



TO: Mayor and City Councilmembers
FROM: Peter Imhof, Planning and Environmental Review Director
CONTACT: Anne Wells, Advance Planning Manager
SUBJECT: Regional Housing Needs Allocation Update

RECOMMENDATION:

Receive a presentation regarding the Regional Housing Needs Allocation and how it is expected to affect Goleta.

DISCUSSION:

The following issues are addressed in this staff report:

- What is the Regional Housing Needs Allocation (“RHNA”) and how is it related to the Housing Element?
- What is Housing Element “certification” and why is it important?
- How does the RHNA affect land use planning in Goleta?
- What do communities do when they run out of vacant and buildable land?
- How are different types of housing (such as mobile homes and residential care facilities) treated for purposes of the RHNA?
- What is the current status of the RHNA?
- What are the next steps related to the RHNA and the Housing Element?

What is the RHNA and how is it related to the Housing Element?

State law requires each city to adopt a comprehensive, long-term General Plan for its physical development. General Plans must include seven “elements” that address various topics. The Housing Element is one of the State-mandated elements of local General Plans and establishes City policies and programs for maintaining and improving existing housing, addressing the needs of persons and households of all income levels and those with disabilities or other special needs, and facilitating development of new housing for anticipated future residents of all economic levels.

Among the most important Housing Element requirements is that every city must adopt land use plans and regulations adequate to accommodate a portion of the additional housing units needed to meet the existing and future housing needs of California's projected population. The process by which cities are allocated a share of housing needs is the Regional Housing Needs Allocation, or RHNA.

In most urbanized areas of the state, including Santa Barbara County, the RHNA process occurs every eight years as part of each State-mandated Housing Element update. The RHNA process quantifies the need for housing by income group within each jurisdiction during a specific planning period. The State Department of Housing and Community Development (HCD) determines the housing need for each region for the planning period and the region apportions this housing need across local jurisdictions within the region. In Santa Barbara County, the Santa Barbara County Association of Governments (SBCAG) fulfills this role.

Goleta's current Housing Element covers the 2015-2023 planning period, which is also referred to as the "5th planning cycle" in reference to the five required Housing Element updates that have occurred since the comprehensive update of State housing law in 1980. The 6th Housing Element cycle will cover the planning period of February 2023 to February 2031.

What is Housing Element "certification" and why is it important?

The State Legislature has delegated to the HCD the authority to review Housing Elements and issue findings regarding the Housing Elements' compliance with the law. When HCD issues a letter finding that the Housing Element is in substantial compliance with State law, it is referred to as "certification" of the Housing Element. Certification confirms in particular that a local jurisdiction's Housing Element (and Land Use Element) provide sufficient residential land use capacity to accommodate that jurisdiction's share of the regional housing need plus carryover from the previous planning period.

Housing Element certification is important for four main reasons:

- **Local Control and Risk of Litigation.** The General Plan and its various elements, including the Housing Element, provide the foundation for the City's land use plans and development regulations. If the City were challenged in court regarding the validity of the General Plan or zoning regulations and the General Plan were found by the court to be invalid, a court could order changes to City land use plans or regulations, assume control over City land use decisions, and require the City to pay the litigant's attorney fees. HCD certification establishes a "rebuttable presumption of validity" (Government Code Section 65589.3) that the Housing Element substantially complies with State law.
- **Fines and State Enforcement.** Recent laws also allow for courts to impose fines on a jurisdiction, if it fails to adopt a Housing Element in compliance with State law (Government Code Section 65585). The State Attorney General has also

recently moved aggressively to enforce RHNA requirements against cities that have sought to defy state-mandated housing requirements, as in the well-publicized City of Huntington Beach lawsuit, whereby the State of California sued the City of Huntington Beach for being out of compliance with the RHNA and affordable housing goals outlined in its Housing Element.

