

6. LAND INVENTORY AND QUANTIFIED OBJECTIVE

Introduction

This chapter includes two important components of the Housing Element: 1) the *land inventory and analysis*, and 2) the *quantified objective*. Per GC §§ 65583(a)(3) and 65583.2, the land inventory and analysis is required to list and demonstrate that appropriate zoning is in place for sites to accommodate the County's regional housing needs allocation (RHNA) assigned by the Santa Barbara County Association of Governments (SBCAG). This analysis is to review the following in an effort to quantify the realistic and feasible capacity for new housing:

- The number of vacant or underdeveloped sites,
- The intensity of residential development allowed by zoning regulations,
- Existing site constraints,
- Available incentives and development trends.

Given this capacity estimate, the quantified objective represents a *forecast* of the actual number of housing units that will be built over the seven-year planning period. The forecast is predicated on historic development trends, prevailing and likely market conditions, and the impacts of County housing policies and programs.

Summary of the Land Inventory and Analysis

The County's inventory of suitable land available for residential development includes vacant sites and sites with high potential for redevelopment through the 2007-2014 planning period, as defined by State law.¹ The inventory also represents a catalog of sites currently available to accommodate additional housing throughout the unincorporated County. Finally, the inventory quantifies the realistic number of new housing units or zoning capacity for each site, given existing environmental or infrastructure constraints (e.g., topography, floodplains, environmentally sensitive habitat, and presence of wet and dry utilities).

Accordingly, the sites analysis uses the inventory to provide a realistic determination of how the County's RHNA may be addressed over the planning period. This inventory takes into account recent changes to State laws, which have created a new regional planning paradigm. This new and smarter approach to planning encourages housing growth in close proximity to existing urban centers, where services and transit infrastructure are in place. As a result, much of the future residential growth throughout Santa Barbara County has been shifted from the unincorporated County, to incorporated cities with large employment centers. In fact, the share of the regional housing need that must be accommodated in the unincorporated areas of the County has been reduced from 6,064 units in the prior planning cycle, to the current allocation of 1,017 units (see Table 6.1). As a result of this monumental shift in the regional planning framework, from a model that encouraged development of the unincorporated areas in the County to one aimed at preserving the region's rural heritage, the County has established an adequate inventory of sites with capacity to accommodate the County's current RHNA allocation.

¹ GC § 65583.2

Table 6.1 – Regional Housing Needs Allocation Including Extremely Low income Category Unincorporated Santa Barbara County

Number of Units at Each Affordability Level		
Income Category	Total Units Allocated	Percentage of Total
Extremely Low*	128	13%
Very Low	107	11%
Low	172	17%
Moderate	160	15%
Above Moderate	450	44%
Unincorporated Area Total	1,017	100%

Source: SBCAG Final RHNA Plan 2007-2014, County of Santa Barbara and EPS.

* Extremely low income and very low income distribution is based on proportion of those two income groups enumerated in this table. SBCAG Final RHNA allocation only identifies very low income need and above categories.

In addition to quantifying site capacity, the Housing Element land inventory makes use of development trends to anticipate and estimate unit counts associated with short-term (2007-2014) production of Residential Second Units (RSUs), Farm Employee Dwellings (FEDs), mixed use projects, and units that may be rehabilitated or preserved as a result of County housing programs.²

The County has made a substantial effort to produce an inventory that is conservative in nature, and supports the viability of existing sites. It is worth noting that this inventory only analyzes sites located in the designated urban areas that are already zoned to accommodate housing. *No rural sites have been included, nor have any sites that may be rezoned to provide new housing through the five community plan updates currently in progress.* Nonetheless, a number of variables could lead to sites other than those described in this Housing Element becoming available to accommodate housing during the planning period. For example, landowners seeking strategies to maximize the long-term value of investments, public/private partnerships, or institutional divestment of property are all factors that are likely to yield new housing opportunities in the near-term future.

Beyond simply meeting its RHNA requirement, the County will continue to facilitate residential development through the implementation of the policies and programs described in this Housing Element.

² Government Code Section 65583(a)(3)

Unaccommodated Need

Subject to the correspondence received from SHCD, dated October 30, 2009, the County has an unaccommodated need of 172 units which has carried over from the previous planning cycle into the current cycle. The County has included this 172 unit unaccommodated need in its Land Inventory and still has an ample surplus of zoning capacity to accommodate this need in addition to its current RHNA. Refer to Table 4.4 in Chapter 4 for greater detail regarding the 2003-2008 RHNA and planning cycle.

RHNA Adjustment for Annexations (AB 1019)

Pursuant to Assembly Bill 1019 (AB 1019), the County may adjust its RHNA if an annexation is approved during the planning period but subsequent to RHNA negotiations. AB 1019 allows for local jurisdictions, such as the County and incorporated cities, to negotiate an exchange of RHNA credit as a condition of approval for annexations. In this manner the County can take credit for up to 50% of the zoning capacity or units approved as part of a development within the annexation area. The County entered into multiple agreements of this kind during the current planning period. They include:

Green Heron Springs: This annexation occurred between the County and the City of Carpinteria and allowed for the approval of a housing project which produced 30 net new units. Subject to the Memorandum of Understanding (MOU) between the County and the City of Carpinteria, the County receives a RHNA credit for 50% (15 units) of this project total.

Enos Ranchos: This annexation occurred between the County and the City of Santa Maria and the annexation allowed for the approval of a specific plan which can accommodate 344 net new residential units. Subject to the Memorandum of Understanding (MOU) between the County and the City of Santa Maria, the County receives a RHNA credit for 50% (172 units) of this project total.

Veronica Meadows: This annexation occurred between the County and the City of Santa Barbara and the annexation allowed for the approval 25 unit housing project. Subject to the Memorandum of Understanding (MOU) between the County and the City of Santa Barbara, the County receives a RHNA credit for one affordable unit.

The aforementioned projects and the resulting RHNA credit given to the County has been included in the Land Inventory table as appropriate.

Analysis of Individual Sites/Projects

Orcutt Key Sites 3 and 30

Orcutt Key Site 3 and 30 were recently rezoned through the County's Focused Rezone Program, adopted by the Board of Supervisors in February 2009. The Focused Rezone Program created a new Multifamily Residential Orcutt (MR-O) zone district, following extensive environmental review, and applied this designation to eight acres of Key Site 3. This action will facilitate the development of at least 160 residential units "by right," at a minimum net density of 20 units per acre. Current conceptual designs proposed by the landowner for the site include the construction of 160 attached two and three-story townhomes in 24 buildings.

The MRO was also applied to nearly 11 acres of Key Site 30 to facilitate the "by right" construction of a minimum of 212 residential units, at a net density of 20 units per acre. An application has been deemed complete for this site, and includes the development of 212 total

residential units comprised of 34 two- and three-story brownstone townhomes, 48 senior flats in two 24-unit condominium complexes, and a three-story 130-unit senior housing project. The applicant for Key Site 30 has also indicated an interest in using State Density Bonus Law to provide additional housing opportunities beyond the 212 unit base density.

The realistic capacity available from these two vacant sites alone, at their minimum density, would provide a total of 372 new units of multifamily housing to the North County. This represents approximately 36% of the County's entire RHNA allocation (1,017 units) and approximately 91% of the County's low income housing allocation (408 units) for the 2007-2014 planning period. If land owners choose to incorporate the incentives offered pursuant State Density Bonus Law, these number of built units actually built during the planning period could easily surpass the zoning capacity analysis provided in the land inventory for Orcutt Key Sites 3 and 30. Accordingly, the Focused Rezone Program will help diversify the region's housing stock, thereby providing the community with broader housing options and affordability.

Creekside Apartments

In May 2009, the Board of Supervisors approved the Creekside Apartment project, which is located in the unincorporated community of Los Alamos, to address the needs of households where at least one member is employed full-time in the local agriculture industry. The project was designed and funded by the Housing Authority of Santa Barbara County, and consists of a 39-unit rental apartment project. All of the units will be rented at rates considered affordable to very- low and low-income households. The project consists of nine buildings throughout the site, and will include two, three, and four-bedroom units, as well as a community center.

