



**Agenda Item C.1**  
**DISCUSSION/ACTION ITEM**  
**Meeting Date: September 7, 2021**

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**TO:** Mayor and Councilmembers

**FROM:** Peter Imhof, Planning and Environmental Review Director

**CONTACT:** Anne Wells, Advance Planning Manager  
John Douglas, Housing Consultant

**SUBJECT:** Housing Element Update Approach and Schedule

**RECOMMENDATION:**

Receive a presentation and provide comments as appropriate regarding the 2023-2031 Housing Element Update approach and schedule.

**BACKGROUND:**

On May 18, 2021, the City Council adopted Resolution No. 20-19, initiating General Plan Amendment 21-0002-GPA, which includes updates to the City's Housing Element, Safety Element, and other related elements as may be necessary to ensure General Plan consistency with State law. This report provides an overview of the State's Housing Element requirements and staff's proposed approach and preliminary schedule for the update.

**DISCUSSION:**

State Housing Element Requirements

State law requires each city to adopt a General Plan to guide land use and development. Among the various regional "elements" of a General Plan is the Housing Element, which establishes City policies and programs for maintaining and improving existing housing, as well as accommodating development of new housing to meet the City's assigned share of housing needs under the Regional Housing Needs Assessment (RHNA).

In addition to the Housing Element, the Goleta General Plan<sup>1</sup> includes the following elements:

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<sup>1</sup> <https://www.cityofgoleta.org/city-hall/planning-and-environmental-review/general-plan>

- Land Use
- Open Space
- Conservation
- Safety
- Visual and Historic Resources
- Transportation
- Public Facilities
- Noise

While most elements of a General Plan have a time horizon of approximately 20 years into the future, State law requires Housing Elements be updated every eight years. Housing Element planning periods are sometimes referred to as “cycles.” The City’s current Housing Element was adopted in 2014 and covers the planning period extending from 2015 to 2023, which is referred to as the “5<sup>th</sup> Housing Element Cycle” in reference to the five required updates that have occurred since the comprehensive revision to State Housing Element law in 1980. Every city in Santa Barbara County is required to prepare a Housing Element update for the 6<sup>th</sup> planning cycle, which spans the 2023-2031 period, regardless of when the other elements of the General Plan were adopted.

#### HCD Review and Certification

An important difference between the Housing Element and other elements of the General Plan is the extent of State oversight. Under California law, land use and development policy are generally within the authority of local governments (cities and counties) through the adoption of General Plans and municipal codes. However, State law establishes many specific limitations on local land use authority with regard to housing.

The State legislature has also declared that an adequate supply of housing is a matter of statewide importance and has delegated authority to the California Department of Housing and Community Development (HCD) to review local government Housing Elements and issue opinions regarding their compliance with State law. A finding of Housing Element compliance by HCD is referred to as “certification” of the Housing Element. Certification is important to enhance cities’ eligibility for grant funds and also to support retaining local land use authority.

HCD review of Housing Elements is required both prior to and after final adoption by the City Council.

Typically, a major issue in HCD’s review is whether the Housing Element demonstrates adequate properties (or “sites”) to accommodate the amount of additional housing assigned through the RHNA process.

## RHNA Requirements

One of the most important requirements of State Housing Element law is that each city and county (for the unincorporated areas) must adopt land use plans and regulations that create opportunities for sufficient residential development to accommodate its assigned share of new housing need at various income levels. The RHNA is the process by which each jurisdiction's need for additional housing is determined. Prior to each Housing Element planning cycle, the region's total housing need is established by HCD based primarily on population growth trends and existing housing problems, such as overcrowding and overpayment. In Santa Barbara County, the total housing need is then distributed to cities and the county unincorporated area by the Santa Barbara County Association of Governments (SBCAG) based upon criteria established in State law. After an extensive review process discussed at previous City Council meetings, the SBCAG Board of Directors adopted the final RHNA Plan on July 15, 2021.

Table 1 shows the final RHNA allocations for Goleta and the entire SBCAG region.

**Table 1**

<b>6<sup>th</sup> Cycle Final RHNA Allocations – Goleta and SBCAG Region</b>		
	Goleta	SBCAG Total
Additional housing need 2023-2031 (units)	1,837	24,856

Source: SBCAG, 7/15/2021

The RHNA allocates Goleta's total housing need to income categories as shown in Table 2 below.

