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HOUSING POLICY
DEVELOPMENT, HCD
MAR 20 2008

March 19, 2008

Housing and Community Development
1800 Third Street, Ste. 260
P. O. Box 1407
Sacramento, CA 95812-1407

2007 GENERAL PLAN ANNUAL REPORT

Enclosed is the City of Santa Maria's 2007 General Plan Annual Report as presented to the City Council on March 19, 2008.

Should you have any questions regarding this report, please feel free to contact me at (805) 925-0951, ext. 307, or our Community Development Department at ext. 244.

Sincerely,

Patricia A. Perez
Chief Deputy City Clerk

Enclosure

HOUSING POLICY
DEVEL HCD
MAR 2 0 2008

2007 General Plan Annual Report

SP-2008-001

Santa Maria
All-America City

CITY OF SANTA MARIA

PREPARED BY THE
COMMUNITY DEVELOPMENT DEPARTMENT
FEBRUARY 15, 2008

CHAPTER I – INTRODUCTION AND SUMMARY

A. PURPOSE OF THE ANNUAL REPORT

Section 65400 of the California Government Code requires the City to file an annual report addressing the status of the General Plan and progress made toward goals and objectives. The annual report provides a means to review the General Plan and determine if changes need to be made in the plan or its implementation.

B. PURPOSE OF THE GENERAL PLAN

The General Plan serves two primary functions. The Plan provides information and it states the community's goals, objectives, policies, and implementation measures (i.e., ways to achieve the goals and objectives). The General Plan is a public document and is available for all to read and use as needed. Copies are available for review at the Santa Maria Public Library and at the City Clerk's Office. Each member of the City Council and the Planning Commission has a copy of the General Plan as well as each City department.

As an information document, the General Plan describes existing conditions, makes projections, and establishes a vision for the community's future. The General Plan provides the public with valuable information about the City and the direction that it seeks to move. In a community where rapid growth accentuates change, there is a need to look ahead and determine the effect of change on the physical, social, and economic structure of the community.

As a policy document, the General Plan establishes guidelines for decision-makers. Using these guidelines, the City Council and Planning Commission take incremental steps toward achieving the larger goals of the City. The City focuses implementation programs contained in the General Plan through day-to-day operations of the City.

C. ELEMENTS OF THE GENERAL PLAN

State law requires that the General Plan include seven elements. These elements must cover the following topics: Land Use, Circulation, Housing, Safety, Noise, Conservation, and Open Space. Santa Maria combines the Conservation and Open Space elements into a Resource Management Element (RME), which also includes sections on Recreation and Parks, Public Facilities and Services, Private and Community Services, and Growth Management. State law also allows the City to adopt any additional general plan elements that the City deems necessary.

- Circulation Element
- Economic Development Element *
- Housing Element
- Land Use Element
- Noise Element
- Resources Management Element (RME)
    - Conservation
    - Open Space
    - Public Facilities *
- Safety Element

* Optional element

D. Status of the Adopted Elements of the General Plan

Circulation Element

(Adopted on January 4, 1994) Map amendments were adopted on October 20, 1998, November 17, 1998, and January 5, 1999. One amendment to the bikeways plan of the Circulation Element occurred in 2007.

Economic Development Element

(Adopted on February 17, 2004) Text amendments occurred on February 21, 2006. No amendments to the Economic Development Element occurred in 2007.

Housing Element

(Adopted on December 21, 2006) The State Department of Housing and Community Development certified that this Housing Element complies with State housing element law in February 2007. No amendments to the Housing Element occurred in 2007.

Land Use Element

(Adopted on August 20, 1991–exhibits amended in December 1993) Text amendments occurred in May 1994, August 1994, October 1997, and January 2001. No text amendments to the Land Use Element occurred in 2007.

Noise Element

(Adopted on December 16, 1997) No amendments occurred in 2007.

Resources Management Element (RME)

(Adopted on May 7, 1996) Text amendment occurred in January 2001 and no amendments to the Resources Management Element occurred in 2007. The RME includes the state mandated Conservation and Open Space Elements. Other elements include Recreation and Parks, and Public Facilities and Services.

Safety Element

(Adopted on November 21, 1995) No amendments to the Safety Element occurred in 2007.

CHAPTER II – GENERAL PLAN OF THE CITY OF SANTA MARIA

2008 Work Program:

Internet Availability: The 2008 work program includes making all General Plan elements available for the public to review on the City web page The General Plan will be converted or scanned into .pdf files and formatted for posting on the City Internet page in 2007.