Parkview Apartments

In June 2007, the County's Board of Supervisors approved the acquisition of the Parkview Apartments, located in the unincorporated community of Isla Vista. The Redevelopment Agency loaned the Housing Authority \$3.76 million to purchase the apartments, and the Housing Authority will own, rehabilitate and manage the project into perpetuity as affordable housing.

Once renovations are completed, the 20 unit rental-only development will provide a combination of two, three, and four-bedroom units available to very low and low-income families and individuals. The project will bring permanent affordable housing to Isla Vista; moreover, it is the direct result of a committed partnership between the Santa Barbara County Redevelopment Agency and the Housing Authority of the County of Santa Barbara, as part of an overall strategy to improve the quality of housing in this important coastal community next to the largest employer in the County, University of California Santa Barbara.

Isla Vista Master Plan

In an effort to facilitate the development of housing in appropriate urban areas with existing services and transit infrastructure, the County adopted the Isla Vista Master Plan (IVMP) in August 2007. This new Master Plan incentivizes the redevelopment of housing stock in close proximity to UCSB, the County's largest employer. The proximity between the Isla Vista project area and UC Santa Barbra presents significant opportunities for urban renewal and enhancement. Moreover, the demographics and preferences expressed by the UC Santa Barbara

workforce point to increased demand for interesting urban living space: of the over 6,000 full time UC Santa Barbara employees, two-thirds are single or married couples with no children under the age of 18. With an average household income of over \$96,000 per year, over 60 percent of staff would consider purchasing a condo, and view the ability to achieve affordable home ownership as a primary requirement for remaining a long-term resident of the region.³ These statistics point to a need for a variety of housing and lifestyle choices that move beyond the standard single family residential subdivision.

In response to this demand, the IVMP includes zoning designations and development incentives that produce a mix of urban unit types, nicely suited for attracting and retaining both young working professionals as well as working families. New zoning designations enabled through the IVMP accommodate residential densities of 25, 28, 30, 35, 40, and 45 units per acre; in doing so, the IVMP produced a build-out potential of 1,417 new units over the life of the plan. Of that potential, zoning capacity for 552 units will be available through the current planning period⁴. This Housing Element's Appendix D - *Land Inventory Detail* includes the new zoning designations that the community has defined as appropriate for parcels in the Isla Vista planning area, a quantification of the existing units, and the capacity for additional housing on each parcel zoned above 20 units per acre in the Isla Vista area.⁵

³ Source: UCSB Faculty and Staff Housing Survey-Summary Report, Administered Spring 2006 and 2008.

⁴ This anticipated capacity analysis includes 127 units already approved as part of the Paradise Ivy, Trigo Loop, St. George, and Icon housing projects.

⁵ GC Section 65583.2(c)(3)(B)(iii) states that sites allowing at least 20 units per acre are appropriate to accommodate housing for lower income households in suburban jurisdictions.

Development Potential in Isla Vista: The Realistic Capacity of Non-vacant Sites

Isla Vista is an officially designated redevelopment area that contains significant amounts of physical and economic blight. Residential structures in the IVMP plan area are aged, and in many cases have not been adequately maintained. The quality of the existing building stock and infrastructure are inadequate to support the community into the future. In the past, these conditions, including the preponderance of small and irregularly shaped lots, have restricted the community's ability to produce high-quality affordable housing.⁶ Based on this reality, the IVMP is designed to address persistent problems and alter the landscape by changing the underlying development economics in Isla Vista. To do so, the IVMP and County Redevelopment Agency (RDA) have implemented several innovative programs.

Figure 6.1 - Variable Density Program (From the IVMP and Form-based Code)

Unit Size	Density Equivalent
Studio	0.50
One bedroom	0.66
Two bedroom	1.0
Three bedroom	1.5
Four bedroom	2.0
Five or more bedrooms	2.5

Example: 1.0 Acre Site - A developer could build	
a) 30 studios, or	(30 x 0.5 = 15)
b) 10 3-bedroom units	(10 x 1.5 = 15)

10 3-bdrm units	= 15 density units/acre =	30 studios
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- **Form-based Code:** Increases residential densities to 45 units per acre and allows ministerial development of high-density housing in the IVMP planning area; relaxes development standards for multifamily housing (i.e., setback, height, and parking); and, visually represents and describes acceptable forms of development in the County Land Use and Development Code (LUDC).
- **Variable Density Program:** Allows up to twice as much residential density per site, based on the size and configuration of units (see Figure 6.1).
- **Built Right Program:** Encourages lot consolidation and a more environmentally-friendly urban environment by providing additional residential density bonuses to program participants.
- **Other Redevelopment Incentives:** Additional, incentives include \$18 million in available financing for projects that develop affordable housing, parking, and infrastructure improvements. The RDA serves as project agent to fast-track permit processing and has contributed funds to prepare a Program EIR and other technical studies related to IVMP projects.

These four program categories have collectively increased the predictability and viability of new residential development in Isla Vista by helping to ensure that redevelopment is a profitable activity.

⁶ Preliminary Report for the Isla Vista Redevelopment Project. May 1990. IVMP, Page 1-5. August 2007. Isla Vista Redevelopment Project: Five-Year Implementation Plan for the Period 2007-2011. Page 7-8, April 2006.

As detailed below, several projects currently underway demonstrate that non-vacant sites are indeed suitable for additional residential development by demolishing existing buildings and consolidating parcels to make way for new, more efficient, residential development.

New affordable units have already been permitted in Isla Vista, and a host of projects are already in the permit pipeline and in the conceptual phases of review by the Planning & Development Department. All project proposals submitted to date are utilizing IVMP incentives to gain densities well above the 20 units per acre minimum zoning identified in State law as being appropriate to accommodate very low and low-income housing. As a result of the development community's positive reaction to these incentives and programs, two analytical approaches have been used for determining the realistic development capacity in Isla Vista, based on whether or not the sites are located in the Downtown area, which is zoned Community Mixed Use (CM 40 and 45) or the Mixed Residential Design Area (MRD 25, 28, 30, and 35). Both of these methods are described below.

Downtown Isla Vista Sites

Downtown Isla Vista (Downtown) is located on the eastern edge of the community, adjacent to the UCSB Main Campus. Downtown is characterized by a proliferation of small commercial lots generally developed with aging one-story structures. Most activity in the area focuses around a "loop" formed by three roads surrounding a park. One of these roads, Pardall Road, serves as the main street for the community, as well as the primary gateway to UCSB for pedestrians and bicyclists from Isla Vista. The level of day-to-day activity in the vicinity of the "loop" is prime for redevelopment. It is well documented that the community experiences significant retail

"leakage," indicating opportunities for increased synergy between new commercial and residential development.⁷ To capitalize on these opportunities, the IVMP couples new land use zoning with redevelopment incentives to revitalize existing underutilized properties with mixed-use buildings that efficiently combine residential and retail uses. During the two years following the adoption of the IVMP, development trends demonstrate the County's rezone strategy is working, even during the current economic decline. Projects have already been permitted and a number of others are in the pipeline, indicating the level of freedom enabled by the IVMP to develop unique products and optimize the use of land.

The Paradise Ivy-Mixed Use Project was the first project approved by the County under the guidance of the IVMP (see Figures 6.2 and 6.3).



Figure 6.2 - Paradise Ivy (Before)



Figure 6.3 - Paradise Ivy (After)

⁷ See IVMP Chapter 4: Downtown Isla Vista and Housing Focus Areas

As of summer 2009, this project is under construction. Its key characteristics include:

- Demolition of 2,095 square feet of existing commercial use on a 0.21 acre lot.
- Construction of 24 new residential units and 8,450 square feet of commercial space enabled through the uses of the Variable Density and Built Right programs, as well as State Density Bonus Law⁸.
- 25% deed-restricted rental units for low-income households.
- Use of RDA Tax Increment Financing as a financial incentive to develop the project.
- Use of form-based code incentives such as zero-lot lines, increased height, and the allowance of offsite parking to maximize the use of the land.