- **RHNA Carryover.** State law (Government Code Section 65584.09) provides that, if a city does not demonstrate the availability of adequate sites to accommodate its RHNA allocation, the shortfall is carried over and added to the RHNA for the next planning period.
- **Eligibility for Grant Funds.** Some State grant funds are contingent upon Housing Element certification. Grants can help to cover the cost of some projects that would otherwise rely on the City's General Fund. Programs accessed by the City of Goleta that consider Housing Element certification in their criteria are Community Development Block Grants (CDBG) and HOME Investment Partnerships Program (HOME), as well as the recent grant programs supporting the preparation of Residential Design Standards, Housing Fees, and the upcoming Housing Element update.

The City Council adopted the 2015-2023 Housing Element in December 2014 and, on March 2, 2015, HCD issued a letter finding the adopted Housing Element in full compliance with State law. Future certification for the upcoming Housing Element 6th cycle will be an important step that will allow the City to maintain local land use planning control, reduce legal risk, avoid fines and State enforcement actions, eliminate the RHNA carryover, and ensure that the City has access to important grant funding resources, such as CDBG and HOME.

How does the RHNA affect land use planning in Goleta?

Because State Housing Element law requires cities to demonstrate the availability of sufficient land suitable for housing development commensurate with the RHNA, the RHNA process has a major effect on local land use planning. If a city cannot demonstrate that sufficient land is available to accommodate the RHNA, land use plans and regulations must be modified to provide adequate sites, typically through amendments to the Land Use Element of the General Plan and zoning regulations.

As discussed in more detail below, Santa Barbara County's regional total housing need for the upcoming 6th cycle will be significantly higher than in the prior cycle due to new requirements to address existing housing problems related to overcrowding and overpayment in the RHNA. Overcrowding is defined as more than one person per room (excluding kitchens and bathrooms) and overpayment is defined as paying more than 30% of a household's gross income for housing. It is important to note that, although the RHNA requires local jurisdictions to provide adequate sites to accommodate identified future housing need through their land use plans and development regulations, local jurisdictions are not required to build housing to achieve their RHNA allocations themselves. In adopting RHNA law, the State Legislature recognized that cities have limited authority and resources to build housing. Therefore, RHNA law focuses on the

things local jurisdictions have control over – land use plans, regulations and development review procedures.

It is important to note that RHNA law focuses on cities' potential capacity for housing development based on zoning and development standards, not actual housing production. If cities do not achieve their RHNA, recent changes to State law (SB 35) require "streamlined review" of housing developments that meet certain criteria, including minimum affordability levels and the payment of prevailing wage rates.¹

What do communities do when they run out of vacant and buildable land?

Communities with little or no remaining vacant land must still update their Housing Elements and identify other means of accommodating the RHNA. In these cases, the Housing Element may evaluate existing developed properties as "underutilized sites." Such properties may be available for intensification, or they may be non-residential sites with potential for re-designation and redevelopment for housing or mixed-use development. Examples of land with potential for additional housing may include publicly owned surplus land, areas with mixed-use potential, properties facing substantial functional obsolescence, and blighted areas with abandoned or vacant buildings. Second units (aka "accessory dwelling units") also provide a means of accommodating additional housing in built-out communities. Under limited circumstances, a portion of the City's RHNA may be met through conversion of existing market rate apartments to affordable levels; preservation of affordable units at-risk of conversion to market rate; and substantial rehabilitation of substandard apartment units combined with long term affordability covenants.

How are different types of housing (such as mobile homes and residential care facilities) treated for purposes of the RHNA?

The RHNA assigns housing need in four income categories based on countywide median income, as shown in the following table. The Housing Element must include an inventory of potential sites where additional housing development could be built in each income category.

Income Category	% of Area Median Income	Annual Income Range
Very Low	Up to 50%	Up to \$55,150
Low	51-80%	\$55,151 – 88,300
Moderate	81-120%	\$88,301 – 95,500
Above Moderate	Over 120%	Over \$95,500
Source: California Department of Housing and Community Development, 2019		

Under State housing law (Government Code Section 65583.2(c)(3)), allowable housing density is used as a proxy for affordability. If zoning and development standards for a

¹ A full discussion of SB 35 requirements is provided at <https://www.hcd.ca.gov/community-development/accountability-enforcement/statutory-determinations.shtml>

property allow housing at a density of at least 20 units/acre, potential housing development on that property is deemed suitable for lower-income housing (i.e., not more than 80% of county median income).