**Table 2**

<b>6<sup>th</sup> Cycle Final RHNA by Income Category – Goleta</b>				
Very Low	Low	Moderate	Above Moderate	Total
682	324	370	461	1,837

Source: SBCAG, 7/15/2021

The RHNA identifies the amount of additional housing at different rent or sale price levels each jurisdiction would need to fully accommodate its existing population plus its assigned share of additional housing needed over the next 8 years while avoiding problems like overcrowding and overpayment. The RHNA is a planning requirement based upon housing need, *not a construction quota or mandate*. The primary significance of the RHNA is that jurisdictions are required to adopt land use plans and development regulations that create sufficient opportunities for additional housing development commensurate with the local RHNA allocation. Under current law, cities are not penalized if actual housing production does not achieve the local RHNA allocation, except to the extent that local governments may be required to streamline

the approval process for qualifying housing developments that meet specific standards (such as affordability and prevailing wage labor requirements) if housing production falls short of the RHNA allocated to that jurisdiction.

Goleta's Housing Element must demonstrate compliance with the RHNA allocation by analyzing the City's capacity for additional housing based on land use patterns, development regulations, potential constraints (such as infrastructure availability and environmental conditions) and real estate market trends. The analysis must be prepared at a parcel-specific level of detail and identify sites where additional housing could be built under current regulations. State law requires that the sites analysis demonstrate that land use plans and regulations provide adequate capacity to fully accommodate its RHNA allocation in each income category. If potential development capacity is not sufficient to fully accommodate the local RHNA, the Housing Element must describe proactive steps the City will take to increase housing capacity commensurate with the RHNA – typically through amendments to land use plans and development regulations that could facilitate production of additional housing. Such amendments could include increasing allowable residential densities, modifying other development standards, such as maximum densities and height limits, or allowing housing to be built in areas where residential development is not currently allowed, such as areas zoned for commercial use. *It is important to note that neither cities nor property owners are required to develop additional housing on the sites identified in the Housing Element, or to provide funding for housing development.*

Future accessory dwelling units (ADUs) may also satisfy a portion of the City's RHNA allocation based on permit trends and city ADU regulations.

#### Approach to RHNA Sites Inventory

As part of the Housing Element update, the current capacity for additional housing will be analyzed to determine whether capacity is sufficient to accommodate the City's RHNA allocation at each income level. As staff has noted in a previous City Council report,<sup>2</sup> Goleta has little remaining vacant land suitable for residential development. Therefore, capacity to accommodate the RHNA must be met primarily through potential redevelopment of underutilized properties and potential ADUs. While it is not possible to determine the City's current RHNA capacity with certainty due to the extensive parcel-level analysis required under State law and HCD guidelines, there is considerable potential for residential development in areas that are developed with non-residential use but where residential or mixed use is currently allowed under existing General Plan and zoning regulations.

The sites analysis will include the following steps:

##### Step 1: Review and Update Sites Inventory from the Current 5<sup>th</sup> Housing Element Cycle.

Sites identified in the previous Housing Element that are still available may be carried forward for the new planning period. While the 6<sup>th</sup> Housing Element Cycle sites inventory work is still in progress, staff estimates a total of at least 250 lower income, 65

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<sup>2</sup> December 1, 2020 City Council report posted at: <https://www.cityofgoleta.org/i-want-to/news-and-updates/government-meeting-agendas-and-videos>

moderate, and 90 above moderate-income units would carry over in this Housing Element update.

Step 2: Approved Projects. Housing developments that have been approved and will be completed during the 6<sup>th</sup> Housing Element Cycle. Staff will assess project approvals to identify the number of units to be included under the Step 1 “Approved Projects” category in the months to come when we can better identify housing project review status.

Step 3: Add New Sites to the 2023-2031 Inventory. After completing Steps 1 and 2, staff will focus on identifying additional sites with appropriate zoning to add to the 2021-2031 inventory. Vacant and underutilized sites are the focus of this step as detailed below.

Step 3(a): Vacant Sites. Staff will identify vacant properties with General Plan and zoning designations allowing residential or mixed-use development. Based on the Santa Barbara County Assessor’s Office parcel data, there are 110 vacant parcels totaling 112 acres in Goleta. Staff will be evaluating the existing residential development potential at these vacant sites to include in the sites inventory in the months to come.