Another project, the Trigo Loop Mixed-Use Project, was approved by the County's Planning Commission on September 16, 2009. Due to this project's ability to capitalize on new land values resulting from the IVMP, Redevelopment Agency financial incentives were not required. The Loop project proposes to⁹:

- Demolish an existing 893 square foot existing commercial structure on a 0.38 acre site.
- Consolidate two adjoining parcels.
- Build 25 residential units, using Variable Density, Built Right, and State Density Bonus Law programs.
- Provide 22,618 square feet of commercial uses.
- Obtain LEED certification for energy efficient building design.

Finally, the Icon Mixed-use Development has recently been approved by the County and will generate an additional 22 housing units. Table 6.2, provided below, summarizes pertinent development information regarding housing projects recently approved in the IVMP area. The data included in this table establishes some important development trends in the plan area. For instance, three of the four projects were approved with unit counts well above their base density. On average, the housing projects approved within the IVMP area have exceeded their IVMP base density by approximately 13%. Also, the County granted substantial development concessions, including: reduced parking requirements, modified setbacks, and elevated height limits for all four projects. These concessions enabled project densities high enough to create fiscally viable redevelopment projects even though all four housing sites had existing commercial uses and structures onsite at the time of project approval. Given the experience of these catalytic projects, a number of landowners are reviewing proposals and contemplating assembling neighboring sites into large projects. Interviews with Redevelopment Agency staff corroborate activity and interest on virtually every block of downtown Isla Vista.

⁸ Base density for the site would have yielded 8 units, however SDBL allowed an increase in density from 40 units an acre to 60 units an acre. Additionally, the Variable density program counts studios of 0.5 units. These use of these two incentives allowed a 24 unit project.

Table 6.2 - Housing Projects Approved in Isla Vista Master Plan Area

Project Name	Zoning	Site Acreage	Units Permitted	Units Allowed by Base Density	Density Margin	Res. Unit Type	Concessions, Incentives, & Waivers	Operating Use Onsite at Time of Permit Approval	Exist. Build Cond.	Year of Cons.
Paradise Ivy	CM-40	0.21	24	8	+16 units/ +200%	(24) studios	Maximum Height, Setbacks, Parking	Yes/Gymnasium	Poor	1994
Trigo Loop	CM-40	0.38	25	15	+10 units/ +66%	(11) studios, (13) two-bedroom, (1)three-bedroom	Maximum Height, Setbacks, Parking, Distance to Offsite Parking	Yes/Auto Service Station	Poor	1975
Icon	CM-40(0.14 ac.) & MRD-28(0.12 ac.)	0.26	22	8	+14 units/ +175%	(14) studios, (8) two-bedroom	Maximum Height, Setbacks, Parking, Distance to Offsite Parking	Yes/Restaurant	Mod	1960
St George	MRD-35	2.33	56	81	-25 units/ -31%	(18)one-bedroom, (26) two-bedroom, (12) three-bedroom	Setbacks, Parking	Yes/Church	Poor	1920, 1973, 1963
		Total	127	112	+15 units/ +13%	(49) studios, (18) one-bedroom, (47) two-bedroom, (13)three-bedroom				

The California Coastal Commission’s delay in its adoption of the IVMP has not interfered with the County’s ability to permit housing projects which are consistent with the zoning capacity and planning intent of the IVMP. The County is able to count the full IVMP zoning capacity in its Housing Element Land Inventory, because the County has taken its final action to “zone or rezone” property in order to address its regional housing need. Despite the California Coastal Commission’s hindrance of this local effort to provide more coastal housing, the County has leveraged the use of State Density Bonus Law and other applicable development code modifications to approve multiple projects at or above IVMP zoning densities while still maintaining compliance with the existing Article II ordinance. For instance, the Trigo Loop project site has CM-40 zoning under the IVMP but C-2 zoning under Article II. The Article II zoning ordinance limits the residential component of projects to “two bedrooms per 1,000 square feet of commercial development.” Despite this perceived constraint to the development of additional housing, the Paradise Ivy and Trigo Loop projects were approved consistent with both the IVMP and Article II at densities 200% and 66% above the base density specifically allotted by the IVMP, respectively. The Icon project was also approved consistent with the IVMP and Article II zoning (C-2 and SR-H-20) at a density 175% above the IVMP base density. Therefore, current development trends indicate that the continued application of Article II within the IVMP area has still allowed an average project density of 13% over the base IVMP density.

This increasing development interest combined with an aging building stock, as documented in Table 6.2 below, should further encourage redevelopment within the plan area. As the aforementioned table indicates, available data from the County’s Assessor’s Office confirms that 25 out of the 39 structures (64%) which exist on the Isla Vista redevelopment sites were built prior to 1970. In fact, within these defined redevelopment sites, only two structures have been built within the last fifteen years. Accordingly, this planning period is expected to be a significant time for the maturity of the project area: with a newly adopted master plan, available tax increment, knowledgeable staff, and willing landowners, numerous new projects should be developed over the current planning period.

Table 6.3- Isla Vista Redevelopment Site Conditions¹⁰

Site ID #	APN	Zone	Year of Construction	Building Condition (Good, Mod, Poor)	Com., Res., or NGO Use (Operating, Marginal, Discontinued)	Expressed Interest in Redevelopment (High, Med, Low)
IV-3	075-114-011	CM-45	1965	Mod	C-Marginal	High
	075-114-012	CM-45	1966	Mod	C-Marginal	High
IV-4	075-121-004	CM-40	Parking Lot	Good	C-Operating	Med
IV-5	075-113-007	CM-40	1987	Good	C-Operating	Low
IV-6	075-113-019	CM-40	1988	Poor	C-Operating	Med
IV-7	075-171-009	CM-40	1995	Mod	C-Marginal	High
	075-171-011	CM-40	1965	Mod	C-Operating	High
	075-171-013	CM-40	1992	Mod	C-Operating	High
	075-171-014	CM-40	1981	Mod	C-Operating	High
IV-8	075-122-011	CM-40	Vacant	Poor	C-Disc	High
IV-9	075-173-003	CM-40	1975	Poor	C-Marginal	High

¹⁰ Data for building conditions, status of operating use, and interest in redevelopment is based on anecdotal documentation supplied by the County’s Redevelopment Agency. Year of construction data has been supplied directly from County Tax Assessor records.

(Trigo Loop)	075-173-026	CM-40	1960	Poor	C-Marginal	High
IV-10	075-173-023	MRD 28	Vacant	Poor	Res-Disc	High
(Icon)	075-173-024	CM-40	1960	Mod	C-Operating	High
IV-11	075-161-013	CM-40	1962	Mod	C-Operating	Low
	075-161-014	CM-40	Parking Lot	Mod	C-Operating	Mod
IV-12	075-161-003	CM-40	1960	Mod	C-Operating	High
IV-13	075-112-014	CM-40	1967 (Both Structures)	Mod	C-Operating	Mod
	075-112-015	CM-40	1987	Mod	C-Operating	Mod
IV-14	075-172-002	CM-40	1983	Poor	C-Operating	Low
IV-15	075-121-007	CM-40	1983	Good	C-Operating	Low
IV-16	075-122-014	CM-40	1969	Good	C-Operating	Low
IV-17	075-122-010	CM-40	1960 (Both Structures)	Poor	C-Operating	Mod
IV-18	075-020-005	MRD-30	1960	Mod	Res-Operating	Low
	075-020-035	MRD-35	Vacant	Poor	Res-Disc	Mod
IV-19	075-020-036	MRD-30	1989	Good	Res-Operating	Low
	075-020-007	MRD-35	Vacant	Mod	Res-Disc	High
IV-20	075-020-037	MRD-30	Unknown	Mod	Res-Operating	High
IV-21	075-064-001	MRD-35	1992 (Both Structures)	Good	Res-Operating	Low
	075-064-004	MRD-30	1992	Mod	Res-Operating	High
IV-22	075-033-002	MRD-30	2001	Good	NGO-Operating	Low
	075-033-003	MRD-30	SFR-1945 Church-1962	Good	NGO-Operating	Low
IV-23	075-092-008	MRD-25	SFR1-1954 SFR2-1959	Good	Res-Operating	Low
	075-092-009	MRD-25	1913	Mod	Res-Operating	Mod
IV-24	075-101-022	MRD-35	SFR-1920 Com.-1973 Com.-1963	Poor	Res-Disc	High
IV-25	075-041-012	MRD-35	Parking Lot	Good	Res-Operating	Mod
IV-26	075-036-001	MRD-30	1967	Good	NGO-Operating	Low
IV-27	075-072-003	MRD-30	1969	Good	NGO-Operating	Low
IV-28	075-034-012	MRD-35	Vacant	Poor	Res-Disc	Mod
IV-29	075-032-008	MRD-35	Apt Bld-1963 Apt Bld-1960	Mod	Res-Operating	Mod

