



HOUSING POLICY
DEVELOPMENT, HCD

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Agenda Item 9
Pages 18

**CITY COUNCIL
STAFF REPORT**

TO: SOLVANG CITY COUNCIL MEMBERS

FROM: PLANNING COMMISSION

MEETING DATE: March 28, 2011

DATE PREPARED: March 21, 2011

SUBJECT: 2010 GENERAL PLAN ANNUAL REPORT

I. RECOMMENDATION:

Review 2010 General Plan Annual Report, take public testimony and forward report to State Office of Planning and Research and State Department of Housing and Community Development.

II. DISCUSSION:

As required by California Government Code Section 65400, the Community Development Department shall submit a report to the City Council, the Governor's Office of Planning and Research and the State Department of Housing and Community Development. **"This report shall be considered at an annual public meeting before a legislative body where members of the public shall be allowed to provide oral testimony and written comments"**. This report includes the status of the general plan and progress in its implementation as well as the City's progress in meeting its share of regional housing needs (RHNA). This annual report was presented to the Planning Commission on March 7, 2011 with no public comments or changes and is being forwarded on to the City Council.

Approvals: City Manager BSV Finance Director _____ City Attorney RAH

In regards to the Housing Element and Goals, only 10 houses were built in 2010, compared to 33 houses in 2007. The best likelihood of houses in 2011 will be in the Skytt Mesa project which was approved with 169 lots, and has 39 homes already built. The next phase of the Skytt Mesa homes are targeted for construction in 2011 and 2012. There are also several lots in the City which are planned for higher density development but at this time applications have not been filed for these properties.

In response to the report filed last year, OPR forwarded a letter noting that several elements of the General Plan have not been updated since 1989. They are recommending that these elements be reviewed and updated to be consistent with the updated Land Use and Housing Elements. The Report outlines a recommended schedule for updating the elements of the General Plan in a timely manner over the next couple of years.

Early in 2010 a number of ordinance updates were completed to implement the Land Use and Housing Elements. In mid-2010 planning work was held up as there was a change in the Community Development Department staff. Both the Director and Associate Planner left and their positions were not refilled until October and November of 2011.

III. ALTERNATIVES:

The City Council may direct staff to add provisions or clarification to this report. However the report is required to be filed to the state departments by April 1, 2011.

IV FISCAL IMPACT

The Fiscal impact for this report was approximately 20 hours of staff/consultants time preparing the report and presenting to Planning Commission and City Council.

V. ATTACHMENTS:

- A. 2010 General Plan Annual Report dated March 2010

2010 General Plan Annual Report



City of Solvang

Prepared by the
Planning and Community Development Department

March 2011

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 monitor the success of implementing the General Plan and determine if changes need to be made in the plan or its implementation programs.

B. Purpose of the General Plan

The General Plan serves two primary functions. First, the General Plan provides information. Second, 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 Solvang 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 informational 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 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. Status of the Adopted Elements of the City's 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. The City of Solvang combines the Conservation and Open Space elements into one Element.

State law also allows the City to adopt any additional general plan elements that the City deems necessary. There are two optional elements included in the General Plan: Community Design and Parks and Recreation. The Table below shows the required and optional elements of the General Plan and the revision dates if applicable.

Required Elements	Adopted	Updated
Land Use	1989	2008
Circulation	1989	2008
Housing	1989	2009
Conservation	1989	-
Open Space	1989	-
Safety	1989	-
Noise	1989	-

There are two optional elements which were included in the original General Plan:

Optional Element	Adopted	Updated -
Parks/Recreation	1989	2009
Community Design	1989	-

Letter from the State Office of Planning and Research

The City of Solvang received a letter from OPR indicating **five of the required seven elements** should be updated at least every eight years. According to the letter, OPR has notified the General Attorneys office. The letter states General Plan Elements that have not been updated in eight years are not necessarily legally inadequate; however, local governments have an implied duty to keep their general plans current.