In some cases, such as land zoned for mobile home parks, sites with lower allowable housing densities may also be considered suitable for lower-income housing depending on prevailing costs in the jurisdiction.

In evaluating potential housing sites for RHNA purposes, State law makes a distinction between “housing units” and other types of residential accommodations that are considered “group quarters.” “Group quarters” do not qualify as “housing units” for RHNA purposes. For example, residential care facilities, group homes, and college dormitories without separate housing units are typically considered to be group quarters and therefore are generally not counted towards the RHNA.

Jurisdictions must identify the RHNA income category that each site in the inventory is anticipated to accommodate. On the site inventory, the City must specify whether the site or a portion of the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing. Sites can accommodate units for more than one income category. However, the inventory will need to indicate the number of units of each income category, and together the total of units attributed to each income category may not exceed total units attributed to the site, so that no unit is designated for more than one income category. This requirement is particularly important because the No Net Loss law (Government Code Section 65863) requires adequate sites be maintained throughout the planning period to accommodate the remaining RHNA by income category. If a proposed development would provide fewer units in any income category than assumed for that site in the Housing Element sites inventory, the City must evaluate whether the remaining capacity is still sufficient to fully accommodate the net remaining RHNA. If the remaining inventory of sites is insufficient to fully accommodate the remaining RHNA in each income category, additional sites must be identified to make up any shortfall, which could require rezoning of those additional sites.

What is the current status of Goleta’s Housing Element and the RHNA?

Goleta’s current Housing Element was adopted in 2015 and was subsequently certified by HCD as fully compliant with State law. The next update to the Housing Element for the 6th planning cycle must be adopted by February 2023.

SBCAG is currently working to prepare the 6th cycle RHNA. The RHNA process includes five major steps:

- 1) HCD’s total housing allocation to the SBCAG region;
- 2) SBCAG’s development of a methodology for distributing RHNA shares to local jurisdictions;
- 3) SBCAG’s assignment of draft RHNA shares to each jurisdiction based upon the approved methodology;
- 4) Final RHNA adoption by SBCAG; and

- 5) Preparation and adoption of updated Housing Elements by each local jurisdiction.

Each of these steps is summarized below.

In the first step in the RHNA process, SBCAG staff with input from the SBCAG Technical Planning Advisory Committee, on which City staff participate, consults with HCD and the Department of Finance regarding the region's total housing need for the upcoming 8-year period. HCD has allowed SBCAG to start the consultation earlier, in July, allowing more time for review. The consultation can, according to the statutory calendar, conclude as late as February 2021. SBCAG staff anticipates the consultation process will be completed prior to the deadline and the remainder of the process can be accelerated. Once the consultation period ends and the regional total is determined by HCD, SBCAG has 30 days to file an "objection," if SBCAG believes that the RHNA allocation is inconsistent with State law. HCD then has 45 days to consider the objection and make the final RHNA determination.

In the second step of the process, the methodology to be used by SBCAG to allocate the regional total to jurisdictions is developed with input from SBCAG's RHNA Project Development Team (including the planning directors of all member jurisdictions). SBCAG's methodology must be consistent with "planning factors" set forth in Government Code Section 65584.04(e). The statutory planning factors are intended to promote consistency between the RHNA and Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) greenhouse gas reduction goals pursuant to SB 375, particularly with regard to the relationship between jobs and housing in order to reduce vehicle miles traveled (VMT). While the RHNA methodology must consider a wide range of factors, SBCAG has some discretion regarding the relative weighting of the factors. The statutory calendar requires this step to be completed by February 2021. However, as with the consultation period, staff anticipates this step will be completed prior to the deadline and is currently in development. Once a draft methodology is issued, SBCAG must submit the methodology to HCD for review. HCD then has a 60-day review period, after which SBCAG will adopt the final methodology.