Given what is happening on the ground, the capacity for new residential development in downtown Isla Vista is best demonstrated by replicating development trends onto other sites that exhibit similar land use conditions. Five common characteristics have been used to identify feasible infill redevelopment sites. These include lot location, existing building coverage ratios (structure square footage as a percentage of total lot square footage), underlying commercial and land values, existing uses, plus sites where landlords are actively exploring projects.

Using these five characteristics, initially thirteen Downtown sites have been identified that demonstrate a strong incentive to redevelop. Four of these sites include adjoining parcels in the Downtown area which are either under common ownership or have separate owners that have shown interest in combining their properties into one cohesive development site. For purposes of this capacity analysis, those parcels are anticipated to consolidate. The total base density for these thirteen downtown sites is 159 units. However, in a further effort to provide a conservative development capacity for the IVMP area, two parcels with a combined development capacity of 12 units (refer to Table 6.4) have been removed from these original thirteen Downtown sites. These parcels have not been included in the Land Inventory because they both have existing structural development which is in good condition, structural development which is relatively new

(constructed in 1980 or later) in comparison to the balance of the Isla Vista building stock, and have property owners which have shown little interest in pursuing redevelopment. These unique traits would decrease the likelihood of redevelopment on these two parcels when relatively compared to other IVMP sites; thus they are not included in the Land Inventory.

However, it should be recognized that the development incentives offered by the IVMP, combined with fiscal and processing assistance provided by the RDA, have provided the conditions necessary to facilitate redevelopment despite similar site constraints. For instance, the Paradise Ivy project site had a relatively new building (constructed in 1994) and had an operating business at the time of project approval. Therefore, it is not infeasible that several parcels in the IVMP, which are not included in the County's conservative Land Inventory, will still redevelop within the planning period. Furthermore, the Land Inventory continues to assume that project sites will only develop at their IVMP base density. However, the current development trends indicate that the average project site in the IVMP is approved at 13% above base density. With a conservatively estimated Downtown Isla Vista development capacity of 147 units, the additional 13% density provided by current development trends would likely yield an additional 19 units. This would more than offset the 12 units lost by eliminating the two parcels mentioned above. Therefore, based on current development trends, the IVMP would likely produce approximately a total of 166 units in the Downtown area although the County's conservative Land Inventory only assumes 147 units.

Table 6.4 – Parcels Eliminated from IV Downtown Zoning Capacity

Site ID #	APN or Project Name	Zone	Building Condition (Good, Mod, Poor)	C or Res use (Operating, Marginal, Discontinued)	Expressed Interest in Redevelopment (High, Med, Low)	Year Ex. Building Built	Base Density Unit Capacity (Net New)
IV-5	075-113-007	CM-40	Good	C-Operating	Low	1987	4
IV-15	075-121-007	CM-40	Good	C-Operating	Low	1983	8
Total Units							12

As previously discussed, unit estimates for each site have been conservatively estimated, using base densities allowed under identified zones, as opposed to the actual project yields for approved housing projects, most of which have leveraged the provisions of State Density Bonus Law. In total, seven individual sites are combined with the four common ownership sites, and the permitted Paradise Ivy, Trigo Loop, and Icon projects, to demonstrate the capacity for 218 new units in Downtown Isla Vista. It is likely that other parcels in the Downtown area have significant build-out potential; however, the County has taken a *conservative* approach by only counting the capacity made possible from the vacant parcels and sites that exhibit the highest reasonable feasibility of redeveloping during the planning period. In accordance with documented development trends and based on developer interest communicated to RDA staff, it is assumed that all of these sites will be developed with a residential component. As indicated in Table 6.2, every project which has been approved in the Downtown Isla Vista area since the adoption of the IVMP has not only had a residential component, but also exceeded its base density considerably. The various development incentives, RDA funding, and a profitable rental market within the redevelopment area has created the necessary conditions for the rapid development of housing as part of vertical mixed-use projects. Residential development can provide added value in air space areas which, due to their physical and visual separation from the pedestrian and vehicle

traffic located at street level, would be unlikely to sustain viable retail or service related commercial development. This assertion is further supported by the report entitled *Isla Vista Existing Economic Conditions* (dated March 2002) prepared by Strategic Economics. This report indicated that Isla Vista had a residential vacancy rate of approximately 1.9%; this is the lowest vacancy rate of any South Coast community and less than half of the Countywide average. This low vacancy rate exemplifies the need for and corresponding viability of additional residential development in the Isla Vista area. The report also details the lack of need for expansive commercial growth in Isla Vista. An important statistic which illustrates this point is that the per-capita annual retail sales in the community are slightly over \$1,000 with over 70% of that expenditure going specifically to food-related purchases. This is less than 10% of the Countywide average for per-capita spending. These competing factors of extremely low vacancy rates for housing, and lackluster commercial performance, indicate that further residential development in the Isla Vista community is the most viable form of new development.

A more recent study entitled *2009 Santa Barbara County Real Estate and Economic Outlook*, authored by the California Economic Forecast, indicates that the apartment vacancy rate in Isla Vista remained at approximately 1.8% until April of 2008. Over the following year, between April 2008 and April 2009, the apartment vacancy rate increased to approximately 4.5%.¹¹ However, this recent surge in vacancy rate is a by-product of the greater economic downturn and not unique to the Isla Vista area. As evidence of this point, the apartment vacancy rate across the entire South Coast has more than doubled from 1.83% in April 2008 to 3.99% in April of 2009.¹² Although the recent nationwide recession has increased the residential vacancy rate considerably, the same economic downturn has hit commercial real estate even worse. For instance, the vacancy rate for office space in Santa Barbara has risen from 2.8% to 7.2% between April 2008 and April 2009, and the office space vacancy rate for Goleta stood at 10.8% in April 2009.¹³ Therefore, it is evident that across the South Coast the vacancy rate for all forms of real estate has risen considerably, although the vacancy rate for housing often remains well below that of commercial space. One market development which has not resulted in a universal change across real estate types is the adjustment to rental costs. According to recent data, between 2007 and 2009, the average lease rate for office space in Santa Barbara fell by 15 to 20%.¹⁴ By contrast, the lease rate for apartment rentals has continued to increase on the South Coast, by an average of 4.4 percent per year over the last eight years, despite the recent recession.¹⁵

Therefore, prospective developers in the South Coast, and in Isla Vista specifically, are still facing market conditions which favor the development of housing rather than office or retail space. The vacancy rate for rental housing is still half the vacancy rate for office space in many South Coast areas, and lease rates for residential rentals are increasing while commercial lease rates have fallen precipitously.¹⁶ This conclusion is confirmed by the California Economic Forecast, which stated that, "With the current contraction of employment in office, retail, and industrial using

¹¹ Source: *2009 Santa Barbara County Real Estate and Economic Outlook*, by California Economic Forecast

¹² *Ibid*

¹³ *Ibid*

¹⁴ *Ibid*

¹⁵ *Ibid*

¹⁶ *Ibid*

sectors, and office vacancy now at 11 percent in Goleta and 7 percent in Santa Barbara, new commercial development will be limited in 2010 and 2011.¹⁷ Furthermore, the California Economic Forecast also confirms that as of 2009, the average household and per capita income in the Isla Vista area was the lowest of any community in the County (refer to Table 6.5 below). This further discourages the establishment of new retail services within Isla Vista, as vacant retail space is available in other South Coast communities where the public has significantly more disposable income.