The City of Solvang has scheduled review and update of each of the elements over the next five years based on the following schedule

Element	Scheduled Update
Noise Element	2011
Conservation Open Space	2012
Safety	2013
Housing	2014
Land Use	2015
Circulation	2016

CHAPTER II – IMPLEMENTATION OF THE GENERAL PLAN

The City of Solvang implementation programs identified in the General Plan include tools already in place and used on a day-to-day basis in the City. Some of the various tools available to further the City's goals and objectives include Zoning and Subdivision Regulations, Design Guidelines and Board of Architectural Review, Growth Mitigation Fees, and CDBG/HOME Funds and Grants.

A. Planning Commission

The City of Solvang Planning Commission is designated as the "Planning Agency," as authorized by Section 65100 of the State Government Code and the City of Solvang Municipal Code. The Commission has discretionary and advisory responsibilities that are authorized by Chapter 2-1 of the Municipal Code.

B. Zoning Text Amendments

The City Council adopted sixteen zoning code amendments in May 2010; they addressed:

1. Trash and disposal maintenance
2. Handling and collection of residential refuse containers
3. Definitions of Certified Farmers Market, Cluster Development, Emergency Shelters, Row House, and Townhouse
4. Addition of an artists studio as a conditional use in a single family residential zone
5. Modification of side yard setbacks in the R-1 and E-1 residential zones
6. Addition of Emergency Shelters in the Design Residential zone
7. Farmers Markets to obtain a minor conditional use permit the Tourist Related Commercial (TRC) and General Commercial (C-2) zones
8. Parking and Storage of Trailers in the TRC zone
9. Required number of parking spaces for Emergency Shelters
10. Additional clarification for permitting Home Occupations
11. Daycare homes
12. Solar Panels
13. Political Signs (definition)
14. Construction, Maintenance, and Display procedures for signs
15. Prohibited and Exempt signs
16. Findings required for a land use permit

C. Planning and Community Development Department

The Planning and Community Development Department is made up of two divisions; Planning and Building.

Planning Division

Planning Division activities include administration of the City's General Plan, development and subdivision review, preparation of zoning ordinances, attends Board of Architectural Review meetings, conducts environmental review, and informs 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. Administrative functions 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.

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

Building Division

The Building 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.

In 2010, the Building Division received 191 building permit applications and issued 179 building permits. During the past year, City building inspectors made 665 construction and safety related inspections.

CHAPTER III HOUSING ELEMENT

A Housing Element Annual Reporting

Every five years, the State Department of Housing and Community Development (State HCD) assigns a RHNA to Metropolitan Planning Organizations. The RHNA identifies the minimum number of new housing units that are needed to address the projected growth of the local workforce and population throughout the region.

In Santa Barbara County, the Santa Barbara County Association of Governments (SBCAG) is the designated Metropolitan Planning Organization. Accordingly, it oversees the process whereby these units are allocated to each jurisdiction, including the cities and the unincorporated County. For the current planning cycle (2007-2014), 11,600 units were assigned by the State to the region; of that, 170 units were allocated to the City of Solvang as illustrated by the table below.

As one of the seven mandated elements of the City's General Plan, the Housing Element provides a set of goals, policies, and programs to address the housing needs of all economic segments of the population, pursuant to State law. The State has identified the availability of housing to be a statewide priority. As a result, a local jurisdiction's Housing Element must be updated every five years and certified by the State Department of Housing and Community Development (SHCD). As mentioned in Chapter I, the City of Solvang's Housing Element was certified by the state on March 7, 2009.

2007-14 Regional Housing Needs Allocation City of Solvang (Number of Units at Each Affordability Level)		
Income Category	Total Units Allocated	Percentage of Total
Extremely Low*	19	11%
Very Low	20	12%
Low	29	17%
Moderate	25	15%
Above Moderate	77	45%
City Total	170	100%

Source: City of Solvang Housing Element

* 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.

The City is not obligated to build all of the units assigned through the RHNA process. It is, however, required to demonstrate that conditions have been created to allow for and promote the appropriate number and types of units required by its RHNA. This is done through ensuring that land use policies and zoning regulations are in place to encourage housing that is "affordable by design" such as mixed use, infill, and rehabilitation of underutilized parcels. In addition, affordable housing policies that offer financial and other incentives can help ensure that a wide variety of affordable housing types are produced to address the needs of all economic segments of the population.

Attached to this report are the tables required to be filed with SBCAG and the State Agencies to report the status of new housing units in the city of Solvang. Also included is a summary of the Housing Element policies and their implementation.