Implementation of GIS: The Community Development Department will continue implementing Geographic Information Systems (GIS) to facilitate General Plan Element mapping and reporting.

Circulation Element

1) Bikeway Grant Implementation: the Bikeway Plan Update will commence in 2008.
2) Measure D: The reauthorization of Measure D will be brought to the County voters in November 2008.
3) Traffic Impact Fees: The Growth Mitigation fees were last amended on May 1, 2007 (effective August 16) 2007. Traffic impact fees are collected and used to fund circulation system improvements, which the adopted program identifies as regional traffic and circulation projects.
4) Congestion Management Plan (CMP): The CMP was adopted by the Santa Barbara County Association of Governments on November 20, 2003. The Development Activity Lists serve as the method of construction reporting that the CMP requires. The lists will continue to be prepared and distributed in a timely manner.
5) Circulation Map Amendment Requests: Several requests to amend the 2010 Circulation Plan are expected in 2008.

Economic Development Element

1) Economic Development Annual Report: Generate an Annual Report on the status of the Economic Development Element implementation.

Housing Element

The Housing Element must be updated again by July 1, 2009, and every five years thereafter.

1) Housing Element Implementation: Staff will monitor and report on vacant capacity in mixed-use and multi-family zoning districts to evaluate development capacity and ensure that the City's Regional

Housing Needs Allocation targets can continue to be met by the City's Inventory of Available Sites.

Land Use Element

1) General Plan Amendments and Zone Change Requests: Respond to applications to amend the land use and zoning maps; staff will process such requests through the Planning Commission and City Council as required by law.

2) Downtown Specific Plan: The Environmental Impact Report and Downtown Specific Plan public hearings are expected to be reviewed by the Planning Commission and City Council in 2008.

Noise Element

1) Outdoor Balconies and Open Space Amendment: A City initiated amendment to reduce the noise standards for outdoor activities will be brought to the Planning Commission and City Council in 2008.

Resources Management Element (RME)

1) Review non-public safety facility locations, levels of service, and staffing. Using currently accepted standards, work with City departments to identify any excess or deficient capacity in public facilities, equipment, or staffing. Determine future facility needs, and options to provide for adequate levels of service with efficient operations and cost effective financing. This program may extend into FY 2009-10.

Safety Element

1) Review public safety facility locations, levels of service/staffing, and response times. Work with the Police and Fire Departments to identify any severe deficiencies of buildings, equipment, or staffing. Based on currently accepted standards, determine future facility needs, and options to provide for adequate levels of service with efficient operations and cost effective financing. This program may extend into FY 2009-10.

CHAPTER III - HOUSING ELEMENT

State law requires the annual report to include ". . . **the progress in meeting its share of regional housing needs** . . ." for monitoring the success of implementing the Housing Element. The Housing Element must be updated to include the current RHNA numbers (Table A) before December 31, 2003.

TABLE A

Santa Maria Regional Housing Need Allocation (RHNA – 2001-08)*

Santa Maria RHNA	Total	<50%	51-80	81-120	+120%
	4,837	**1,161**	**822**	**1,209**	**1,645**
	100%	24%	17%	25%	34%

*The end year was extended to June 30, 2009

Table B shows the annual assignment of the new housing unit production in each income category and recalculates the remainder Regional Housing Needs Allocation to be applied in the following years.

Note that the number of housing units assigned in each income category of Table B reflects an income estimate based on the housing type, location, and available project marketing information.

Only the information shown for low income (i.e., qualified household incomes that are less than 80% of the County median income for the size of the household) housing units built that include price/rent restrictions for 10-years or more.

Problems with quantification occur where projects are not qualified as affordable housing. The distinction between moderate (80% to 120%) and above moderate (over 120%) cannot be quantified through the routine City processes or available information sources. Generally, the moderate-income category includes all houses on partially developed lots, apartment units, conversions of buildings to residential uses, and senior housing not counted for low-income housing.

As the result of new construction or conversion, a total of **179** new housing units were built in 2007; **97** were single-family detached and **47** were single-family attached housing units– totaling **144** above-moderate income units. **Nine** additional houses were built on lots with other units, **one** house converted to a duplex, **10** duplexes, **four** 4-plex units, **eight** apartments and **three** mixed-use apartments were constructed. **Seven** houses were demolished, converted to other uses, or moved outside the City.