Table 6.5 – Average Household and Per Capita Income by Community- 2009¹⁸

Community	Avg. Household Income	Avg. Per Capita Income
Santa Barbara	\$62,621	\$34,540
Goleta Valley	\$77,703	\$37,107
Isla Vista	\$20,907	\$9,866
Carpinteria	\$64,716	\$28,935
Montecito	\$148,184	\$82,661
Santa Maria	\$46,842	\$17,358
Lompoc	\$46,437	\$19,191
Unincorporated Lompoc	\$51,318	\$23,881
Orcutt	\$68,742	\$29,973
Santa Ynez Valley	\$71,451	\$37,231
Guadalupe	\$44,765	\$15,859
Vandenberg	\$51,804	\$17,922
Cuyama	\$54,508	\$24,931

The assertion that the Downtown Isla Vista area lacks the market dynamics to support significant amounts of additional commercial development is corroborated by County permit data provided in Table 6.6 below. This table provides all of the Planning Permit applications received for the Downtown Isla Vista area during the ten year period from January 2000 to March 2010 (the entire time the County has maintained sufficient digital records to aggregate such data).¹⁹ The permit history data indicates that despite Downtown Isla Vista having commercial zoning for this entire period, only one permit application (the Singh Restaurant) proposed a significant amount of solely commercial development. The Singh Restaurant project proposed the expansion of an existing structure, rather than the development of an entire site which could have otherwise accommodated housing. All other commercial projects either resulted in little to no new commercial development (i.e., remodels, changes of use, and condo conversions) or proposed

¹⁷ Source: 2009 Santa Barbara County Real Estate and Economic Outlook, by California Economic Forecast

¹⁸ *Ibid*

¹⁹ For purposes of clarity and brevity, this data does not include ministerial applications such as building or grading permits, nor does it include discretionary planning actions which would not result in new structural development such as time extensions, exemptions, planning consultations, and similar actions.

new commercial development in conjunction with residential units (i.e., Paradise Ivy, The Loop, and The Icon). Furthermore, the permit data illustrates the weak performance of most commercial businesses in Isla Vista except for food service providers. As a result, the County received ten applications to changes a site's use from office, retail, or laundromat to a restaurant or similar eating establishment. This land use trend comports with the Strategic Economics data provided above, which indicates that per capita spending in Isla Vista is unusually low and primarily devoted to food-related purchases. Therefore, both a decade of permit history, and a detailed economic analysis of the Isla Vista community support the assumption that all Downtown Isla Vista sites will redevelop with a substantial residential component.

Table 6.6 – Downtown Isla Vista Permit History, January 2000-March 2010

<u>Project Type</u>	<u>Project Name</u>	<u>Case Number</u>	<u>Date of Submittal</u>	<u>APNs</u>
Change of Use from Office to Restaurant	Study Hall	05CDP-00097	8/30/2005	075-113-007
Change of Use from Retail to Restaurant	Pita Pit	03CDP-00125	10/1/2003	075-162-011
	Study Hall	05CDP-00053	5/27/2005	075-114-009
	Coffee Cups	05CDP-00063	6/20/2005	075-114-009
	Tsarev Cafe	07CDP-00119	11/5/2007	075-113-019
	Dam	05CDP-00027	4/8/2005	075-114-009
	Freebirds	05CDP-00100	8/31/2005	075-113-016
	Gotschall	05CDP-00008	2/8/2005	075-162-006
	Mr. Pickles	06CDP-00020	3/6/2006	075-114-009
Change of Use from Storage to Residential	Hassan	09CUP-00049, 09CDP-00097	11/20/2009	075-113-007
Change of Use Laundromat to Restaurant	Patronyk Coffee Shop	07CDH-00032	10/2/2007	075-171-009
Commercial Addition (Restaurant)	Singh	04CDP-00139	11/29/2004	075-162-005
Commercial Remodeling (Restaurant)	On-The-Side	08CDH-00042	11/25/2008	075-122-014
	Hassan/Baham	08CDP-00193	12/8/2008	075-113-007
Demolition	Singh	08CDP-00002	1/2/2008	075-162-005
Mixed-use (General Commercial and Residential)	Paradise Ivy	05DVP-00027, 07CUP-00036, 07DPA-00001, 07ORD-00009, 07CDP-00051	9/30/2005	075-112-016
	The Loop (Version 1)	08CDP-00173, 08DVP-00021, 08CUP-00033, 08TRM-0004	10/16/2008	075-173-003
	The Icon	09CDP-00004, 09DVP-00002, 09CUP-00003, 09TRM-00001	1/15/2009	075-173-023, 075-173-024
	The Loop (Version 2)	09CDP-00041, 09CUP-00024, 09CUP-00035, 09DVP-00021, 09LUP-00243, 09TRM-00002	6/16/2009	075-173-003, 075-173-026
Mixed-use Condo Conversion (Existing Office, Motel, and Residential)	St. George/Trigo Road	00CUP-06075, 00DVP-06016, 00CDP-06065, 06TPM-00005	1/31/2000	075-211-006
Parking	Cafe Nirvana	03VAR-00002	2/28/2003	075-162-005
	Isla Vista Public Parking Lot	06GOV-00029, 08CDP-00076, 08DVP-00023, 08CUP-00039, 09LUP-00039	10/17/2006	075-111-006, 075-111-014

Santa Barbara County Housing Element

2009-2014

<u>Project Type</u>	<u>Project Name</u>	<u>Case Number</u>	<u>Date of Submittal</u>	<u>APNs</u>
Recycling Center	AA Recycling Center	06CDP-00131, 08CDP-00035	11/15/2006	075-112-019
	Tomra Recycling Center	08CDP-00053, 09LUP-00149, 09CUP-00011	4/29/2008	075-161-013, 075-161-014
Residential	Cafe Nirvana Residence	03CUP-00015	2/28/2003	075-162-005
Residential As-built	Alpha-Delta-Pi Sorority	09DVP-00023, 09CDP-00050	7/10/2009	075-121-002
ROW Easement	Public Works ROW Acquisition for Sidewalk and Street Tree Improvements 1	06CDH-00017, 06GOV-00008	3/28/2006	075-173-012, 075-173-013, 075-173-016, 075-173-021, 075-173-022, 075-173-023, 075-173-027, 075-173-028, 075-173-029, 075-173-031, 075-173-036
	Public Works ROW Acquisition for Sidewalk and Street Tree Improvements 2	07GOV-00008, 07CDH-00016	5/18/2007	075-173-024
	Public Works ROW Acquisition for Pardall Road Improvements	08GOV-00008	3/11/2008	075-111-012, 075-111-013, 075-113-007, 075-113-016, 075-114-009, 075-122-009
	Public Works ROW Acquisition for Sidewalk and Street Tree Improvements 3	08GOV-00015	6/2/2008	075-173-008, 075-173-009
Signs	St. George Signs	03SCC-00011	5/13/2003	075-211-006
	Sushiya Sign 1	05SCC-00020	10/19/2005	075-161-003
	Gotschall Signs	06SCC-00001	2/3/2006	075-162-006
	Mr. Pickles Sign	06SCC-00004	3/6/2006	075-114-009
	Sushiya Sign 2	06SCC-00014	11/1/2006	075-161-003
	Lee Caliroll Signage	06SCC-00019	12/12/2006	075-121-006
	Chino's Wall Sign	10SCC-00001	1/11/2010	075-121-007
Structural Repair	SB Student Housing Stair/Deck Repair	09CDP-00015	3/9/2009	075-171-006
Telecom	Sprint PCS Wireless Facility	01CUP-00119, 02CDP-00060	9/4/2001	075-161-013
	AT&T Wireless Facility	02DVP-00021, 02CDP-00094, 03SCD-00025, 05SCD-00029, 06CDP-00008	5/31/2002	075-114-001
Tree Removal	Public Works Tree Removal 1	02CDP-00147	10/14/2002	075-111-005, 075-122-009
	Public Works Tree Removal 2	03CDP-00021	2/21/2003	075-161-004, 075-211-001
	Public Works Tree Removal 3	04CDP-00083	7/28/2004	075-112-018
	Public Works Tree Removal 4	04CDP-00104	9/15/2004	075-161-003
	Public Works Tree Removal for IV Parking Lot	09CDP-00075	9/10/2009	075-111-006