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Solvang
Reporting Period	1-Jan-10 - 31-Dec-10

Table A

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

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

* Note: These fields are voluntary

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

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

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

* Note: This field is voluntary

Table A3

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

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	9	0	0	0	0	9	0

* Note: This field is voluntary

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.	2009	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total Units to Date (all years)	Total Remaining RHNA by Income Level
		RHNA Allocation by Income Level										
Very Low	39	Deed Restricted										39
		Non-deed restricted										
Low	29	Deed Restricted										28
		Non-deed restricted	1									
Moderate	25	Deed Restricted										24
		Non-deed restricted	1									
Above Moderate	77											63
Total RHNA by COG. Enter allocation number:	170	6	10									154
Total Units												
Remaining Need for RHNA Period												

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

**Table C
Program Implementation Status**

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Housing Program	Objective	Time Frame in H.E.	Status of Program Implementation
1. Code Enforcement Code enforcement is a means to ensure that the character and quality of neighborhoods is enhanced and maintained.	Continue to carry out zoning code enforcement activities	5 years	The City continues to perform property inspections and write citations when necessary. The City continues to contract with California Code Check to enforce building codes. This program will be carried forward
2. Housing Rehabilitation Assistance Program Implement a home rehabilitation assistance program to assist low income and senior households, as funding becomes available.	Correct code violations.	5 years	The proposed Housing Rehabilitation Assistance Program continues to be available to provide financing and information to property owners interested in housing rehabilitation, however no one requested the program. This program will be carried forward with the goal of assisting renters and homeowners.
3. Section 8 Rental Assistance City supports and encourages the provision of additional subsidies through the Section 8 program.	Participate in program	5 years	Ongoing implementation. At present, eight households in Solvang are receiving Section 8 housing assistance through the Santa Barbara County Housing Authority. This program will be carried forward to continue to maintain the eight households while assisting others in need.
4. Mobile Home and Mobile Home Park Preservation Maintain the Mobile Home Park (MHP) designation and amend the Zoning Ordinance to remove the requirement for a conditional use permit for mobile homes on lots of 10,001 sq. ft. and over, and establish a ministerial process for all manufactured or mobile homes on permanent foundations, regardless of the lot size.	Maintain MH Park	5 years	The Zoning Ordinance was amended to remove the requirement for a Conditional Use Permit for mobile homes with permanent foundations, regardless of lot size.

Housing Program	Objective	Time Frame in H.E.	Status of Program Implementation
<p>5. Preservation of Community Character Administer development standards design guidelines in the TRC zone that are intended to preserve and maintain the City's Danish/Northern European design theme.</p>	<p>Preserve the City's character</p>	<p>5 years</p>	<p>Ongoing implementation. The City implements development and design standards through BAR and Planning Commission review. This program will be carried forward.</p>
<p>6. Local Workforce Housing Provide regulatory incentives to non-profits, private developers, and public agencies to increase the supply of housing affordable to Solvang's lower-income workforce.</p>	<p>Target a portion of HOME Consortium funds, towards projects that meet the needs of very low- and low-income workforce</p>	<p>5 years</p>	<p>Ongoing implementation. The City has developed a list of incentives to encourage more interest in developing local workforce housing through the Density bonus Ordinance and Mixed-Use standards. Limited financing is available to assist through the HOME Consortium funds and CDBG funding as part of the County Urban program. This program will be carried forward with the goal of continued partnership to promote the development of affordable housing.</p>
<p>7. Density Bonus Program Adopted a Density Bonus Ordinance consistent with State regulations</p>	<p>Amend the Zoning Ordinance to state law standards</p>	<p>Dec 31, 2010</p>	<p>Completed. The City adopted a bonus density ordinance in 2005, which provide incentives required by State Law without harming the character of Solvang. The State adopted SB 1818 which clarified the density bonus objectives and standards. This program will be carried forward to amend the density bonus regulations for consistency with State Law.</p>
<p>8. Second Unit Development Encourage the construction of second units to meet the needs of the very-low, low and moderate-income households.</p>	<p>Prepare an informational brochure to be distributed to public places</p>	<p>5 years</p>	<p>Completed. The second unit ordinance was amended to facilitate more opportunities for secondary units.</p>
<p>9. Non-Traditional Housing Adopt land use changes with tailored development standards to facilitate the development of non-traditional housing types, including co-housing, assisted living facilities, and live-work units.</p>	<p>Adopt Land Use Changes</p>	<p>Dec 31, 2010</p>	<p>Completed. The City reviewed its planning policies and amended the zoning ordinance to allow shared living arrangements as allowed residential uses, with specific references to licensed community care facilities and single room occupancy units. This program will be revised and carried forward to also include co-housing, assisted living, and live-work units. Other non-traditional housing types such as emergency shelters are covered in</p>