The third step involves SBCAG's application of the HCD-approved methodology to allocate draft RHNA shares to each jurisdiction. In practice, SBCAG member jurisdictions, which will participate in the development of the RHNA methodology, will know their share of the regional housing need well in advance of SBCAG's formal adoption and application of the methodology.

In the fourth step of the RHNA process, within 45 days of publication of draft allocations, HCD and local jurisdictions may appeal any jurisdiction's allocation (their own or any other jurisdiction's) to SBCAG. After the close of the appeal period, jurisdictions and HCD have an additional 45 days to comment on any appeals. Within 30 days after the end of the comment period, SBCAG must conduct a public hearing to consider appeals. SBCAG then has 45 days to accept, modify or reject appeals and issue a final allocation that is then submitted to HCD. Refer to Attachment 1 for the statutory RHNA schedule. In deciding whether to accept or deny appeals, SBCAG must ensure that the regional RHNA total assigned by HCD is maintained.

The final step is the preparation and adoption of Housing Element updates by each jurisdiction. The updated Housing Element must demonstrate that sufficient land is available with appropriate development standards that could accommodate the jurisdiction's RHNA allocation.

On July 16, 2020, the HCD released the initial draft RHNA determination for the SBCAG region. The initial draft 6th cycle allocation is provided below, by income category. The 5th cycle allocation is provided for context.

HCD Regional Housing Need Allocation (RHNA) Determination					
Santa Barbara County					
June 30, 2021 through February 15, 2031 (6th Cycle)					
Income Category	Percent	Housing Unit Need	Housing Unit Need (5th Cycle)	Difference	% Difference vs 5th Cycle
Very-Low *	24.5%	7,174	2,625	4,549	173%
Low	15.8%	4,629	1,810	2,819	156%
Moderate	17.3%	5,063	2,049	3,014	147%
Above-Moderate	42.5%	12,447	4,545	7,902	174%
Total	100.0%	29,313	11,030	18,283	166%
* Extremely-Low 13.4% included in Very-Low Category					

The initial draft RHNA is much higher than the current 5th cycle determination due to the addition of existing needs (overcrowding and overpayment) by the State Legislature for the 6th cycle.

SBCAG will not receive a formal RHNA determination from HCD until late August or early September 2020 and the SBCAG Board will have an opportunity to file an "objection" to the determination, if deemed necessary. The SBCAG Board will consider adoption of the local RHNA distribution in the August 2021 timeframe.

What are the next steps related to the RHNA and the Housing Element?

City staff is continuing to work with SBCAG on the development of the RHNA to ensure that Goleta's interests and circumstances, such as water availability, are considered in the analysis. Later this year, City staff will begin to assess our land use capacity for new housing development, in anticipation of a larger than usual RHNA allocation. There are three main ways cities can demonstrate adequate sites to accommodate the RHNA: 1) vacant parcels zoned for residential or mixed-use development; 2) previously developed "underutilized" parcels that could be redeveloped for residential use; and 3) potential new accessory dwelling units (ADUs). The City will start the land use capacity analysis using sites unused in the current housing cycle (refer to Housing Element Table 10A-33, also provided in Attachment 2). Of note, the majority of the existing site capacity (approximately 80 percent) are or will be developed as part of this current housing cycle, leaving the smaller sites for the upcoming cycle, meaning the City will need to identify new sites to address its new RHNA share.

RHNA “credit” for ADUs will be determined by HCD as part of the Housing Element review process, and it is uncertain at this time what methodology HCD will use to determine ADU credit. To date, HCD is advising jurisdictions to track ADU production, collect rental rates, and document affordability. As such, Goleta is collecting rents and reporting to HCD in our General Plan Annual Progress Report in the hopes that ADU production will satisfy a portion of the RHNA. A fourth option provided in State law for satisfying up to 25% of lower-income RHNA requirements is through rehabilitation of deteriorated housing or conversion of market-rate housing to affordable rates, but these options are rarely used due to the difficult administrative requirements, such as a limited two-year “time window” at the beginning of the planning period for identifying committed financial assistance, provision of relocation assistance, and certifying that targeted buildings are unfit for human habitation.