Step 3(b) Underutilized Sites. Staff will identify developed properties with General Plan and zoning designations that could allow additional housing development or redevelopment. Redevelopment potential may be indicated by these factors:

- Density, lot coverage, and height lower than allowed by zoning
- Assessed ratio of improvements value to land value (I/L) less than 1.0
- Structures more than 30 years old
- Functional or market obsolescence
- Substantial potential market value increase through redevelopment
- Expressed owner interest in redevelopment

Based on preliminary review, staff estimates that there is potential for more than 7,000 new housing units in the Community Commercial, Old Town Commercial and Office Institutional districts. Capacity of these sites must be evaluated based on criteria established in recent changes to State law.

Step 4: Accessory Dwelling Units. As previously noted, ADUs expected to be built during the planning period may satisfy RHNA requirements based on previous trends. Assuming a production rate of 15 units per year, staff estimates that 120 lower income units could be counted in the sites inventory.

As noted above, the existing potential housing capacity in the City is considerable, especially when including the underutilized sites where mixed-use development is allowed. Staff will proceed with detailed evaluation of each of these sites to prepare the sites analysis and to ultimately generate a table of existing housing capacity we believe will be acceptable to HCD.

Step 5: Rezones. During upcoming early consultation with HCD, if the existing potential housing capacity count does not meet HCD's requirements or expectations, staff will proceed with developing additional alternatives. Such alternatives could include:

- increasing housing density on existing vacant land,
- increasing heights to increase housing potential on existing vacant land, and/or
- rezoning non-residential land to residential.

These alternatives would be workshopped with the public prior to being considered for adoption. Due to Measure G restrictions<sup>3</sup>, as detailed in General Plan subpolicy LU 7.5, the parcels comprising what is referred to as "Bishop Ranch," north of Highway 101 between Glen Annie Road and Los Carneros Road, will not be included in the initial sites inventory.

### Additional Housing Element Requirements

In addition to demonstrating adequate capacity to accommodate the RHNA, the Housing Element update must address the following issues:

- Housing needs assessment from HCD and SBCAG, including population and housing characteristics, and special housing needs.
- Analysis of resources and constraints related to the production of housing for all economic segments of the community and persons with special needs.
- Assessment of fair housing.

Based on the Housing Element analysis and stakeholder input, staff will prepare draft revisions to Housing Element policies and programs to address the above requirements and current demographic characteristics and housing conditions.

### **NEXT STEPS:**

The due date for adoption of the 6<sup>th</sup> Housing Element Cycle update is February 15, 2023. Staff has begun the process of preparing the required analysis of housing needs, resources, constraints and potential sites to accommodate the allocated additional housing needed. Over the course of the update, staff intends to conduct a robust public involvement process with broad participation from local stakeholders and organizations with housing expertise to ensure that all points of view are taken into consideration.

A Housing Element webpage is being prepared to provide a central source of information, including meeting notices, documents and other references, and an online survey that will be used to help guide later outreach and discussions.

Table 3 provides the major milestones for the Housing Element update process below.

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<sup>3</sup> Measure G, subject to limited exceptions, requires any changes to the General Plan policies and designation of certain land 10 acres or more that is designated "Agricultural" to be approved by the voters and the City Council.

**Table 3: Housing Element Update Process**

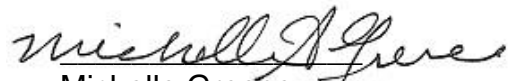
Fall/Winter 2021/22	Public outreach Review existing housing policies & programs Housing needs assessment Resources & constraints evaluation Sites inventory analysis
Spring 2022	Public outreach Prepare draft Housing Element and other policy/zoning revisions
Summer 2022	Public outreach Draft Housing Element review HCD review
Fall 2022	Public outreach Prepare revised draft Housing Element Planning Commission recommendation hearings City Council hearings
February 15, 2023	Housing Element Adoption Due Date to HCD
2023-2031	Housing Element implementation

**ENVIRONMENTAL REVIEW:**

The General Plan Amendment and any companion zoning amendments for the 6<sup>th</sup> Housing Element Cycle update area discretionary project subject to review under the California Environmental Quality Act. Environmental analysis will be conducted after the draft revisions to the Housing Element policies and programs have been identified.