TABLE B Final Building Inspections Units by Income Group by Year (2001-08*)									
Income Group	Regional Share	2001	2002	2003	2004	2005	2006	2007	2008
Very Low (<50%)	Target:	1,161	1,161	1,125	1,065	1,004	1,004	1,004	
V.L. Income Units built:		0	(36)	(60)	(61)	0	0	0	
remainder V.L. units:		1,161	1,125	1,065	1,004	1,004	1,004	1,004	
Low (51-80%)	Target:	822	821	816	662	627	615	615	
Low Income Units built:		(1)	(5)	(154)	(35)	(12)	0	0	
remainder Low units:		821	816	662	627	615	615	615	
Moderate (80-120%)	Target:	1,209	1,191	1,114	1,109	844	794	794	
Mod. Income Units built:		(18)	(77)	(5)	(265)	(50)	(36)	(35)	
remainder Mod. units:		1,191	1,114	1,109	844	794	758	723	
Above Moderate	Target:	1,645	1,268	691	0	0	0	0	
A. Mod Income Units built:		(377)	(576)	(802)	(743)	(550)	(145)	(144)	
remainder A. Mod. units:		1,268	691	0	0	0	0	0	0
Target Total	4,837								
Total units built:		(396)	(694)	(1021)	(1104)	(612)	(181)	(179)	
remainder target units:		4,441	3,746	2,836	2,475	2,413	2,377	2,342	

Residential General Plan Land Use and Zoning Map Amendments

City Council took several actions related to housing in 2007. There was one General Plan amendment and zone change (GPZ) changing 2.89 acres from Community Commercial (zoned PD/C-2) to High Density Residential (zoned PD/R-3) with mixed uses–Program 3: implementing Policies 1-C and 1-D of the Housing Element, one zone change application that added a PD Overlay to increase design flexibility to the R-2 site. Also, in 2007, the City Council adopted a Reasonable Accommodations ordinance, adding Chapter 50 to the zoning provisions of the municipal code – Program 10: to implement Policy 2-B of the Housing Element.

Residential Zoning Text Amendments

The City Council adopted one housing related zoning code amendments in 2007.

- Provided for Reasonable Accommodations;

Residential Land Divisions

In 2007, **three** Final Tract Map subdivisions were recorded to create 69 single-family houses, 21 airspace condominium units, and 15 live-work units.

TEFRA Resolutions and LIHTC Projects

The California Tax Credit Allocation Committee sent two projects to the City. Both were supported and the City Council adopted a Tax Equity and Fiscal Responsibility Act Resolution for the refurbishing of a previously funded LIHTC project. Funds may also be used for acquisition (conserving) existing affordable housing units that could be converted to market-rate housing and/or rehabilitation (maintaining) existing units. Two Low-Income Housing Tax Credit (LIHTC) projects were reviewed in 2007.

- Vizcaya Apartments – TEFRA Resolution adopted by the City Council, Low Income Housing Tax Credits for rehabilitation and appliance replacement for 236 apartments.
- Centennial Square – Low Income Housing Tax Credits for new construction of 72 condominium units.

Residential Annexations

1. *Annexation #105 (Quail Run)*. The application for annexation was approved by the Santa Barbara Local Agency Formation Commission in 2007; a majority protest hearing was conducted by the LAFCO Executive Officer and less than 25% filed a valid protest. The annexation recorded on January 28, 2008–adding 115 houses and 96 condominiums to the City. These units will be reported in the 2008 General Plan Annual Progress Report.

CHAPTER IV – IMPEMENTATION

Specific Plans

In 2007, the City Council adopted the Santa Maria Airport Business Park Specific Plan and repealed the Santa Maria Research Park Specific Plan. Both plans covered more than 1,000 acres located south of the Santa Maria Airport.