Mixed Residential Design Sites

The rest of Isla Vista, or the Mixed Residential Design (MRD) Area, is characterized primarily by existing residential uses that cater to working households and students. In January 2010, the County approved the St. George Apartments project in the MRD Area of the IVMP which includes the development of 56 residential units. One of the primary goals of the IVMP is to increase affordable housing opportunities for long-term working households, and initially eleven sites have been identified in the MRD area that are capable of being developed or redeveloped to accomplish this goal.²⁰ The characteristics of each of these eleven sites are consistent with the requirements described in GC Section 65583.2(b). Pro forma analysis clearly indicates that the residential density of at least 30-35 units per acre now allowed on these sites results in economies-of-scale and return-on-investment thresholds that are sufficient to incentivize redevelopment. However, as mentioned previously in the discussion of Downtown Isla Vista redevelopment, the County has chosen to provide a conservative Land Inventory. As such, even though the aforementioned pro forma analysis indicates that these eleven sites are capable of redeveloping within the planning period, the County has chosen not to include three parcels from this initial site list. The parcels which will not be included in the Final Land Inventory have a total development capacity of 40 units and have been provided in Table 6.7 below. Consistent with the analysis conducted for Downtown Isla Vista, these parcels have not been included in the Land Inventory because they all have existing structural development which is in good condition, structural development which is relatively new, and have property owners which have shown little interest in pursuing redevelopment.

Table 6.7 – Parcels Eliminated from IV MRD Zoning Capacity

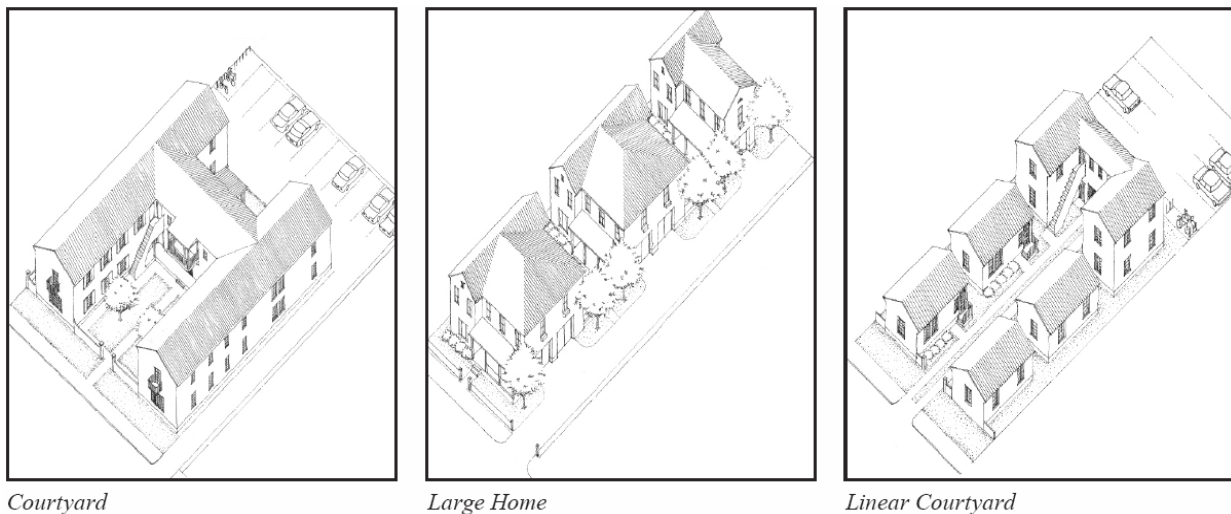
Site ID #	APN or Project Name	Zone	Building Condition (Good, Mod, Poor)	C or Res use (Operating, Marginal, Discontinued)	Expressed Interest in Redevelopment (High, Med, Low)	Year Ex. Building Built	Base Density Unit Capacity (Net New)
IV-19	075-020-036	MRD-30	Good	Res-Operating	Low	1989	12
IV-21	075-064-001	MRD-35	Good	Res-Operating	Low	1992	7
IV-22	075-033-002	MRD-30	Good	Religious-Operating	Low	2001	21
Total Units							40

The remaining redevelopment sites total 9.8 acres of land. Nine of the eleven sites are individual parcels, and two involve the consolidation of two parcels. Existing uses on the remaining MRD sites include underutilized buildings that exhibit blighted conditions and non-secular uses (churches). Sites with non-secular uses are appropriate for accommodating infill residential development. In fact, developers experienced with the Isla Vista community have proposed projects utilizing the incentives made available through the IVMP as well as State Density Bonus Law to reuse existing church sites, as is the case with the aforementioned St. George project. In these cases, design proposals include a variety of housing types consisting of one, two, and three bedroom units. These proposals are largely the result of incentives provided through the adoption of the IVMP in support of additional residential development.

²⁰ See IVMP Housing Goal and Housing Policy 4, pages 4-38 and 4-39 of the IVMP.

Additionally, the relaxed development standards adopted in the IVMP form-based code make possible the most efficient use of land by allowing for off-site parking; minimal front, side, and rear setbacks; as well as increased height limits. The form-based code's visual representations clarify the type of affordable housing development that the County encourages in the Isla Vista area, and provides certainty for developers regarding design and development standards (see Figure 6.4). These incentives, along with programs such as the Variable Density program, and the County's growing track record of facilitating State Density Bonus units in Isla Vista, provide a high degree of certainty that substantial build-out of identified vacant and underutilized sites will be achieved and even surpassed.

**Figure 6.4 - Encouraged Future Isla Vista Housing Types
(From the Isla Vista Master Plan and Form-based Code)**



Through a consistently conservative approach, the determination of capacity for these twelve MRD sites equals the base zoning build-out for each site. For example, a 1-acre lot zoned MRD-30 that includes 4 existing residential units is calculated to yield an additional capacity of 26 units. Of note, a developer could use the Variable Density program, State Density Bonus Law, the Built Right program, or a combination of these incentives to build 52 or more additional units on this 1-acre lot. In total, the base zoning for these eleven sites identified in the MRD area, combined with the units approved as part of the St. George Apartments project, produce a total capacity of 334 new units. A detailed map of these sites is included in Appendix D – *Land Inventory Detail*.

As discussed previously, it should be recognized that the Land Inventory continues to assume that project sites will only develop at their base density. However, the current development trends indicate that the average project site in the IVMP is approved at 13% above base density. With a conservatively estimated MRD redevelopment site capacity of 334 units, the additional 13% density provided by current development trends would likely yield an additional 43 units. This would more than offset the 40 units lost by eliminating the three parcels mentioned above.

Beyond these eleven MRD sites, the IVMP and RDA programs discussed previously have enabled additional residential capacity in the southern portion of the MRD area. Seven small vacant lots

in the southern MRD area have remained undeveloped, as previous zoning and development standards proved restrictive in terms of the underlying development standards, costs, and potential returns. The County no longer believes these vacant sites will remain undeveloped, since the higher residential densities and programs implemented in the IVMP have changed underlying development economics by enabling easier achievement of the economies-of-scale needed to produce new residential units.

For example, the IVMP provides small-lot housing design advice as to how a landowner could orient their development program to meet development standards and achieve reasonable build-out of small lots.

Additionally, small parcels adjacent to, but outside of the Downtown area are allowed to take the higher Downtown residential zoning designation when landowners agree to consolidate parcels located in the Downtown area. Already, one project that proposes to take advantage of this incentive is undergoing conceptual review with the RDA and is expected to return to the Planning Commission during winter of 2009. Finally, with an average age of greater than 35 years, many residential structures in Isla Vista are nearing the end of their useful life, particularly the large number built with poor materials, as well as those that have not been subjected to intense use and have not been adequately maintained. It is assumed that upon the redevelopment of these aging structures, property owners will seek the highest return-on-investment and will design projects to include additional density where permitted.