**FISCAL IMPACTS:**

The fiscal impacts of the Housing Element update include staff time needed in preparation of the General Plan and Zoning amendments as well as consultant costs. Staff time for this project is included in the Advance Planning Work Program for FY 2021-22. The City has also applied for and received a Regional Early Action Planning (REAP) Grant in the amount of \$195,386 in 2020. The purpose the REAP Grant is to provide financial support for the Housing Element update.

**Reviewed By:**
  
 Kristine Schmidt  
 Assistant City Manager
**Legal Review By:**
  
 Michael Jenkins  
 City Attorney
**Approved By:**
  
 Michelle Greene  
 City Manager
**ATTACHMENT:**

1. Housing Element FAQ
2. Housing Element Update Approach and Schedule Slide Presentation

## **Attachment 1**

### Housing Element FAQ





# Frequently Asked Questions

## 2023-2031 Housing Element Update

### 1. What is a Housing Element?

State law<sup>1</sup> requires each city to adopt a comprehensive, long-term General Plan for its physical development. General Plans include several “elements” that address various topics. The Goleta General Plan<sup>2</sup> is organized into the following elements:

- Land Use
- Housing
- Open Space
- Conservation
- Safety
- Visual and Historic Resources
- Transportation
- Public Facilities
- Noise.

Most portions of city General Plans have a “time horizon” of 20-25 years; however, State law requires that Housing Elements be updated every 8 years. Housing Element planning periods are sometimes referred to as *cycles*. The City’s current Housing Element covers the planning period extending from 2015 to 2023, which is referred to as the “5<sup>th</sup> Housing Element cycle” in reference to the five required updates that have occurred since the comprehensive revision to State Housing Element law in 1980. Every city in the Santa Barbara County Association of Governments (“SBCAG”) region is required to prepare a Housing Element update for the 6<sup>th</sup> planning cycle, which spans the 2023-2031 period, regardless of when the other elements of the General Plan were adopted.

State law<sup>3</sup> establishes detailed requirements for Housing Elements, which are summarized in California Government Code Section 65583:

*The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes, and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community.*

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<sup>1</sup> California Government Code Sec. 65300 *et seq.*

<sup>2</sup> <https://www.cityofgoleta.org/city-hall/planning-and-environmental-review/general-plan>

<sup>3</sup> California Government Code Sec. 65580 *et seq.*

## 2. What are the most important issues that must be addressed in the Housing Element?

The major issues that must be addressed in the Housing Element are: 1) how City policies, plans and regulations help to meet the region's housing needs for people at all income levels; and 2) how City land use regulations accommodate the special housing needs of persons with disabilities or other difficulties.

- **Accommodating Regional Housing Needs.** Every community is dependent on a variety of low- and moderate-income workers in jobs such as child and elder care, medical support, business and personal services, retail trade, and maintenance. While governmental programs provide funding assistance for affordable housing, city plans and regulations determine the type of housing that can be built. Therefore, a sufficient supply of affordable housing is dependent on both financial assistance and city development regulations.

Under State law<sup>4</sup> all cities are required to plan for additional housing to accommodate population growth and existing housing problems such as overcrowding and high housing cost. State law recognizes that most housing is built by private developers, not cities. However, cities are required to adopt policies, plans, and development regulations to encourage a variety of housing types that are affordable for persons at all income levels, including multi-family rental housing and accessory dwelling units ("ADUs"). The Regional Housing Needs Assessment ("RHNA") is the process by which each jurisdiction's share of new housing needs is determined (see #4 below).

- **Housing for Persons with Special Needs.** Under State law<sup>5</sup> cities must also ensure that their plans and regulations encourage the provision of housing for persons with special needs including:
  - ✓ Reasonable accommodation for persons with disabilities
  - ✓ Transitional and supportive housing
  - ✓ Residential care facilities
  - ✓ Emergency shelters and "navigation centers"

## 3. What is "affordable" housing?

By definition, housing is considered "affordable" when total housing cost, including utilities, is no more than 30% of a household's gross income. State law describes five income categories, which are based on county median income as shown in Table 1.