Adopted Specific Plans include:

- *Hidden Pines Specific Plan* (1994, amended: 1999)
- *West Main Specific Plan* (1994; amended: 1997)
- *Blosser Southeast Specific Plan* (1994; amended: 2002, 2003, and 2005)
- *Blosser Southwest Specific Plan* (1994; amended: 1998-99, 2000, 2004, and 2005)
- *Mahoney Ranch Specific Plan* (1994)
- *West Stowell Specific Plan* (1994)
- *Entrada Este Specific Plan* (1994; amended: 1997, 2000, 2002, and 2005)
- *Rivergate-Roemer Specific Plan* (1994; amended: 1998)
- *North Preisker Ranch Specific Plan* (1999; amended: 2000)
- *Santa Maria Airport Business Park Specific Plan* (2007)
- ~~*Santa Maria Research Park Specific Plan*~~ (Repealed in 2007)

Zoning Text Amendments

The City Council adopted two zoning code amendments in 2007 that:

- Increased the Four Square Mile maximum lot size from 15,000 to 20,000 square feet
- Increased the maximum height in the C-2 zoning district from 40 feet to 70 feet

General Plan and Zoning Map Amendments

City Council acted on four General Plan amendment and zone change (GPZ) applications in 2007. Table C identifies the "net change" of land use classifications for 1,029.7 acres of land. The Santa Maria Airport Business Park comprised all but 17.37 acres of the land use designation amendments and zoning changes approved in 2007.

TABLE C
LAND USE AMENDMENTS IN 2007

General Plan Land Use Designations	Net Acres "to"	Net Acres "from"	Net Acres changed
Secondary Agricultural Open Space		344.0	(344.0)
Conservation Open Space	182.6	107.8	74.8
Recreational Open Space	536.6	24.4	512.2
Community Facilities	19.0	21.0	(2.0)
Airport Service	26.5	336.0	(309.5)
Airport/Mixed Use Commercial*	30.8	32.0	(1.2)
Light Industrial	133.3	152.5	(19.2)
Heavy Commercial Manufacturing	1.2		1.2
Commercial Professional Office	18.6	9.2	9.4
Community Commercial	8.0	2.9	5.1
High Density Residential	2.9		2.9
Roadways	70.2		70.2
TOTAL:	1,029.7	1,029.7	0.0

Land Divisions

In 2007, **three** Certificate of Compliance, **one** Final Parcel Map creating two industrial condominium airspaces and **six** Final Tract Map subdivisions were recorded to create 34 industrial lots and 105 residential units.

Developer Fees (Growth Mitigation Fees)

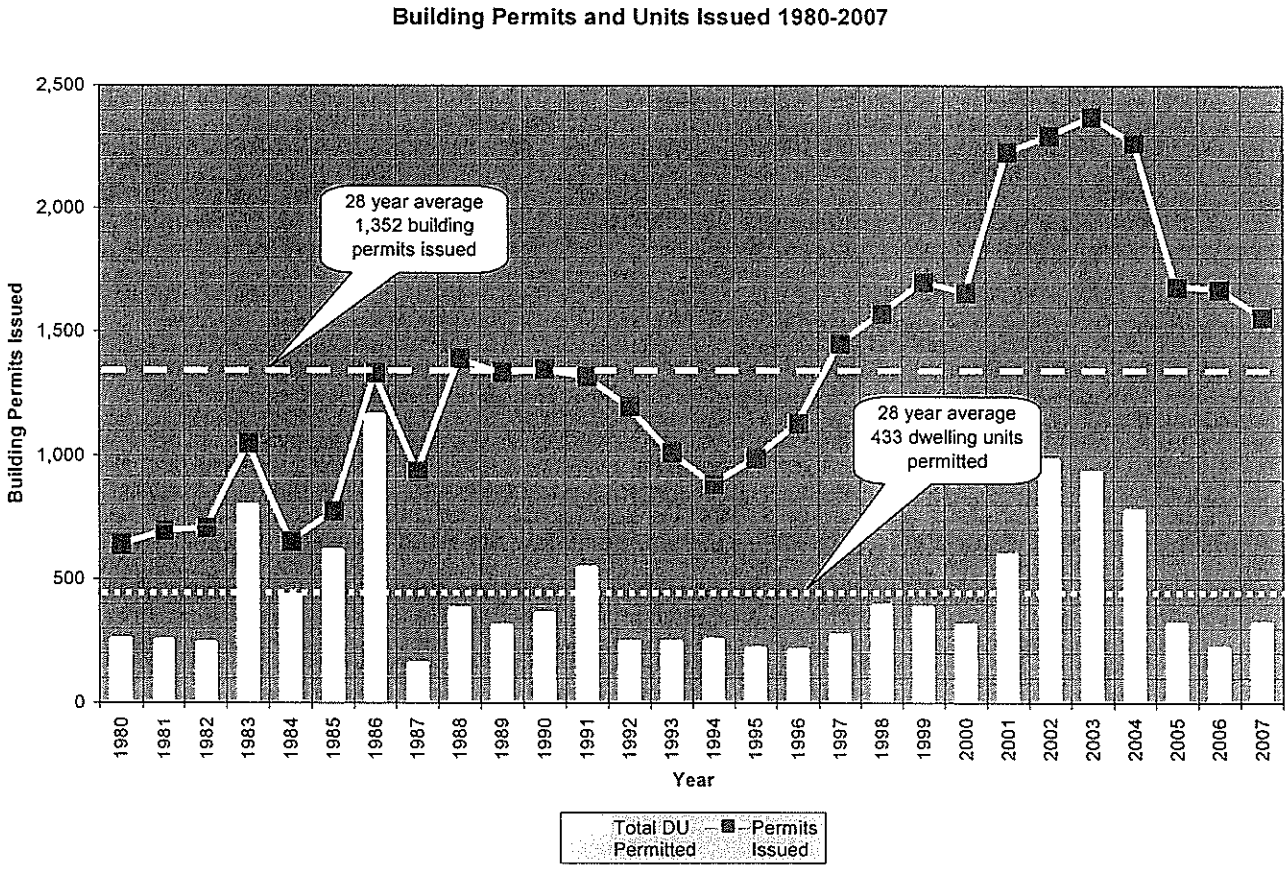
The City first adopted a Growth Impact Mitigation Fee ordinance in 1993. The City Council introduced and adopted an update of the ordinance in May 2007. The new fee structure applies growth mitigation fees to residential space on a square foot basis; beginning in mid August 2007, all residential additions will be required to pay growth impact mitigation fees.