As part of the land use capacity analysis, staff will seek to identify a range of land use scenarios to increase housing potential per the RHNA. Staff will be evaluating various regulatory strategies to meet our new RHNA such as:

- Rezoning land from non-residential to residential
- Density increases
- Minimum density zoning
- Mixed-use zoning in nonresidential zones
- Small and irregular-size lot development and or consolidated lots to facilitate combining small residential lots into larger lots to accommodate higher-density development
- Increased height limitations, increased floor area to allow for larger buildings on smaller lots

Staff will conduct workshops regarding the land use capacity analysis and different land use scenarios with the public and City decision-makers as a first critical step after receipt of the City’s RHNA. The Housing Element update will be submitted to HCD for their review during 2022. Assuming that the City is required to rezone land to meet a larger RHNA, concurrent amendments to the Land Use Element and zoning regulations will be necessary to demonstrate the availability of adequate sites to accommodate the 6th cycle RHNA.

Reviewed By:

Legal Review By:

Approved By:



Kristine Schmidt
Assistant City Manager



Michael Jenkins
City Attorney



Michelle Greene
City Manager

ATTACHMENTS:

1. RHNA Project Schedule (Statutory Calendar)
2. Housing Element Table 10A-33 Vacant Sites
3. Regional Housing Needs Allocation (RHNA) Update - presentation

Attachment 1

RHNA Project Schedule (Statutory Calendar)

Attachment 1

RHNA Project Schedule (Statutory Calendar)

RHNA Steps	Timeframe	Statutory Deadlines
SBCAG RHNA Planning Period	2/15/2023 - 2/15/2031	7 years 11 months
SBCAG RHNA Projection Period	6/30/2022 - 2/15/2031	8 years 7.5 months
Estimated RTP Adoption Date		8/15/2021
Housing Element Due Date (within 18 mos. of RTP adoption)		2/15/2023
SBCAG conducts a survey of member jurisdictions planning factors	<6 months prior to methodology	6/15/2020
HCD SBCAG Countywide RHNA determination consultation	Housing Element (HE) minus 26 months	12/15/2020
<i>SBCAG requested earlier HCD determination consultation</i>		7/2020
HCD issues Countywide RHNA determination	At least Housing HE minus 24months	2/15/2021
SBCAG can file an objection to HCD determination within 30 days		3/15/2021
SBCAG issues proposed RHNA allocation methodology.	At least HE minus 24 months	2/15/2021
HCD 60 Day review of draft methodology		
SBCAG adopts final RHNA Methodology	At least 60 days following proposed method	4/15/2021
SBCAG issues DRAFT Allocation of RHNA	At least HE minus 18 months	8/15/2021
Final RTP w/SCS accommodating RHNA	HE minus 18 months	8/15/2021
Local jurisdictions may appeal Draft RHNA Allocations	Within 45 days of receiving draft	
Jurisdictions and HCD comment on appeals	Within 45 days of close of appeals	
SBCAG hold public hearing to consider appeals	Within 30 days of appeal comment period	
SBCAG makes final determination on appeals and issues allocation	Within 45 days of public hearing	
SBCAG /Subregion adopts final allocation plan	Within 45 days of final determination	

