

**HOUSING ELEMENT
of the
SANTA MARIA GENERAL PLAN**

**HOUSING AND COMMUNITY
DEVELOPMENT DEPARTMENT
REVIEW DRAFT**

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Housing Element Update

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Introduction

The Housing Element is one of seven mandated elements of the General Plan. It provides a written framework for meeting the housing goals of the City. The Santa Maria Community Development Department drafted the Housing Element, which reflects substantial research and effort to produce an effective policy document for the decision-makers of the City. The Housing Element also serves as an informational document to the residents of the community, prospective residents, businesses, and developers. It includes written goals, policies, objectives, and implementation programs to show the housing needs and opportunities of the City of Santa Maria.

Housing must be treated as a commodity. As a framework for discussion, housing units include specific traits, like size, shape, location, age, condition, amenities, demand, and supply. Together, these housing traits create the value of housing in the free market. Affordable housing is a nebulous term unless compared with a benchmark. The standard used throughout this Housing Element is the Housing and Urban Development Department (“HUD”) median household income for a family of four. The reader must recognize that HUD maintains housing program qualification income limits for that purpose. The use of the income limits for any other purpose has not received HUD sanctions. Individual circumstances will deviate from this median.

In Santa Maria, individual circumstances often differ from HUD standards. For example, the concept of a “family of four” living in one economic unit, or “household,” which in turn lives in one housing “unit” which has been planned and constructed with City oversight is often false. In Santa Maria, nuclear families with limited income will often join together with extended family or unrelated families to purchase single-family houses. The owners will then remodel the house to create additional space in which to house additional individuals. As a result of these private actions, Santa Maria developers have constructed a large amount of residential habitable space during the planning period.

The concept of habitable space is crucial to a community that is committed to housing its people—in contrast to communities that focus on paper plans for housing inventory that will never be built. State law (Uniform Housing Code §503.2) requires cities to accept “overcrowded” conditions in their housing spaces unless the individual city can prove it has distinctive local climatic, topographic or geographic conditions that make the state standard inapplicable [Briseno v. City of Santa Ana (1992) 6 Cal.App.4th 1378]. Specifically, the Uniform Housing Code requires cities to allow up to two people in a room containing as little habitable space as 70 square feet. In a “single-family” house of the size typically now built in Santa Maria, there is sufficient habitable space to hold 24 people, even without remodels. Experience with an active code compliance program, shows that people in Santa Maria often live this way. Experience also shows that people in Santa Maria want to own their own houses, regardless of their income. If they cannot own them individually, they will buy or rent a house together. Importantly, they are housed in sufficient space to meet state Uniform Housing Code standards.

The housing reality in Santa Maria — i.e., a large amount of housing production, “overcrowded” housing conditions we are legally required to accept, and a small homeless population — is at odds with some State law assumptions crucial to producing a certifiable Housing Element. These assumptions begin with Regional Housing Needs numbers. By these numbers, Santa Maria is presumed to have a housing need, which is quantified and divided into categories of housing that must be accommodated by designating vacant sites for the housing during a planning period. Other assumptions follow: that people with low incomes are to live as “households” in dense, multi-family housing which must be designated as such by zoning, and that this labeled type of housing must be preserved (presumably for “households” with low incomes).

Out of this environment of conflicting State expectations and ill-fitting housing reality emerges the City of Santa Maria’s housing element. We are proud of the housing and housing services that we provide, and we seek affirmation of our innovative efforts in the form of State certification of the element.

Until 1997, market rate housing filled most of the needs of the community. Government, church/community-based organizations and non-profit housing agencies provide a housing “safety net” and fit into the low-moderate income end of the continuum. The role of government is to coordinate housing assistance efforts. Mostly, through assistance to the very low- and low-income households and non-profit social-service agencies, the public sector helps fulfill the housing goals of the community. Government may also mandate that housing efforts by the private sector, be made to assist with providing affordable housing.