**Table 1. Household Income Categories**

Income Category	% of county median income
Extremely low	Up to 30%
Very low	31-50%
Low	51-80%
Moderate	81-120%
Above moderate	Over 120%

Source: California Government Code Sec. 65584(f)

<sup>4</sup> California Government Code Sec. 65583

<sup>5</sup> California Government Code Sec. 65583(a)(5)

Affordable housing costs for all jurisdictions in Santa Barbara County that correspond to these income categories are shown in Table 2. Affordability figures are adjusted each year and are based on family size.

**Table 2. Income Categories and Affordable Housing Costs – Santa Barbara County**

Income Category	Maximum Income	Affordable Rent	Affordable Price (est.)
Extremely low	\$37,450	\$936	*
Very low	\$62,450	\$1,561	*
Low	\$100,050	\$2,501	*
Moderate	\$108,100	\$2,703	\$475,000
Above moderate	>\$108,100	>\$2,703	>\$475,000

Assumptions:

-Based on a family of 4 and 2021 State income limits

-30% of gross income for rent or principal, interest, taxes & insurance plus utility allowance

-10% down payment, 3.75% interest, 1.25% taxes & insurance, \$350 HOA dues

\* For-sale affordable housing is typically at the moderate-income level

Source: Cal. HCD; JHD Planning LLC

#### 4. What is the “RHNA” why is it important?

Each California city is required to plan for new housing to accommodate a share of regional needs. The Regional Housing Needs Assessment (“RHNA”) is the process established in State law<sup>6</sup> by which each city’s housing needs are determined.

Prior to each Housing Element planning cycle the region’s total housing need is determined by the California Department of Housing and Community Development (“HCD”) based upon economic and demographic trends, existing housing problems such as overcrowding and overpayment, and additional housing needed to ensure reasonable vacancy rates and replace units lost due to demolition or natural disasters. The total housing need for the region is then distributed to cities and counties by SBCAG based upon criteria established in State law.<sup>7</sup>

In January 2021 HCD determined that the total new housing need for the SBCAG region in the 6<sup>th</sup> Housing Element cycle is 24,856 units. SBCAG then prepared a RHNA plan that allocates a share of the RHNA to each jurisdiction in the region.<sup>8</sup> Table 3 shows the RHNA allocations for Goleta and the SBCAG region.

**Table 3. 6<sup>th</sup> Cycle RHNA – Goleta and SBCAG Region**

	Goleta	SBCAG Region
RHNA allocation 2023-2031 (housing units)	1,837	24,856

Source: SBCAG, 7/15/2021

The RHNA Plan distributes each jurisdiction’s total housing need among the income categories shown in Tables 1 and 2 above (the extremely-low and very-low categories are combined for RHNA purposes). The 6<sup>th</sup> cycle RHNA allocation for Goleta by income category is shown in Table 4.

<sup>6</sup> California Government Code Sec. 65584 et seq.

<sup>7</sup> California Government Code Sec. 65584(d)

<sup>8</sup> <http://www.sbcag.org/rhna.html>

**Table 4. 6<sup>th</sup> RHNA by Income Category – Goleta**

Very Low	Low	Moderate	Above Moderate	Total
682	324	370	461	1,837

Source: SBCAG, 7/15/2021

## 5. Is the RHNA a construction quota or mandate?

The RHNA allocation identifies the amount of additional housing a jurisdiction would require in order to have enough housing at all price levels to fully meet the needs of its existing population plus its expected population growth over the next 8 years while avoiding problems like overcrowding and overpayment. The RHNA is a planning requirement that identifies housing need, *not a construction quota or mandate*. Jurisdictions are not required to build housing or issue permits to achieve their RHNA allocations, but State law establishes specific requirements when housing production falls short of RHNA allocations. One such requirement is streamlined review of housing development applications that meet specific standards.<sup>9</sup> Other than requirements for streamlined permit processing, there are currently no legal or financial penalties imposed on cities that do not achieve their RHNA allocations.

## 6. What must cities do to comply with the RHNA?

The Housing Element must analyze the city’s potential capacity for additional housing based on an evaluation of land use patterns, development regulations, development constraints (such as infrastructure availability and environmental conditions) and real estate market factors. The analysis must be prepared at a parcel-specific level of detail and identify properties where additional housing could be built consistent with current regulations. This evaluation is referred to as the “sites analysis” and State law requires the analysis to demonstrate that the city has adequate capacity to fully accommodate its RHNA allocation in each income category. If the sites analysis does not demonstrate that adequate capacity exists to fully accommodate the RHNA, the Housing Element must describe what steps will be taken to increase capacity commensurate with the RHNA – typically through amendments to land use and zoning regulations that could facilitate additional housing development.