Attachment 2

Housing Element Table 10A-33 Vacant Sites

**TABLE 10A-33
HOUSING ELEMENT VACANT SITES**

Map #/ Site Name	APN	Site Size (ac)	GP/Zoning	Max. Density (units/acre)	Max. Units	Type of Constraint	Net Site Area (ac)	Adjusted # of Units
Lower-Income Sites								
8 Hospital	065-090-028	1.99	MDR/DR-20	20	39	No utility constraint	1.79	35
9 Orange Avenue	071-021-034	0.13	HDR/DR-30	30	3	No utility constraint	0.13	3
10 Heritage Ridge	073-060-031 to 073-060-043	14.46	MDR/DR-20 (AHO Overlay)	25	361	Freeway noise; park dedication	11.46	229
11 Village at Los Carneros	073-330-026	6.06	MDR/DR-20 (AHO Overlay)	25	151	Application pending		
	073-330-028	7.16	MDR/DR-20 (AHO Overlay)	25	179			
	073-330-029	11.53	MDR/DR-20 (AHO Overlay)	25	288			
	073-330-027	8.44	MDR/DR-20	20	168			
	073-330-024	7.05	MDR-DR-20	20	141			
Subtotal - VLC		40.24		20	927			465
12 Cortona	073-140-016	8.82	MDR/DR-20 (AHO Overlay)	25	220	ESHA; No utility constraint	7.94	158
17 Ellwood Beach Drive	079-551-014	0.27	HDR/DR-30	30	8	No utility constraint	0.27	8
18 Ellwood Beach Drive	079-551-024	0.25	DR-30	30	7		0.25	7
Total – Lower		66.16			1,565			905
Moderate Sites								
14 Westen	073-030-006	4.12	MDR/MHS (AHO DR-12.3)	12.3	50	Wetland, noise; no utility constraint	2.46	30
13 Westen	073-030-009	2.94	MDR/MHS (AHO DR-12.3)	12.3	36	Wetland; noise; No utility constraint	1.76	21
15 U. Village	073-182-009	0.16	PR/DR-10	10	1	No utility constraint	0.16	1
20 Mathilda Drive	079-554-021	0.24	PR/DR-10	10	2			2
20 Mathilda Drive	079-554-022	0.23	PR/DR-10	10	2	ESHA		2
19 Mathilda Drive	079-553-022	0.23	PR/DR-12.3	12.3	2			2
19 Mathilda Drive	079-553-023	0.25	PR/DR-12.3	12.3	3			3
19 Mathilda Drive	079-553-024	0.25	PR/DR-12.3	12.3	3			3
19 Mathilda Drive	079-553-025	0.25	PR/DR-12.3	12.3	3			3
Total – Moderate		7.22			87		4.38	67

Map #/ Site Name	APN	Site Size (ac)	GP/Zoning	Max. Density (units/acre)	Max. Units	Type of Constraint	Net Site Area (ac)	Adjusted # of Units
Above-Moderate Sites								
16 School District Site	073-090-026	9.28	PR/DR-6	6	55	Riparian buffer; wetland	8.24	49
3 Kenwood Village	077-130-006 077-130-019 077-141-049	6.76	SFR/DR-4.6	4.6	28	Creek; street frontage	4.81	22
1 Cathedral	079-110-026	0.38	SFR/12-R-1	3.57	1		0.38	1
2 Cathedral	079-110-040	1.33	SFR/12-R-1	3.57	4		1.33	4
7 Dara	12 parcels	3.77	SFR/12-R-1	3.57	13		3.77	13
6 Cambridge	069-080-009	1.01	SFR/20-R-1	2.17	2		1.01	2
5 Harvest Hill Subdivision	069-620-044	5.59	SFR/20-R-1	2.17	12	Parcel to be subdivided into a total of 7 lots, with 6 new lots	4.7	6
4 Robinson Subdivision	077-130-021 077-130-022 077-141-053 077-141-069 077-141-075	1.21	SFR/DR-4.6 & 7-R-1	4.6	5		1.21	5
Total – Above Moderate		29.33			120		25.45	102
Notes: Map # refers to numbered sites in Figure 10A-5; APN: Assessor's Parcel Number Zoning Districts: DR-2 to DR-30– Design Residential, with units per acre specified by the number following DR-; 10-R-1 to 20-R-1 – Single Family Residential, with units per acre specified by the number preceding R-; MHS – Mobile Home Subdivision; AHO – Affordable Housing Overlay.								

