

# Chapter VI—Housing Programs

Following are the Programs adopted for the Housing Element to address affordable housing needs within the Santa Maria community.

## A. Identification of Adequate Sites:

- 1. Program 1 - ECONOMIC DEVELOPMENT PROGRAM:** Agriculture is a basic industry in the North County. However, a majority of the housing and social service burdens are borne by the City of Santa Maria without benefit of the tax base to support the excess services required by the increased population. By expanding the non-agricultural employment sectors—especially in the job sectors with high employment multipliers—the City can increase the balance between jobs and housing in the City. Improving housing conditions often depends on having strong economic growth and better paying jobs available to local workers. Employment generated by commercial and industrial enterprises increases the ability of workers to afford better housing (meeting building codes, uncrowded, low housing cost burden) without governmental intervention. Santa Maria strongly supports the efforts of the Santa Maria Valley Economic Development Commission with staff and monetary assistance. The City has adopted an Economic Development Element. The Economic Development Element reiterates the needs for jobs-housing balance and economic diversity to expand the job-housing opportunities available to the City residents.
- 2. Program 2 - ANNEXATION PROGRAM:** The City actively encourages residential development through annexation of land suitable for development. Residential development, constrained as a municipality approaches build-out within its jurisdictional boundaries, requires more land or more intense use of existing land. The type and tenure of housing choice for low and very low-income households become limited as residential development slows. Additionally, as build-out approaches, the economics of supply and demand come into operation. As housing supply diminishes but demand remains strong, housing costs inevitably rise. This situation further constrains housing choice for low-income households.
- 3. Program 3 - MIXED USE DEVELOPMENT/ADAPTIVE RE-USE:** Via the recently adopted mixed-use ordinance, the City encourages the use of suitable under-utilized and/or abandoned commercial motels to be converted to residential use and allows for mixed-use purposes via zoning incentives and/or state funded housing programs. The City allows housing above ground floor commercial uses in certain land use designations. Expanding the densities and housing mixtures within the four square mile (4SM) central core area provides greater flexibility in mixing uses that more rigid Euclidean zoning standards typically segregate.

The Mixed Use Ordinance increases the flexibility of the zoning district to support compatible uses from other zoning districts. The ordinance grants the Zoning Administrator, Planning Commission, and City Council increasing levels of power to allow reduced standards for parking, setbacks, landscaping, open space, or increased height. The ordinance is a “design based” regulation, which understands that the inside of the structure will change over time and allows the adaptation to occur without government controls. Spaces may be mixed and "re-mixed" to meet the needs of the building markets. The mixed use ordinance is in Title 12 of Chapter 49 of the Municipal Code.

4. **Program 4- DENSITY BONUSES:** The City provides housing incentives, in the form of greater density than would otherwise be allowed under the current zoning designation, for developers willing to construct affordable housing units. State Law does not require the City to promote the use of Density Bonus provisions. It has been properly adopted and is part of the zoning code (effective January 18, 2007) for housing developers to use as a tool. Density bonus provisions may be applied to overcome specific design issues that require relief from the code standards.
5. **Program 5 - LAND BANKING:** Land banking by the City plays an important role in facilitating affordable housing. The City acquires land through direct purchase or land dedications and works with non-profit corporations to develop housing projects that help meet community needs.

The City continues to seek appropriate housing sites and, when funds are available, to purchase these sites with CDBG or General Fund monies. Restrictions on resale or transfer are placed on the property in order to maintain affordability.

## **B. Development of Low- and Moderate-Income Housing:**

1. **Program 6 - HOUSING INCENTIVES PROGRAM:** This program offers a variety of incentives to reduce overall costs and is designed to meet the housing needs of low-income households. The program can be tailored to develop new sites or redevelop deteriorated properties. It is applicable to various types of projects: single family detached, condominiums, cooperatives, and non-profit rental developments. The key incentives to date have been land acquisition write down (subsidy) and public improvements. The program is funded primarily with Community Development Block Grant (CDBG) funds. Partnerships with non-profit developers with the expertise to access state, federal and private funds have also proved successful. These developers also provide assurances regarding long-term ownership and affordability for rental developments. The Housing Incentives Program could also be used in concert with additional cost reductions and incentives already offered through the density bonus, mixed use and four-square-mile ordinances, including:

- Reducing Site Development Standards
- Reducing Infill Development Fees
- Increasing Site Design Flexibility for Affordable Housing
- Increasing Land Use Flexibility
- Establishing Four Square Mile (4SM) Area Standards

2. **Program 7 - EXPANSION OF CODE COMPLIANCE PROGRAM:** During the previous planning period, the City has increased its code compliance staff from three officers (two fulltime, one part-time) to six fulltime officers, including the supervisor. A major focus of these officers' efforts is to address reports of substandard living space that has been constructed without permits. Officers work with owners to reconstruct the substandard living space so that it is safe and decent to live in. The result of these efforts is to greatly increase the supply of housing affordable to persons with low incomes. In addition, it provides families with lower incomes the opportunity to live in a single-family residential setting. For example, nearly 200 garages have been legally converted into safe and habitable living space during the planning period. In any event, the City does not endorse illegal garage conversions as a method to create additional dwelling units.
3. **Program 8 - PRIORITIZATION OF SERVICES:** As required by Government Code Section 65598.7, the City has adopted a written policy providing for priority of water and sewer services to affordable housing developments.

### C. Mitigation of Governmental Constraints:

1. **Program 9 - PERMIT PROCESSING:** The City operates a one stop, "fast track" permit process. The Community Development Department coordinates the review and decision-making on required permits and also provides information regarding the status of all applications and permits for residential developments. The permit processing of the City attempts to gather, organize, and distribute the information needed by applicant/developers, staff, Planning Commission, and City Council. In the case of low-income housing projects, the City facilitates meetings with neighbors to provide information about proposed projects and decrease NIMBY reactions. City staff coordinates meetings between applicants, staff and professionals to keep project processing running smoothly. Staff offers courtesy inspections and phased approvals to low-income housing projects to shorten the time between initial application and occupancy.
2. **Program 10 - ACCOMMODATIONS FOR FARMWORKERS, SENIORS AND PERSONS WITH DISABILITIES:** The City will allow reduced parking standards for senior, farmworker and/or housing for persons with disabilities. This can be accomplished by applying Section 12-32.06 of the Santa Maria Municipal Code to develop an appropriate parking standard in individual cases.

The City will facilitate permitted remodels of single-family residences and garage conversions. The City will allow expansion of residential space to the full extent allowable by standards of the zone or applicable specific plan. In January 2007, the City Council updated the density bonus ordinance. The ordinance gives development concessions to individual additional units legally constructed and reserved for seniors or persons with low incomes. City staff will regularly review City policies and procedures to ensure that there are no constraints to housing for persons with disabilities. As part of this review, the City will follow a regular program of sidewalk repair and maintenance including provision of handicap ramps to facilitate movement throughout the City for persons with disabilities regardless of where they live.

On December 18, 2007, the City adopted specific reasonable accommodation procedures to provide exception in zoning and land use for persons with disabilities. The City has responded to several requests under this Ordinance since its adoption.

- 3. Program 11 - FACILITATION OF PROJECTS FOR HOMELESS INDIVIDUALS:** State law defines emergency shelters as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.”

Recent amendments to state law require cities with an unmet need for emergency shelters to identify a zone in which shelters may be located as a matter of right. The zone must also identify objective standards for the use which facilitate emergency centers, whether as original development or converted uses. Alternatively, cities must include a program in their housing elements for the development of such a zone and standards within one year. [Government Code Section 65583(a) (4)]

Pursuant to Government Code Section 65583(a) (4), the City of Santa Maria has conducted a staff-level review of its zoning districts, but has not identified a zone conducive to provision of emergency homeless shelters by right. As required by the legislation, the zone would need to provide proximity to bus service, and be centrally located near schools, social services agencies, and health care. Although Santa Maria has vacant land near its western boundary, this property lies within the airport flight zone and is inappropriate for residential use. In addition, the majority of the vacant property is not served by any municipal services, including transit.

Staff has considered the possibility of reusing existing, vacant buildings as emergency shelters as a matter of right. However, these buildings tend to be in a dilapidated condition and inadequately served by public services. Each property is unique and does not lend itself to the application of city-wide objective standards such as permitted by Government Code Section 65583(a) (4). The City believes these properties would more appropriately be reused as single-room occupancies after a discretionary-review process.