Under State law, areas that are zoned to allow residential or mixed-use development at a density of at least 20 units/acre in the smaller cities of Santa Barbara County, including Goleta, are considered appropriate for affordable housing in the very-low and low income categories. Potential accessory dwelling units (“ADUs”) can also accommodate future housing need in all income categories.

The sites analysis will be one of the most important components of the Housing Element update.

<sup>9</sup> California Government Code Sec. 65913.4 (SB 35 of 2017)

## 7. Housing development is very expensive in Santa Barbara County. What happens if cities don't achieve their assigned housing needs?

Housing development is very expensive, particularly in coastal areas, and housing that is affordable to low- and moderate-income families typically requires large subsidies. While State housing law is based on the premise that every city has an obligation to use its governmental powers to encourage housing development at all income levels, it is recognized that available financial resources are not sufficient to produce all of the affordable housing needed. Therefore, if a city has adopted appropriate plans and regulations to encourage housing development commensurate with its RHNA allocation, it will not be penalized if actual production does not achieve assigned needs. However, under some circumstances State law requires that cities provide streamlined permit processing of housing developments if housing production falls short of RHNA goals.

## 8. What is “certification” of the Housing Element and why is it important?

The State Legislature has delegated authority to the California Department of Housing and Community Development (“HCD”) to review Housing Elements and issue findings regarding the elements’ compliance with the law.<sup>10</sup> If HCD issues a finding that the Housing Element is in substantial compliance with State law it is referred to as “certification” of the Housing Element. In 2015 HCD determined that Goleta’s current Housing Element was in full compliance with State law. The City is now preparing a Housing Element update for the 2023-2031 period.

Housing Element certification is important for two main reasons:

- **Local control.** The General Plan establishes the foundation for the City’s land use plans and regulations, and the Housing Element is part of the General Plan. If the City were challenged in court on a land use matter and the Housing Element were found by the court to be out of compliance, the court could order changes to City land use plans and assume control over some City land use decisions. In such circumstances, HCD certification would support the City’s legal defense. Recent laws also allow for courts to impose fines if a jurisdiction fails to adopt a compliant Housing Element.<sup>11</sup>
- **Eligibility for grant funds.** Some State grant funds are contingent upon Housing Element certification.

## 9. How can I find out more about the 2023 Housing Element update?

A Housing Element webpage has been created (<https://www.cityofgoleta.org/city-hall/planning-and-environmental-review/advance-planning-division/housing-element-and-implementation/housing-element-2023-2031>) where meeting notices, draft documents and other materials will be posted throughout the update process. If you would like to be added to the Housing Element interest list and be notified of future opportunities to be involved in the update process, please contact Anne Wells, Advance Planning Manager at [awells@cityofgoleta.org](mailto:awells@cityofgoleta.org).

<sup>10</sup> California Government Code Sec. 65585

<sup>11</sup> AB 101 of 2019

## **Attachment 2**

Housing Element Update Approach and Schedule Slide Presentation

# 2023-2031 HOUSING ELEMENT UPDATE

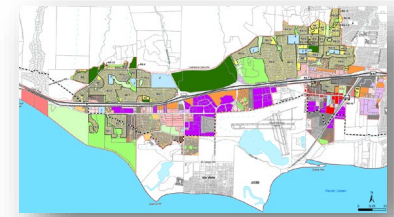
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**City Council**  
**September 7, 2021**

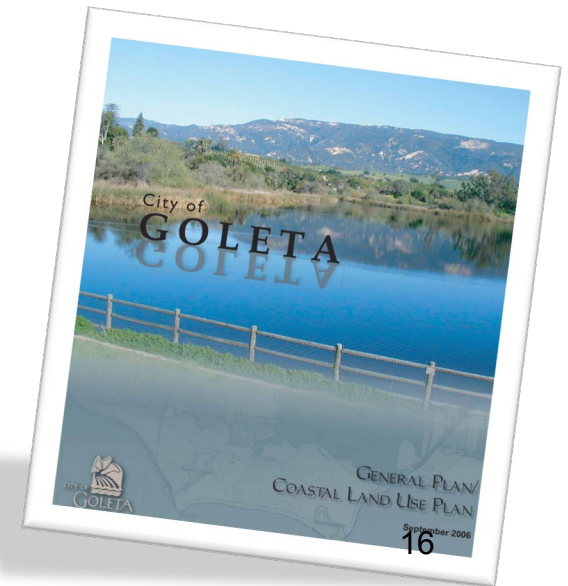
*Presentation by:*  
**Anne Wells, Advance Planning Manager**  
**John Douglas, Housing Element Consultant**