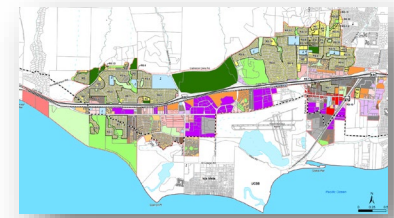
Attachment 3
Staff Presentation

REGIONAL HOUSING NEEDS ALLOCATION (RHNA) UPDATE



City Council
September 15, 2020

Presentation by:
Anne Wells, Advance Planning Manager

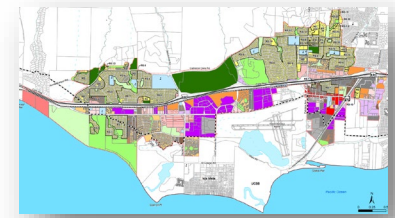


RHNA UPDATE

What is RHNA and how it relates to General Plan?

- State law requiring city-adopted General Plan
- Housing Element - one of seven State-required elements
 - Establishes policies / programs to meet our housing needs
 - Eight-year cycles
 - Roles of State HCD and County SBCAG
 - Current 2015-2023 planning period / 5th Cycle
 - 6th Cycle – February 2023 – February 2031

RHNA UPDATE



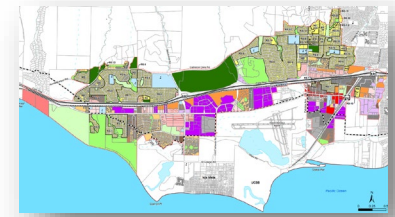
What is the Housing Element certification and why is it important?

- Local Control and Risk of Litigation
- Fines and State Enforcement
- RHNA Carryover
- Eligibility for Grant Funds



Goleta's Housing
Element complies with
State Law
(HCD 3-2-15)

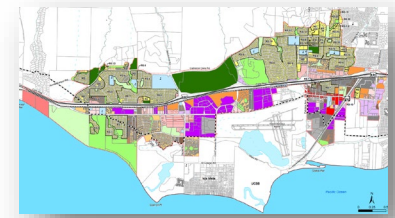
RHNA UPDATE



How does the RHNA affect land use planning in Goleta?

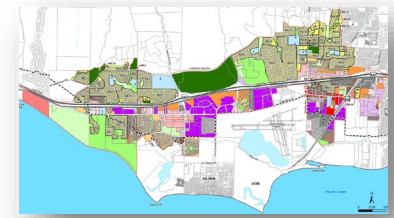
- Requires sufficient available land for housing
 - Demonstrate existing availability, or
 - Modify land use plans and regulations
- Role of “overcrowding”
- Role of “overpayment”

RHNA UPDATE



What do communities do when they run out of vacant and buildable land?

- “Underutilized sites”
 - Intensification, re-designation (rezone), or redevelopment
- Increasing role of ADUs
- Conversion of market rate units to affordable
- Preservation of “at-risk” affordable units
- Substantial rehabilitation

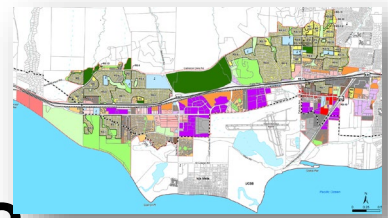


RHNA UPDATE

How is housing treated for purposes of RHNA?

- Four income categories
- Housing Element must inventory of sites for each category
- Density as proxy for affordability
- “Unit” vs. “Quarters”
- No NET loss

Income Category	% of Area Median Income	Annual Income Range
Very Low	Up to 50%	Up to \$55,150
Low	51-80%	\$55,151 – 88,300
Moderate	81-120%	\$88,301 – 95,500
Above Moderate	Over 120%	Over \$95,500
Source: California Department of Housing and Community Development, 2019		21



RHNA UPDATE

What is the current status of our RHNA?

- 1) HCD's housing allocation to SBCAG;
- 2) SBCAG's methodology for distributing RHNA;
- 3) SBCAG's assignment of draft RHNA;
- 4) SBCAG adopts RHNA; and
- 5) Housing Elements updates.