Given the proven viability of the incentives in IVMP, the expressed interest from developers, and the growing track record of projects in Isla Vista, the additional capacity in the MRD area has been quantified by assuming that 10% of the build-out capacity of the MRD 25 and MRD 28 areas could feasibly develop during the planning period. This yields a conservative capacity of 55 new units for the entire southern MRD area. In total, the capacity from the southern MRD Area, plus the 334 units identified for the eleven specific MRD sites yields a total of 389 new units.

Additional Community Plans in Process

In addition to the recently adopted IV Master Plan, the County has several community plan updates in process. Three of these updates, for the unincorporated communities of Goleta, Los Alamos, and the Santa Ynez Valley, are expected to generate substantial changes to the development of housing in the County. The Goleta community plan update is in its earliest stages and the potential housing policies which will result from this plan are yet to be determined. The Los Alamos and Santa Ynez Valley community plan updates both include the proposed expansion of mixed-use development opportunities. Since neither of these plans have been adopted, any additional mixed-use potential has not been included into this Land Inventory and Analysis. However, some additional mixed-use build-out has been anticipated as part of the quantified objective, discussed later in this chapter. Refer to Chapter 3 – *Housing Constraints and Mitigating Opportunities* for a more detailed discussion of these community plans, which are still in process.

Development Trends for Special Housing Types

Another source of anticipated housing production for the current planning period is the development of special unit types, which aren't accounted for in a property's base zoning capacity. For instance, sites located in a single-family zone district have a base density of one unit. However, owners in many zone districts are allowed to develop a Residential Second Unit on their property, which can be rented to another occupant.

As a result, the actual production of residential units throughout the County can far exceed the base zoning capacity. The three primary special units types allowed in the County are: Residential Second Units, Farm Employee Dwellings, and mixed-use development. The expected development rate for these special unit types is extrapolated from the average number of permits issued for each housing type annually. This extrapolation is based on historic permit data, shown in Table 6.8 below.

Based on this analysis, the County would expect to produce a minimum of 104 new RSUs (13 per year), 24 new farm employee dwellings (3 per year), and 24 (3 per year) new mixed-use residential units.

The anticipated unit production for mixed-use residences applies to all areas of the County, except for Isla Vista. Due to the unique incentives included in the Isla Vista Master Plan, which promote the rapid redevelopment of underutilized parcels with mixed use development, a site specific analysis was provided separate from the remainder of the County, as previously discussed. As the effects of fluctuating economies and intentions of individual property owners can have substantial effects on the development of these unit types, the County has based its development trends on data available for the entire length of the prior planning period, from 2001-2008.

Table 6.8- Annual Production of Residential Second Units, Farm Employee, Dwellings and Mixed Use Units by Housing Market Area (2001-2008)

RSUs	2001-2007	2008	Total	FEDs	2001-2007	2008	Total	Mixed Use	2001-2007	2008	Total
South Coast	50	9	59	South Coast	11	2	13	South Coast*	8	3	11
Santa Ynez	28	4	32	Santa Ynez	7	5	12	Santa Ynez	0	0	0
Lompoc	1	1	2	Lompoc	2	0	2	Lompoc	0	0	0
Santa Maria	15	1	16	Santa Maria	1	0	1	Santa Maria	18	0	18
	94	15	109		21	7	28		26	3	29

* Does not include Isla Vista

Source: County of Santa Barbara Planning & Development

Conservation and Rehabilitation of Units

Conservation of units refers to affordable housing units where the affordability is maintained by purchase, or some other means, and the unit is maintained as inventory of affordable housing stock. Rehabilitation of units refers to units that are in need of repairs and maintenance before they can again be occupied by a household in an affordable income category. Rehabilitation is assumed to occur at the same rate as in previous planning periods.

During the current planning period, the County Redevelopment Agency (RDA) and the Housing Authority completed a major rehabilitation project; Parkview Apartments, which rehabilitated 20 affordable units. Two other projects, Villa Del Sol generated 24 units and the IV Revitalization project generated 56 units for a total of 80 rehabilitated units in the planning period (this only includes projects which were located in unincorporated areas). It can be expected that more projects like these will be facilitated in redevelopment areas such as Isla Vista.

In addition, the County Housing and Community Development Department (CHCD) continuously leverages funds from local, State, and Federal sources for use in conservation and rehabilitation of the existing housing stock. As noted previously in Chapter 4 - *Evaluation of the County's 2003-2008 Housing Element* (refer to Table 4.2) CHCD and RDA directed resources to projects which preserved and/or rehabilitated 233 units of affordable housing throughout the unincorporated County and incorporated cities in the region.

The anticipated receipt of American Recovery and Reinvestment Act (ARRA) and additional Community Development Block Grant (CDBG) funding may facilitate the implementation of additional rehabilitation and conservation projects. However, as further discussed in the Quantified Objective section below, with the State's encumbrance of local RDA funding such projects may be delayed until such time as ARRA funding becomes available or the State repays the borrowed RDA funds.

Table 6.9 – Rehabilitated/Conserved Projects 2001-2007

Project	APN	Year Rehabilitated	Covenant Restriction Expires	Units
Isla Vista Revitalization	075-051-037	2002	2042	56
	075-051-033			
Villa Del Sol Rehabilitation	075-101-015	2005	2035	4
Parkview Apartments	075-020-014	2008	2062	10
	075-020-015			10
Total Rehabilitated Units				80

Source: County of Santa Barbara Redevelopment Agency

Zoning for Emergency Shelters and Transitional Housing

As previously discussed in Chapter 3, three zone districts currently allow the development of emergency shelters with the approval a ministerial permit. These include: the C-3 (General Commercial), the M-1 (Light Industry), and the M-RP (Industrial Research Park) zone districts. In particular, the County's existing inventory of C-3 zoned sites has adequate capacity to address the need for new emergency shelters. There are currently 89 parcels within C-3 zone district, totaling 57.96 acres. Seven of these parcels (representing a total of 4.22 acres) are currently vacant and 26 parcels (representing a total of 24.33 acres) are underdeveloped. Refer to Chapter 3 and Appendix D – *Land Inventory Detail* for a more detailed analysis of emergency shelter capacity and its relation to the requirements of Senate Bill 2. Ultimately, the County has sufficient zoning capacity to accommodate the need for future emergency shelter development.

Infrastructure to Support Projected Capacity

While adequate public infrastructure is necessary to serve housing development, the County does not have authority over area water and sanitation districts. Nonetheless, the County will continue to work with the districts to resolve infrastructure and capacity constraints. As referenced in Housing Program 1.5 (located in Chapter 5 – *Housing Goals, Policies and Programs*) the County will consider whether or not County owned land is appropriate for additional service infrastructure prior to the sale of the land for other purposes. While most of the expected housing growth in Santa Barbara County will come from adaptive reuse and infill of existing parcels, the County will maintain its role in mitigation of infrastructure constraints as projects are developed.²¹ Evaluation of development fees and exactions and permit processing are included in Chapter 3.

Constraints Analysis

Although numerous sites in the County have the potential to accommodate additional housing development, some residentially zoned properties have physical and/or environmental constraints which reduce or preclude potential build out. In an effort to provide a land inventory which accurately depicts a realistic residential build out potential, the County utilized a multi-staged process to analyze the constraints for each parcel listed in the inventory. This constraints analysis included an evaluation of each site's size, shape, topography, potential land use conflicts, and sensitive environmental resources. Additional detail regarding the methodology of this constraints analysis is provided in Appendix D.

Sites Inventory and Analysis Summary

As discussed throughout this chapter, the County has developed a comprehensive land inventory and sites analysis. As part of this process, staff has tracked assessor parcel data and permit data, and then cross-referenced this data with vacant parcels using current aerial photography maps and field surveys to verify the actual feasibility of development, based on a site's physical characteristics.