Staff has considered the idea of creating a new zoning district which, when applied to an applicant-identified piece of property, could appropriately contain an emergency shelter as a matter of right. The City currently has two zoning districts on its books, the historical overlay zone and the highway commercial district, which provide potential models for this type of zoning district.

Because the City has not revised its zoning ordinance in order to provide for emergency shelters as a matter of right, this revision contains a program for presentation of such an ordinance within one year. In addition, the element contains a program for presentation of a single-room occupancy ordinance to the Council within the next review period.

**Proposed Program for Zoning Ordinance Amendments:**

- Add emergency shelters, transitional housing and supportive housing, as defined by the Health and Safety Code, to Title 12, Chapter 2 (Definitions) of the Santa Maria Municipal Code.

- Add transitional and supportive housing as permitted uses in R-1, RSL-1, R-2, and R-3 residential districts. Evaluate whether appropriate and consistent with State law to add these as permitted uses in the RMH district.
- On or before December 31, 2010, identify and/or design a zoning district in which emergency shelters, as defined, may be located as a matter of right.
- On or before December 31, 2010, develop objective, written standards to regulate emergency shelters that locate as a matter of right. Include the following, as permitted by Government Code Section 65583(a)(4):
  - The maximum number of beds and/or persons to be served nightly;
  - Off-street parking based on demonstrated, but not to exceed parking requirements for other residential or commercial uses in the same zone;
  - The size and location of exterior and interior onsite waiting and client intake areas;
  - Proximity to other emergency shelters (dispersion requirement not to exceed 300 feet)
  - Length of stay;
  - Lighting;
  - Security during hours the emergency shelter is in operation.
- Present a revised single-room occupancy ordinance, with provision for efficiency units as permitted by the Health and Safety Code, to policymakers for potential adoption.

#### **D. Conserve and Improve Existing Affordable Housing Stock:**

1. **Program 12 - NEIGHBORHOOD CONSERVATION PROGRAM:** This program, which was developed in 1990, assists the City's neediest neighborhoods through the use of existing improvement programs. Low-income neighborhoods--with a high incidence of criminal activity, serious public improvement deficiencies, significant code violations, and generally deteriorating conditions--receive the efforts of this program. As citizens see the positive results of the program, more people will take a more active role in preserving their neighborhoods and become involved in activities that prevent neighborhood blight and foster community pride.
2. **Program 13 - CODE COMPLIANCE PROGRAM:** Enforcing housing and building codes directly links to ensuring the safe and habitable condition of the housing stock, and thus the continued viability of neighborhoods. Code violations involving immediate health or safety hazards are handled without the need for a complaint. Alleged violations involving public welfare issues are pursued only after a complaint is received. Complaints will normally come directly from citizens, from officials on behalf of citizens, or from staff as a consequence of observations in the normal course of duties (e.g., inspections and permitting). When a violation is found, steps are taken to correct the problems.

3. **Program 14 - SINGLE ROOM OCCUPANCY:** During the previous planning period, the City provided for single-room residential occupancies in commercial zones. This regulatory provision made it possible for an existing hotel that could legally accommodate only transitory occupancy (less than 30 days) to house individuals on a permanent basis. City staff facilitated the conversion by reducing processing fees. Staff also showed the owner that the value of his investment would be increased by committing to providing low-income housing for 30 years. The resulting conversion added and preserved over 70 low-income housing units in the City's stock.

A single-room occupancy ordinance was presented during the previous cycle, but rejected by the City Council. The draft will be re-written to address concerns raised in public hearings for the ordinance.

#### **E. Preserve At-Risk Assisted Projects:**

1. **Program 15 - PROJECT-BASED TENANT ASSISTANCE PROGRAMS:** Section 236 construction included the Union Plaza, owned and managed by the Teamsters Union, which is a seven-story structure with 122 one-bedroom apartments designed to accommodate low-income elderly persons. This project remains the only assisted housing project at risk.

The Housing Authority of Santa Barbara County acquired the Central Plaza project, and will maintain the affordability of these units also done under the Section 236 Program. The Housing Authority which consists of 112 garden style apartments for low-income families. The project includes a park with play areas.