Building and Safety Division

The Building and Safety Division is responsible for administration and enforcement of those state and local codes, ordinances and regulations dealing with the construction, alteration, maintenance and use of privately owned structures, appurtenances and land. These regulations include the building, housing, dangerous building, mechanical, electrical, plumbing, swimming pool, and sign codes, as well as the California State Mobile Home Park regulations and City zoning ordinances.

The Building and Safety Division also provides staff support to the Board of Appeals, which hears appeals of Uniform Building Code interpretations. The Board of Appeals did not meet in 2007.

The Building and Safety Division provides a plan check service, issues building permits, conducts building inspections and provides advice to the public, contractors, and architects on building matters. In 2007, building inspectors made **10,280 construction and safety related inspections—down 20 percent** from 2006, and this division issued **1,562 permits**—still above the 28-year average–from 1980 through 2007. The Monthly Building Permit Reports from 2004-2007 continue to be maintained for public inspection the City Internet pages. Each monthly Permit Activity Report is also posted on the Building Division pages in 2007. Go to the Building Permit Information Page for the Current Year to Date monthly reports.



The Building and Safety Division also provides staff support to the Board of Appeals, which hears appeals of Uniform Building Code interpretations. The Board of Appeals did not meet in 2007.

Planning Division

Planning activities include administration of the City's General Plan, development and subdivision review, preparation of zoning ordinances, processing annexations, bikeway implementation, providing demographic and census information, preparation of specific plans, conducting environmental review, and informing the public of the City's land use policies and development ordinances. The Planning Division reviews federal, state, and county legislation, projects of concern to the City, and responds to surveys from the State.

The Planning Division provides staff support to the Planning Commission; routine tasks include the scheduling of meetings, preparation of agendas, posting hearing notices, and preparation of minutes. The City posts Planning Commission meeting agendas and minutes on the City Internet pages. The Planning Commission held **21** public meetings and **23** study sessions in 2007.

Planning staff provides land use analysis, environmental review as required under the California Environmental Quality Act (CEQA), and staff reports for the Planning Commission and City Council.

During 2007, the Planning Division received **88** environmental clearance applications, **six** new land division applications, **eight** merger applications, **nine** lot line adjustment applications, **four** Certificate of Compliance, **28** Planned Development Permits, **48** Use Permits, **six** general plan text amendments, and **six** zoning text amendments. In 2007, **one** Parcel Map and **seven** subdivision tract maps were recorded. The Community Development Department received **1,612** building permit applications, **111** sign permit applications, and issued **1,562** building permits issued in 2007.

CHAPTER V – TRENDS AND FORECASTS

Development Climate in 2008

Citizens, voters, and presidential candidates are discussing the national economy. The threat of recession from the housing slump, the credit crunch, and, with soaring oil prices that peaked at $100 per barrel, the high cost of energy have triple-teamed consumers. Congress and the White House agreed on an economic stimulus package, which may or may not keep the country out of an economic recession.