Housing Program	Objective	Time Frame in H.E.	Status of Program Implementation
10. Mortgage Credit Certificate Provide information to the public regarding the Mortgage Credit Certificate Program for first-time homebuyers.	Continue with program	5 years	This program is available to Solvang residents through the County Housing Authority. Ongoing implementation.
11. Application for Grants and Loans Investigate funds available under Proposition 46 and pursue those that help meet the housing needs of Solvang residents	Pursue funding	5 years	Ongoing
12. Adequate Sites Program Initiate and complete the rezoning and General Plan amendment according to law, for the development of housing on the properties having the potential for higher densities.	Provide adequate zoned land	5 years	The City's DR-20 (20 units per acre) zone encourages the build out of these properties to reach their maximum densities while fitting the surroundings.
13. Mixed-Use Development Maintaining zoning standards for residential densities that encourage pedestrian-oriented, mixed-use development to help meet the needs of Solvang's fair-share housing needs.	Provide technical, and/or other assistance to facilitate mixed-use housing	5 years	The City's Zoning Ordinance allows shared and reduced parking for mixed-use projects. Residences are permitted as secondary uses in P-O, TRC, and C-2 zones.
14. Infill Incentives Ordinance Develop an infill ordinance that specifies flexible development standards and incentives, but ensures high quality development.	Develop an Ordinance that specifies flexible standards and incentives for infill development	By 2011	This program has not been implemented. This program will be carried forward and implemented in the updated Housing Element by 2012.
15. Residential Growth Management Program Amend the Zoning Ordinance to eliminate the Growth Management Plan	Amend the Zoning Ordinance	Complete	This program has been implemented. The Growth Management Plan has been eliminated.
16. Planned Residential Development (PRD) District Continue to use the PRD designation to provide flexibility and innovative design in developments and facilitate	Facilitate Housing Options	5 years	This program will be carried forward with the goal of creating innovative projects.

creative housing options.			
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Housing Program	Objective	Time Frame in H.E.	Status of Program Implementation
<p>17. Affordable Housing Incentives Program Implement an Affordable Housing Incentives Program that offers regulatory concessions, and a density bonus to facilitate the development of additional affordable housing.</p>	Implement Program	5 years	Ongoing. The City adopted a Density Bonus Ordinance in 2005, which listed concessions and incentives available to developers.
<p>18. Fair Housing Program Support the Fair Housing and Information Referral Program by identifying all State and Federal Agencies to whom local complaints or concerns can be referred. Promote fair housing in the City through the development of a fair housing booklet.</p>	No new units.	5 years	This program was not been implemented. This City will develop a Fair Housing booklet, which will identify all State and Federal Agencies to refer complaints and concerns.
<p>19. Housing for Disabled Persons Evaluation of potential constraints to housing for persons with disabilities, and if any constraints are found, will take actions to address those constraints.</p>	Remove constraints to disabled households	Ongoing	The City previously evaluated the planning policies and zoning regulations and believes any potential constraints have been mitigated. The definition of family has been amended. This program will be carried forward to continue to evaluate any potential constraints that may arise for persons with disabilities and take action to address those constraints.
<p>20. Universal Design Consider the model universal design ordinance prepared by the State of California</p>	Evaluate Constraints	By 2014	This program was not been implemented due to limited staffing and budget constraints. This program will be carried forward and implemented in the Housing Element by 2014.
<p>21. Site for Emergency and Transitional Housing Facilities and Services Meet with local homeless service providers periodically to evaluate current and future needs for a homeless or transitional housing facility in Solvang</p>	Assist local homeless providers	Ongoing	The City periodically meets with local organization People Helping People to evaluate homeless services.