Sites identified as "underutilized" were verified through analysis of the surrounding location, proximity to services, and improvement-to-land values. A significant number of underutilized parcels are found near transit facilities in the Community Mixed Use, Mixed Residential Development, or Planned Development zones. A detailed breakdown of the County's current land inventory can be found in Appendix D, and is summarized in the table below.

To determine affordability thresholds for the planning period, calculations were made using the most recent income levels supplied by State HCD for Santa Barbara County. The calculations were used to determine affordability and the "ability to pay" for extremely low, very low, low, moderate, and above moderate income levels for a 4-person household. Those income levels were then divided by 12 to determine average monthly income for each income level. Finally, 30% of that monthly income was calculated. Average monthly mortgage or rent costs that exceeded 30% of a given category's monthly income was found to be unaffordable for that

²¹ Pursuant to Government Code Section 65583.2(b)(5)

income level. This “ability to pay” was referenced against known sale prices and rents, as illustrated in Chapter 2 – *Housing Needs*.

Of note, most mixed-use development has occurred on the South Coast, where costs are higher than in the North County. As a result, mixed-use units have been counted in the above moderate income category, unless sites have been zoned for a minimum of 20 units per acre, in which case units are counted in the lower income categories. Based on current market data, mobile homes were assumed to be affordable for lower income households.

Residential secondary units and farm employee housing were assumed to be affordable rentals at the moderate income level (refer to Tables 2.19 and 2.21 in Chapter 2 for further clarification).

Table 6.10 compares the County’s RHNA to the affordable units resulting from recently permitted or built projects, rehabilitation and conservation activities, and zoning capacity available on identified sites. This conservative analysis demonstrates that the County exceeds its RHNA requirement.

Table 6.10 – Land Inventory Summary, Number of Units at Each Affordability Level

	ExL/VL/L	Moderate	Above-Moderate	Total Realistic Unit Capacity
Units Built /Approved	66	2	179	247
Underutilized Sites	425	0	150	575
Vacant Land	400	125	300	825
Special Unit Type	0	91	14	105
Total Units	891	218	643	1,752
RHNA	407	160	450	1,017
Unaccommodated Need	172	0	0	172
Total RHNA & Unnac. Need	579	160	450	1,189
Adjustment for Annexations	1	0	187	188
Final Adjusted Housing Need	578	160	263	1,001
Final Inventory Surplus	313	58	380	751

Quantified Objective

Pursuant to GC § 65583(b), the County has prepared a forecast (or quantified objective) of anticipated affordable housing production over the current planning period (2007-2014). Unlike the land inventory, the quantified objective includes only affordable housing estimates; market rate housing is not included. While the County’s sites inventory and analysis represents realistic and feasible zoning capacity, the quantified objective tempers this capacity with variables such as market constraints, regional and nationwide economic conditions, property owners who choose not to develop their sites to the full density allowed by County zoning and policy, and development trends. Using this information to provide context for the goals, policies, and programs adopted in the Housing Element, the County is able to estimate anticipated development, rehabilitation, or preservation of “on-the-ground” housing that is likely to occur in the seven year planning period. As a result, the quantified objective concludes that approximately 1,049 housing units (affordable at moderate income level or below) are expected

to be constructed, preserved, rehabilitated, or provided through assistance programs between now and the end of the planning period in 2014.

As with the sites inventory and analysis, this quantified objective represents a conservative estimate and does not include additional housing production that may result from some projects in progress such as the 2,000 workforce units proposed in the UCSB Long Range Development Plan or the Vandenberg Air force Base housing plan. The County anticipates more opportunities will become available for residential development or rehabilitation through these efforts; however, realization of these estimates will also depend on future market factors and independent institutional decisions. Of note, both the sites inventory and analysis and quantified objective demonstrate the County's ability to address its fair share of regional housing needs using a variety of self-managed solutions.

Units Already Permitted or Constructed

The planning period for the current Housing Element began on January 1, 2007. Since that time several housing projects have been permitted and/or constructed. These projects are included in the County's estimate of overall housing production within the seven year planning period. Such projects include the Creekside Apartments and the Paradise Ivy Mixed-use project. These and other projects are described in more detail in the land inventory discussion above.

Development Trends

A significant tool in the County's ability to estimate its future housing production is the established trend of development in the unincorporated area. Different communities tend to generate different types and quantities of housing based on a myriad of factors including but not limited to: population, topography, cost of real estate, and prevailing industries.

For instance, because the number one financially grossing industry in the County is agriculture, a larger number of farm employee dwellings are developed here than in non-agrarian and incorporated communities.

The County has established development trends based on available permit records. These records indicate the average number of units within each housing type that are produced in a particular year. For instance, based on County records an average of 16 residential second units, 3 farm employee dwellings, and 3 mixed-use housing units are produced in an average year. Ultimately, these aforementioned trends can be affected by outside variables such as the County's own policies and the current economy. Therefore, these trends only serve as an adequate baseline or "starting point" by which to develop an estimate of the housing production in the County over the next several years.

How County Policies and Economic Factors Impact Existing Development Trends

A primary reason for developing and continuously updating the County Housing Element is to evaluate and revise, as necessary, the County's housing goal and policies. These policies are intended to help the County and members of its communities satisfy their various housing needs. These policies are sometimes intended to directly affect the production of certain housing types. For instance the County IHP ordinance is intended to facilitate the development of affordable housing. Also, the County's current proposed Program 2.2 in Chapter 5 intends to streamline the process for permitting farmworker housing, thereby easing the barriers that prevent physical development of this special needs housing. The County is also in the process of updating the Los Alamos and Santa Ynez community plans, which will in part increase the zoning capacity for mixed-use development. As a result of these anticipated policy changes it is expected that the County will see an increase in the development of farmworker housing and mixed-use development beyond the current development trends.

With the aforementioned variables (units permitted, development trends, and affects of policy) considered in its analysis, the County has produced the following quantified objective included in Table 6.11 below.

Table 6.11 – New Housing Objectives Summary for 2007-2014

Activity	Income Level				Total By Activity	Assumption Reference No.
	EL	VL	Low	Mod		
New Affordable Units						
<i>Rental</i>						
<i>Projects Already Permitted</i>		19	26		45	1
<i>Anticipated Unit Production</i>						
Residential Second Units				77	77	2
Farm Worker Housing				16	16	3
<i>For-sale</i>						
<i>Projects Already Permitted</i>		2	1	2	5	1
<i>Anticipated Unit Production</i>						
Single-family		67	207	154	428	2
Multi-family		25	91	65	181	4
Subtotal-	0	113	325	314	752	
Assistance						
<i>Emergency Shelters</i>	10				10	
<i>Transitional Housing</i>	24				24	5
<i>Supportive Housing</i>	39				39	
Subtotal-	73	0	0	0	73	
Rehabilitation						
<i>Projects Already Permitted</i>		30	30		60	1
<i>Anticipated Unit Production</i>						
Multi-family		54	54		108	6
Subtotal-	0	84	84	0	168	
Conservation/Preservation						
<i>Projects Already Permitted</i>		10	10		20	1
<i>Anticipated Unit Production</i>						
Multi-family		18	18		36	6
Subtotal	0	28	28	0	56	
Grand Total	73	225	437	314	1,049	

Unit Generation Assumptions

- 1) Projects Permitted between January 1, 2007-August 31, 2009
- 2) Based on continuation of 2001-2008 Development Trend for Remainder of Planning Period (September 1, 2009 through June 30, 2014)
- 3) Based on 2001-2008 Development Trend for Remainder of Planning Period (September 1, 2009 through June 30, 2014) + 10% Increase Resulting from Permit Streamlining
- 4) Based on continuation of 2001-2008 Development Trend for Remainder of Planning Period (September 1, 2009 through June 30, 2014) + 5% Increase Resulting from increase in multi-family and mixed-use zoning capacity.
- 5) Based on the retention of existing County housing projects and programs.
- 6) Based on continuation of 2007-2009 Development Trend for Remainder of Planning Period (September 1, 2009 through June 30, 2014)