The implosion of the housing market, with resulting foreclosures and bankruptcies, has forced the Federal Reserve to lower the prime interest rate dramatically in early 2008 and offer $40 billion worth of loans to banks in an effort to stabilize the impact on borrowers and lenders, which may involve an interest rate freeze or negotiated settlements rather than forcing foreclosures and bankruptcies.

The Governor and Legislature of California face a fiscal emergency that could result in another State budget shortfall of $14 billion. The plan to cut back and borrow will most certainly ripple through the State and impact the local economies for two or three more years.

Santa Barbara County is preparing for the cutbacks that often fall on local governments. While the City of Santa Maria has significant cash reserves, some of these resources will likely be used to balance the 2008-2010 budget.

As new residential construction activity remained sluggish in 2007, the retail-commercial, office, industrial, warehouse, and distribution development activity performed better than average. Over the next two years, it is uncertain how the non-residential construction market will perform. The opportunities for mixed-use, however, may augment development of non-residentially zoned land because it allows greater flexibility in the uncertain times of market transitions.

A downturn in housing sales may result in increased demand for apartments because fewer people are buying houses. As demand increases, rents increase; higher rents could attract interest in new apartment projects if new construction remains slow beyond two years. Additionally, a period of low prices is being looked at as a "buying opportunity" by non-profit housing providers.

Finally, as past data indicates, the slowing of new construction permits typically increases building permit activity for residential remodeling and additions.

Mid- to Long-Range Annexations

1. Annexation #100 (Enos-Buss). The 113-acre remainder portions of Annexation #100 have applications pending for General Plan and Specific Plan amendments and prezoning. The project EIR was completed in 2007 and public hearings before the Planning Commission, City Council, and LAFCO would occur in 2008.

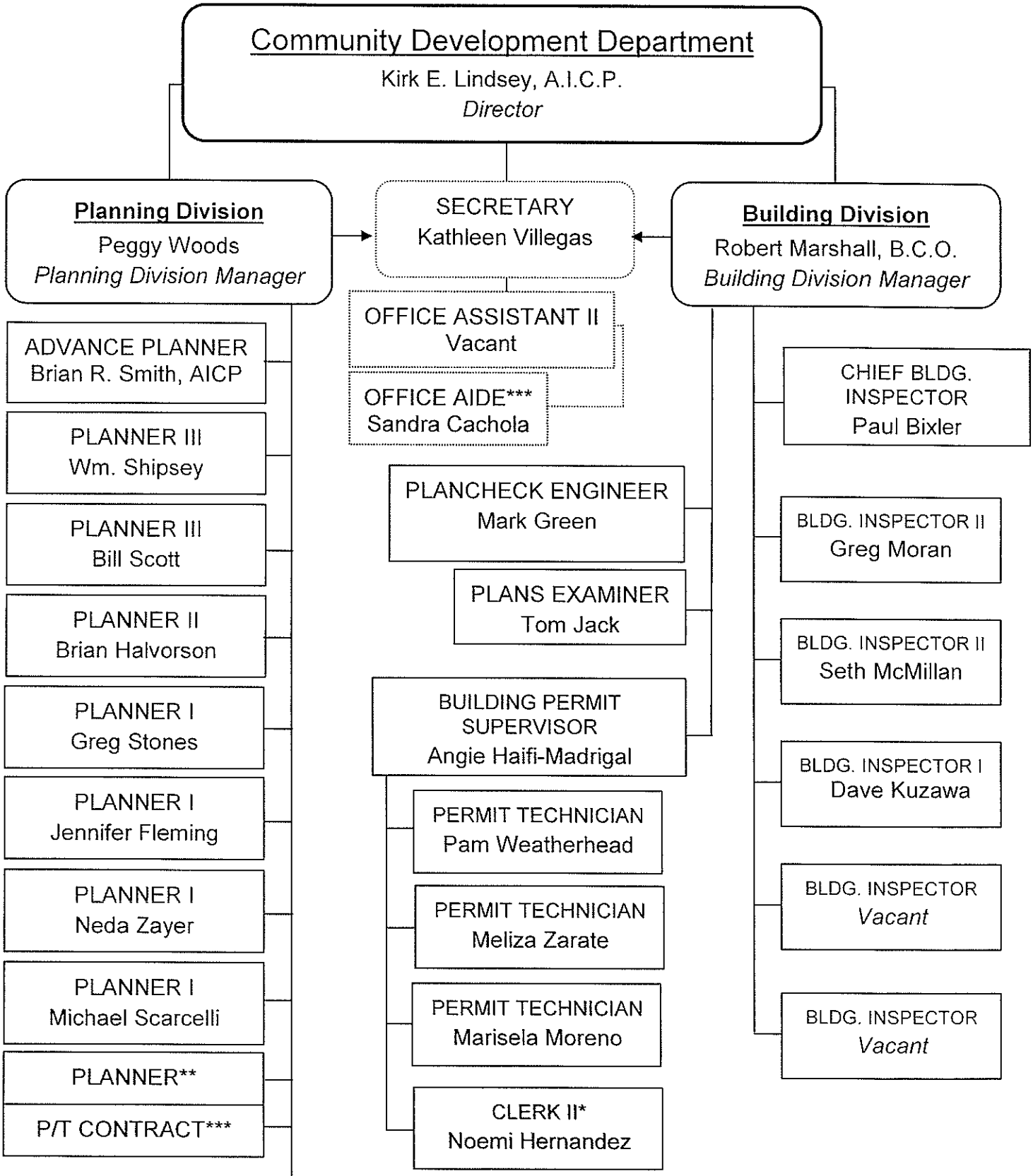
2. Annexation #106 (Wastewater Treatment Plant Spreading Ponds). The application for an amendment to the City sphere of influence and concurrent annexation were submitted conditionally approved by the Santa Barbara Local Agency Formation Commission in 2007 and the City will be considering Uniform Rules for the administration of existing Agricultural Preserves (Williamson Act).