# 2023 Housing Element Update



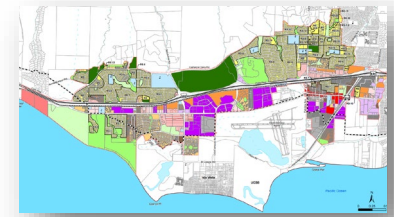
## Background

- Housing Element is a required part of the General Plan
- Extensive legal requirements
- Housing Element updates required every 8 years
  - 2023-2031 update required by State law (“6th Cycle”)
- State oversight & certification





# 2023 Housing Element Update



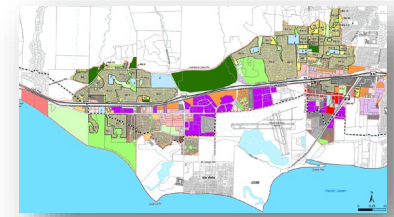
## What is Housing Element certification, and Why is it important?

- Eligibility for grant funding
- Local land use control
- State enforcement



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

# 2023 Housing Element Update

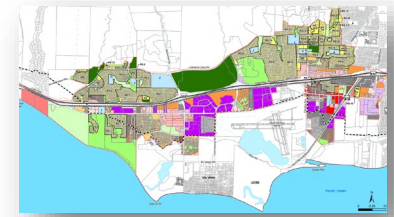


## Housing Element Issues

- Maintain & improve existing housing
- Plan for new housing to accommodate growth and a variety of housing for all economic segments
- Minimize constraints to housing
- Fair housing



# 2023 Housing Element Update



<b>SB County Median Income = \$90,100</b>	<b>Income Limits</b>	<b>Affordable Rent</b>	<b>Affordable Price (est.)</b>
<b>Extremely Low (&lt;30%)</b>	<b>\$37,450</b>	<b>\$936</b>	<b>---</b>
<b>Very Low (31-50%)</b>	<b>\$62,450</b>	<b>\$1,561</b>	<b>---</b>
<b>Low (51-80%)</b>	<b>\$100,050</b>	<b>\$2,501</b>	<b>---</b>
<b>Moderate (81-120%)</b>	<b>\$108,100</b>	<b>\$2,703</b>	<b>\$475,000</b>
<b>Above Mod (&gt;120%)</b>	<b>&gt;\$108,100</b>	<b>&gt;\$2,703</b>	<b>&gt;\$475,000</b>

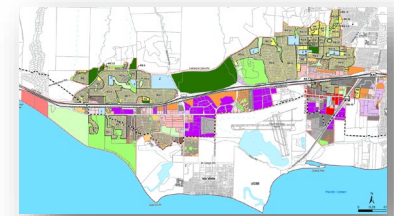
## Assumptions:

Based on a family of four

30% of gross income for rent or PITI

10% down payment, 3.75% interest, 1.25% taxes & insurance, \$300 HOA dues

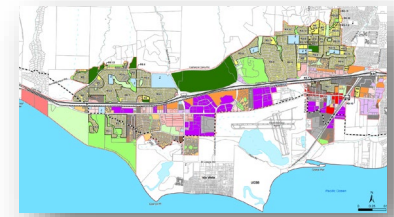
# 2023 Housing Element Update



## How does the RHNA affect land use?

- **Planning requirements**
  - City must ensure that plans and development regulations can accommodate the RHNA allocation in all income categories
  - Housing Element certification requires “adequate sites”
- **Housing production targets**
  - Housing Element certification not contingent on achieving the RHNA allocation
  - If housing production falls short of the RHNA allocation, streamlined permit processing required for some projects