2. **Program 16 - TENANT-BASED ASSISTANCE PAYMENTS PROGRAMS:** Through the Section 8 Housing Assistance Payments Program, the Housing Authority provides rental subsidy payments directly to private property owners on behalf of eligible low-income tenants who cannot afford market rates without a subsidy. Families with certificates must rent approved units at fair market rents, and the subsidy represents the difference between 30 percent of the monthly income and the approved rent for an adequate housing unit. The program also includes a voucher option, which permits families to rent units beyond the fair market rents; the family must pay any rent difference. This program, funded through HUD, seeks to encourage low-income persons to find housing in publicly assisted units throughout the community rather than impacting any one particular area. On December 31, 2002, the Section 8 program provided Santa Maria 2,093 certificates and vouchers. The Housing Authority continues to apply for new funds to increase Section 8 assistance. During the previous planning period, the Housing Authority also processed and received approval for Ted Zenich Gardens, was completed. The Housing Authority continually seeks input from the residents and encourages their involvement in management activities. More public housing units are needed, and the Housing Authority will continue to apply to the Department of Housing and Urban Development (HUD) for funds to provide these additional units.

3. **Program 17 - SUPPORTIVE HOUSING FOR HOMELESS PERSONS:** CDBG and/or General Funds are allocated annually to the Transitional Center for Women and Children, which is the only transitional housing in Santa Maria. Women and children, including those with drug and alcohol problems, receive housing here for up to 90 days. There exists no transitional housing for men at this time. The Non-Profit Facilities Program is available to these agencies for capital development activities. There is a need for transitional housing which houses men as well as women and children, and this program could aid in the funding of such a project.

CDBG and/or General Funds allocations annually go to public service agencies providing emergency shelter and services. The Non-Profit Facilities Program is available to these agencies for capital development activities.

CDBG and/or General Funds allocations annually go to public service agencies providing support services to the homeless. Such services consist of counseling, medical relief, and transportation. The Non-Profit Facilities Program is available to these agencies for capital development activities.

The Emergency Shelter program, discussed in detail earlier in this Chapter, includes provisions to address revisions to the zoning code for compliance with State law.

#### **F. Equal Housing Opportunities:**

1. **Program 18 - FAIR HOUSING PROGRAM:** The City supports the local Fair Housing Council with a financial and philosophical commitment. The housing programs sponsored by the City promote housing opportunities for all persons within the community. The Legal Aid Foundation of Santa Barbara County, under contract with the City, conducts fair housing activities. These include the preparation of a fair housing assessment, educational presentations before community groups, testing of fair housing practices for rental housing, development of educational materials, operation of a special telephone call line, and direct legal representation of eligible clients in cases involving housing discrimination in the Santa Maria community. The City complies with the Federal Fair Housing requirements related to program resources, which are available in English and Spanish. The Special Projects Division administers the production and distribution of Fair Housing information throughout the City. Locations of the program distribution are maintained on the City web page.

#### **G. Energy Conservation Opportunities:**

1. **Program 19 - ENERGY COMPLIANCE AND CONSERVATION:** Energy conservation plays a vital role in providing decent, affordable housing. The City Building Division enforces California Title 24 -- Building Energy Efficiency Standards -- for all new construction in the City. The City will solicit information from local utility providers about conservation programs, rebates, and low-income assistance programs through those companies.

Community Action Commission of Santa Barbara County (CAC) provides weatherization and energy conservation home improvements, such as the installation of insulation, window caulking, and water-conserving fixtures, to low and very low income households, with preference given to seniors. Emergency grants are also available for the payment of utility bills. CDBG funds have been allocated for use with CAC funds in order to assist more households under this program. Santa Barbara County has a program that provides energy efficiency rebates through the utility companies for home insulation and replacing inefficient appliances with new, energy efficient models.

**References Cited in this Chapter:**

Homeless Information:

- Interview (July 23, 2009) with Michael Rylant, Shelter Manager for Good Samaritan Services;
- A Report on Homelessness Services in the County of Santa Barbara (February 2006), by Roger E. Heroux;
- 10-Year Plan to End Chronic Homelessness Throughout Santa Barbara County (2006), by Sylvia Barnard and Helene Schneider
- Santa Barbara County Housing Element (February 2009)

**Appendices to this Chapter:** None