3. Annexation #101 (Bradley Ranch East). The project proposes an amendment to the City sphere of influence and annexation of approximately 2,300 acres, with as many as 9,500 dwelling units, up to 356 gross acres of commercial uses, 83 gross acres of industrial uses, and up to eight new schools (six elementary, one junior high and one senior high).The EIR process started in 2007 and is expected to continue through 2008.

4. Las Flores Landfill Annexation. The project proposes an amendment to the City sphere of influence and annexation of approximately 1,700 acres for the creation of a Class II Sanitary Landfill. The EIR process started in 2007 and is expected to continue into 2008.

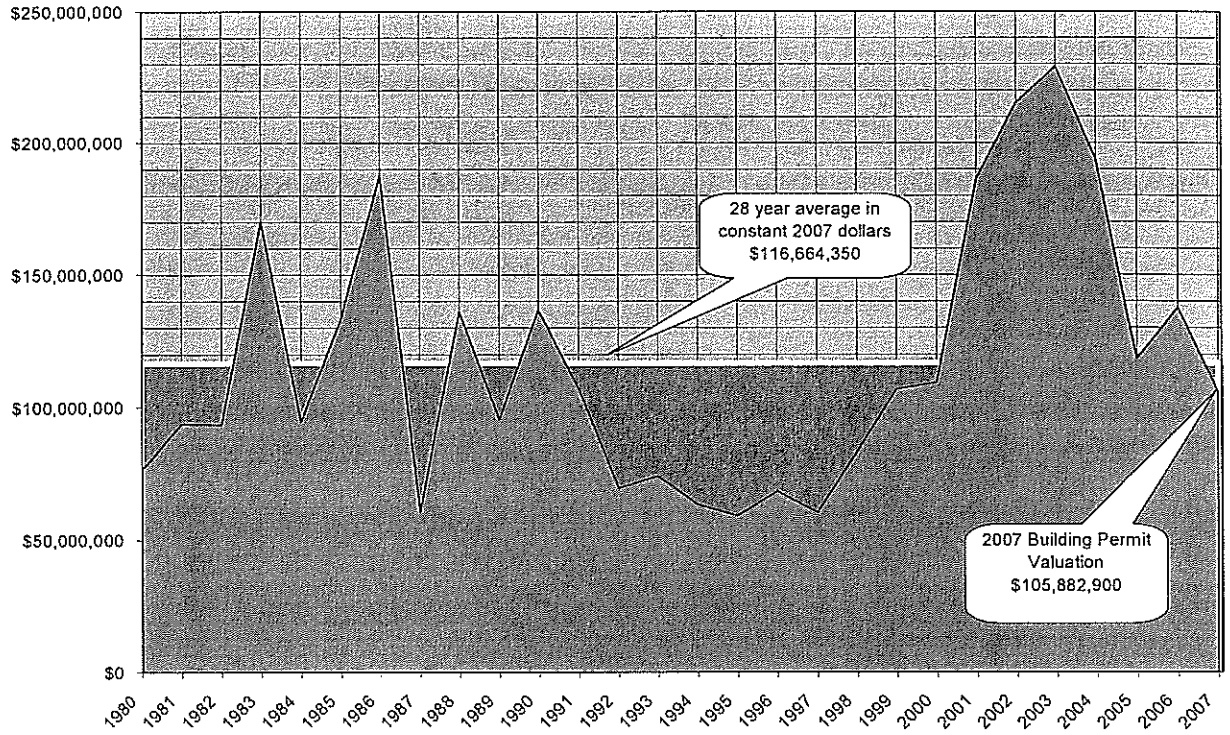
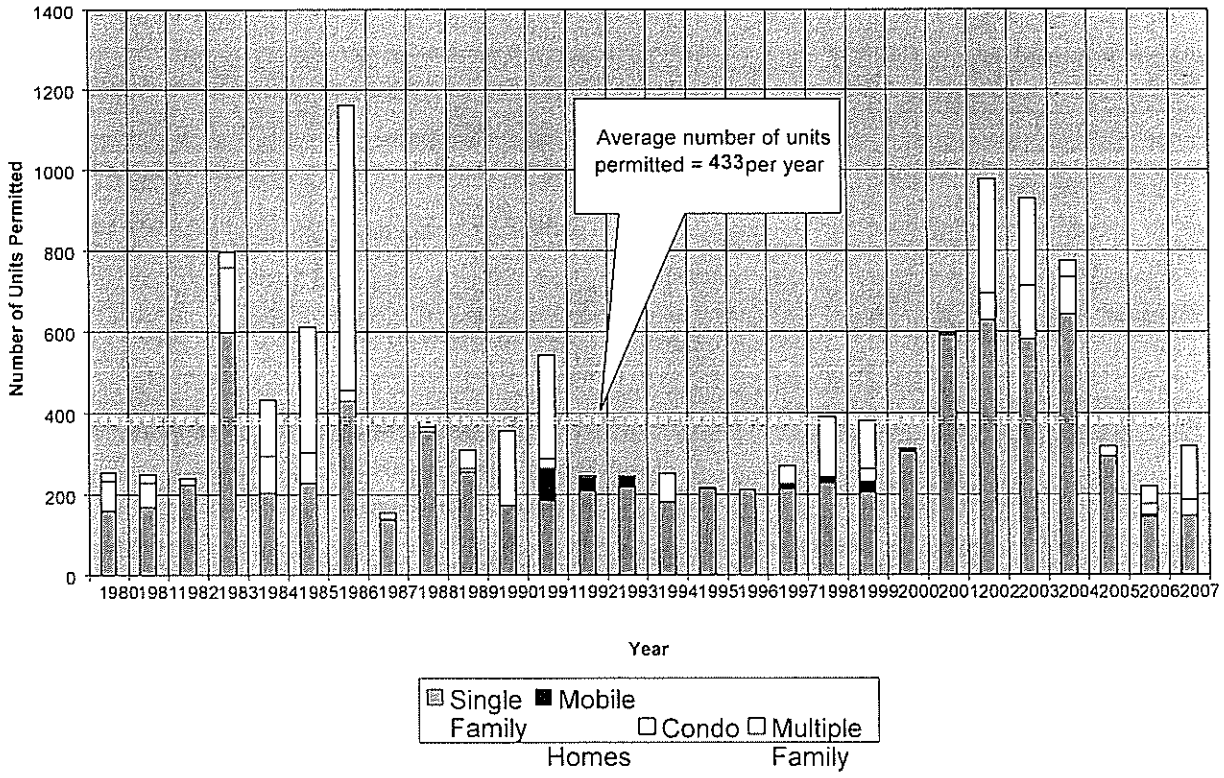
ATTACHMENTS, GRAPHS, AND CHARTS

2007 ORGANIZATIONAL CHART



25 Full-time Employees authorized; 3 presently vacant
3 Part-time; 2 presently vacant 1 Limited-service** 2P/T Contract****

Building Permit Valuation 1980-2007 in Constant 2007 Dollars



Units Permitted by Type 1980-2007