HCD Regional Housing Need Allocation (RHNA) Determination

Santa Barbara County

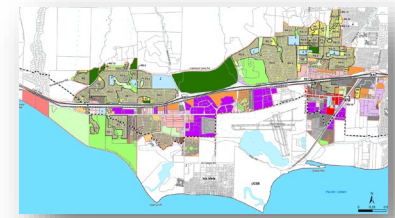
June 30, 2021 through February 15, 2031 (6th Cycle)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low *	24.5%	7,174
Low	15.8%	4,629
Moderate	17.3%	5,063
Above-Moderate	42.5%	12,447
Total	100.0%	29,313

* Extremely-Low 13.4% included in Very-Low Category

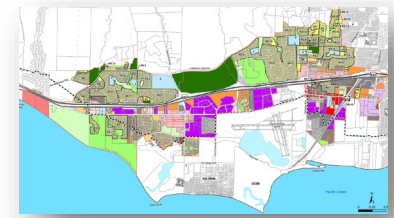
<u>Housing Unit</u>		<u>% Difference</u>
<u>Need (5th Cycle)</u>	<u>Difference</u>	<u>vs 5th Cycle</u>
2,625	4,549	173%
1,810	2,819	156%
2,049	3,014	147%
4,545	7,902	174%
11,030	18,283	166%

RHNA UPDATE



What are the next steps?

1. Identify land use scenarios to increase housing potential.
2. Evaluate regulatory strategies to meet RHNA such as:
 - Rezoning land from non-residential to residential,
 - Density increases,
 - Minimum density zoning,
 - Mixed-use zoning,
 - Small lot / consolidated lots for higher-density, and
 - Increased heights and floor area for larger buildings.



RHNA PROJECT SCHEDULE

RHNA Project Schedule (Statutory Calendar)

RHNA Steps	Timeframe	Statutory Deadlines
SBCAG RHNA Planning Period	2/15/2023 - 2/15/2031	7 years 11 months
SBCAG RHNA Projection Period	6/30/2022 - 2/15/2031	8 years 7.5 months
Estimated RTP Adoption Date		<u>8/15/2021</u>
Housing Element Due Date (within 18 mos. of RTP adoption)		<u>2/15/2023</u>
SBCAG conducts a survey of member jurisdictions planning factors	<6 months prior to methodology	6/15/2020
HCD SBCAG Countywide RHNA determination consultation	Housing Element (HE) minus 26 months	<u>12/15/2020</u>
<i>SBCAG requested earlier HCD determination consultation</i>		<u>7/2020</u>
HCD issues Countywide RHNA determination	At least Housing HE minus 24months	<u>2/15/2021</u>
SBCAG can file an objection to HCD determination within 30 days		3/15/2021
SBCAG issues proposed RHNA allocation methodology.	At least HE minus 24 months	2/15/2021
HCD 60 Day review of draft methodology		
SBCAG adopts final RHNA Methodology	At least 60 days following proposed method	4/15/2021
SBCAG issues DRAFT Allocation of RHNA	At least HE minus 18 months	<u>8/15/2021</u>
Final RTP w/SCS accommodating RHNA	HE minus 18 months	8/15/2021
Local jurisdictions may appeal Draft RHNA Allocations	Within 45 days of receiving draft	
Jurisdictions and HCD comment on appeals	Within 45 days of close of appeals	
SBCAG hold public hearing to consider appeals	Within 30 days of appeal comment period	
SBCAG makes final determination on appeals and issues allocation	Within 45 days of public hearing	
SBCAG /Subregion adopts final allocation plan	Within 45 days of final determination	24

Supporting Information (Current RHNA)

Goleta General Plan/Coastal Land Use Plan 2019 Progress Report

TABLE 4
HOUSING OBJECTIVES UPDATE (2015-2022)

Income Level	RHNA Allocation by Income Level	2015	2016	2017	2018	2019	2020	2021	2022	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Extremely Low	118	0	0	0	1	0				1	117
Very Low	117	0	0	0	4	0				4	113
Low	157	0	0	0	74	1				75	82
Moderate	174	5	0	0	2	0				7	167
Above Moderate	413	197	135	160	159	113				764	0
Total	979	202	135	160	240	114				851	479

Note: The total housing units for 2017 and 2018 have been adjusted from previous reports to provide corrected data.