonconforming densities	2012-2013	Program not yet undertaken
H14.1 Market Rate Housing	Ensure sustainable MR housing	2012-2013	AUD Program promotes sustainable units
H14.2 Resource Conservation	Establish stds for resource use	2014-2016	Program not yet undertaken
H14.3 Market-Rate Incentives	Prepare design standards	2014-2016	Program not yet undertaken
H15.1 Secondary Dwelling Unit Ord.	Amend Municipal Code	2018+	Program not yet undertaken
H16.1 Affordable Housing Projects	Give priority to affordable housing	Ongoing	Priority given on agendas and plan checks
H16.2 Affordable Housing Facilitator	Staff level affordable hsg facilitator	Ongoing	Housing Programs Mgr serves as facilitator
H16.3 CEQA Exemptions	Use CEQA infill exemption	Ongoing	CEQA infill exemption used as appropriate
H16.4 Coordinated Project Review	Coordinate review with Boards	Ongoing	Coordinated reviews are currently conducted
H16.5 Infill Project Guidelines	Develop guidelines for infill projects	2014-2016	Program not yet undertaken
H16.6 Administrative Approvals	Develop list of admin. approvals	2014-2016	Program completed
H16.7 Water Meters	Allow one water meter for apts	Ongoing	Implemented on a project by project basis
H16.8 Expedited Review	Expedite review of affordable hsg	Ongoing	LDT review provides streamlined process
H16.9 MultiFamily Design Guidelines	Adopt MF Hsg Design Guidelines	2014-2016	Program not yet undertaken
H17.1 Parking Requirements	Allow flexible parking standards	2012-2013	AUD Program allows reduced parking stds
H17.2 Zoning Standards	Allow flexible zoning standards	2012-2013	AUD Program allows flexible zoning stds
H17.3 Expedite Environmental Review	Develop MEA to expedite review	2014-2016	Program completed as part of GPU EIR
H17.4 Development Review Process	Evaluate Develop Review Process	Annual	Reviewed annually as part of budget process
H18.1 Adaptive Mgmt Program	Evaluate hsg production	Annual	Housing production tracked annually
H19.1 Rehabilitation Loans	Provide housing rehabilitation loans	Ongoing	No grants provided in 2015.
H19.2 Outreach Efforts	Increase outreach efforts	2014-2016	Continues to provide outreach as feasible
H19.3 Review HLRP	Review for consistency with HEU	2014-2016	Continues to review as appropriate
H19.4 Low-Interest Loans	Provide loans for multifamily units	Ongoing	Provided loans to 2 apt owners (14 units)
H19.5 Neighborhood Surveys	Survey neighborhoods	2014-2016	Surveyed as part of Housing Element Update
H19.7 Remove Architectural Barriers	Provide loans to remove barriers	Ongoing	No loans to remove barriers in units in 2015
H19.8 Substandard Housing	Allow demo of substandard housing	Ongoing	Continues to allow demo of substandard hsg
H20.1 Zoning Enforcement	Enforce on chronic offenders	Ongoing	350 enforcement cases processed annually
H20.2 Substandard Apt Complexes	Acquire large substandard apts	Ongoing	No large substandard apts acquired in 2015
H20.3 Bilingual Assistance	Provide bilingual ombudsperson	Ongoing	Bilingual staff assist w/tenant complaints
H20.4 Zoning Information Reports	Require Zoning Information Reports	Ongoing	Approximately 550 ZIRs process annually
H20.8 Tax Code	Use tax code to abate substd hsg	Ongoing	Uses tax code to abate substandard housing
H21.1 Affordable Covenants	Preserve affordable hsg covenants	Ongoing	Monitors covenants before they expire
H21.2 At-risk Affordable Units	Acquire before covenant expires	Ongoing	Encourages non-profits to acquire units
H21.3 Expiring Affordability	Monitor covenant before expires	Ongoing	Monitors covenants before they expire

Table C (continued)
2014 Program Implementation Status

Housing Programs Progress Report - Government Code Section 65583.		Status of Program Implementation
Program Description	Objective	Timeframe
H21.4 Presidio Park Apartments	Ensure that apts remain affordable	2014-2016
H22.1 Affordable Housing Task Force	Support Afford Hsg Task Force	Ongoing
H22.2 Shared Housing Development	Pursue joint housing projects	Ongoing
H22.3 Affordability Criteria	Maintain uniform affordability criteria	Ongoing
H22.4 Farmworker Housing	Support County Farmworker Hsg	Ongoing
H22.5 Affordable & Workforce Hsg	Support regional affordable Hsg	Ongoing
H22.6 Coastal Housing Partnership	Support Coastal Hsg Partnership	Ongoing
H22.7 Employer Incentives	Develop employer incentives	Ongoing
H22.8 Bridge Loans	Explore bridge loans for rental units	Ongoing
H22.9 Affordable Student Housing	Encourage UCSB/SBCC housing	Ongoing
H23.1 State and Federal Funding	Explore Federal & State Funding	Ongoing
H23.2 Annexations	Pursue joint housing projects	Ongoing
H23.4 New Funding Sources	Identify new funds for afford hsg	Ongoing
H23.5 Housing Authority Coordination	Encourage HA to provide new hsg	Ongoing
H24.1 Rental Housing	Encourage incentives for rental hsg	Ongoing
H24.2 Condominium Production	Resolve condo defect liability	Ongoing
H24.3 Housing for Disabled	Support disabled hsg opportunities	Ongoing
H24.5 Residential Development	Support hsg financial assistance	Ongoing
H24.6 Section 8 Program	Support Section 8 Hsg Program	Ongoing
H25.1 Housing Resources	Provide information to public	Ongoing
H25.2 Rental Incentive Information	Provide information to developers	Ongoing
H26.2 Housing Opportunities	Publish & distribute resource guide	Ongoing
H26.3 Accessibility Regulations	Provide Title 24 info to public	Ongoing
H26.4 Housing Achievements	Publicize housing achievements	Ongoing

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Santa Barbara
Reporting Period 1/1/2015 - 12/31/2015

General Comments:

The 2015 Housing Element Update was unanimously adopted by the Santa Barbara City Council on February 10, 2015. As required by State law, the 2015 Housing Element describes the progress made in achieving the prior element's housing goals and objectives and includes an analysis related to the effectiveness and appropriateness of the goals, policies and programs.