# 2023 Housing Element Update



## Final RHNA Allocations

	Goleta	SBCAG Total
Additional housing units needed	1,837	24,856

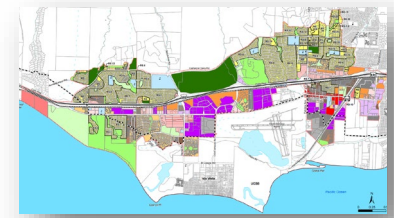
Source: SBCAG, 7/15/2021

## RHNA by Income Category – Goleta

Very Low	Low	Moderate	Above Moderate	Total
682	324	370	461	1,837

Source: SBCAG, 7/15/2021

# 2023 Housing Element Update

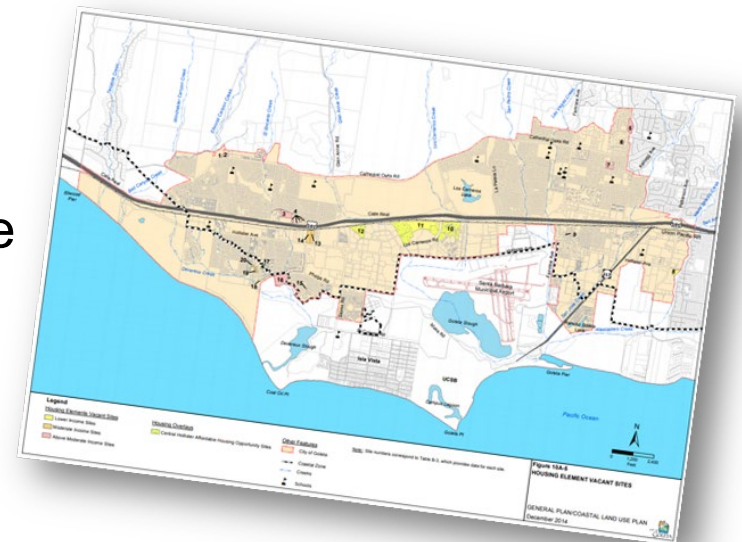


## Sites Inventory

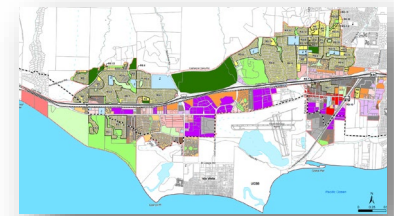
1. Sites listed in the prior Housing Element
2. Approved projects (units completed after 6/30/2022)
- 3a. New Sites: Other vacant sites
- 3b. New Sites: Other “underutilized” sites
4. ADUs

Note: Existing units

- Conversion of market rate to affordable
- Preservation
- Substantial rehabilitation



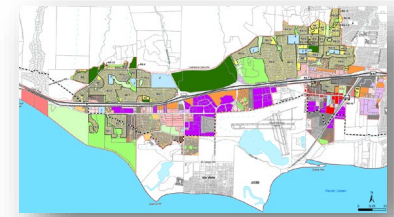
# 2023 Housing Element Update



## Sites Inventory & RHNA

- Planning target, not a construction quota
- Sites inventory must accommodate the RHNA
- Lower-income need can be accommodated through:
  - Multi-family residential zoning (20+ units/acre)
  - Mixed-use or “overlay” zoning (20+ units/acre)
  - Accessory dwelling units (ADUs)
- *If sites inventory does not accommodate the RHNA, rezoning is required*

# 2023 Housing Element Update



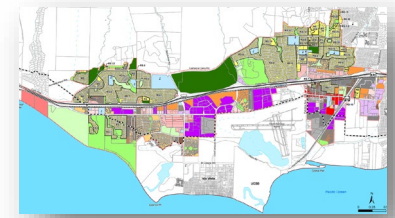
## Other Key Housing Element Requirements

- Needs assessment (especially “special needs”)
- Constraints analysis
  - Development standards (e.g., density, height, parking)
  - Permit procedures (subjective vs. objective standards)
- Affirmatively furthering fair housing
- Effective programs





# 2023 Housing Element Update



## Next steps

1. Review prior programs & accomplishments
2. Needs assessment
3. Constraints analysis
4. Evaluate potential capacity for additional housing
5. If insufficient capacity to accommodate RHNA, consider policy options
  - Revised development standards
  - Potential land use changes
6. Update policies & programs