Community Snapshot

The City of Santa Maria is located in the central coast area of California in the northern portion of Santa Barbara County, roughly 250 miles south of San Francisco and 170 miles north of Los Angeles. The City lies within the Santa Maria River Valley in a fertile plain, surrounded by rolling hills on three sides and the Pacific Ocean to the west. Historically, the river flooded the valley floor, depositing rich alluvial soils and making the valley one of the most productive agricultural areas in the state. Crops include celery, lettuce, peas, squash, cauliflower, spinach, broccoli, and beans. Production of labor-intensive strawberries, increased dramatically in Santa Barbara County from 750 acres in 1981 to over 10,000 acres in 2000.

Since 1990, Santa Maria has experienced a 32 percent population increase which includes a large number of migrants coming from Mexico. The Mixteco (pronounced *Miz-tek-oh*) Indian people from Oaxaca (pronounced *Wa-ha-ka*) make up a large percentage of this increase. Mixtecos believe a series of seasonal jobs provide sufficient stability to justify family unification in their new land of “opportunity. These “new-new” immigrants in California agriculture are the poorest of Mexico’s poor and, as the newest arrivals; Mixtecos are at the bottom of the agricultural job ladder. Santa Maria has one of the largest Mixteco-speaking populations outside of Mexico. Among some people, prejudice still exists toward this ethnic group. Many Mixtecos are shunned because they are perceived as being in a lower socioeconomic class than others from Mexico. Another challenge is communication; there are over sixty dialects of Mixtec and no written language. Many of the immigrants have entered the United States illegally, remain isolated and do not assimilate – not only because of language and cultural barriers, but also from fear that their status will be detected and they will be returned to Mexico.

While agriculture has always played an important role in the City's economic and industrial base, other important growing sectors of the local economy are the aerospace industry, communications, high-technology research and development, energy production, military operations and various manufacturing industries. The business climate in the City is one of diversity, interdependency and cooperation. Santa Maria prides itself on being a business-friendly City yet two-thirds of Santa Maria's jobs are in the three lowest income sectors – agriculture, retail and service. The City serves an unincorporated area immediately adjacent to its boundaries of approximately 35,000 population. Santa Maria consistently has been the fastest growing city in Santa Barbara County over the last two decades. It is anticipated that this trend will continue throughout the current decade as Santa Maria continues to be the hub for Northern Santa Barbara County with a projected average 2% annual population growth rate.

Santa Maria very aggressively works toward increasing the supply of housing to meet local demands. Because Santa Maria sits within commuting distances of Santa Barbara and San Luis Obispo, two of the least affordable cities in the State, the City became positioned as an affordable "Housing Mecca" for first time home buyers and others. External forces effectively drove housing prices through the roof statewide causing a flight to better housing values. Because of high demand for relatively more affordable housing values, Santa Maria experienced rapid housing price escalation in the late 1980's to early 1990's. After the 1992-97 Statewide Recession, housing prices continued upward, driven by Silicon Valley demand reaching into San Luis Obispo County further pushing first-time homebuyers to Santa Maria. Additionally, home mortgage rates achieved 30-year lows that fanned the flames of homeownership in Santa Maria. From 1990 to 2000, homeownership increased from 52% to almost 56% driven predominantly by commuters to jobs in unaffordable cities.

A balance between jobs and housing in a region can be defined as the provision of an adequate supply of housing to house workers employed in a defined area. Alternatively, a jobs / housing balance can be defined as an adequate provision of employment in a defined area that generates enough local workers to fill the housing supply. The Economic Development Element outlines the issues related to jobs / housing balance and offers clear, concise conclusions and recommendations for action items to address the concerns. Clearly, Santa Maria reflects the regional path of least resistance to growth and development. "Growth and development" do not mean the same thing to our neighboring jurisdictions. In fact, both Santa Barbara and San Luis Obispo (cities and counties) maintain similar policies about growth. As the communities to the north and south of Santa Maria tighten, the development community seeks a relatively easier environment to work in. A long, drawn-out process for urban development in an urban area does not encourage "affordable" housing. The only answer to the current growth and development patterns requires a regional solution.

The City of Santa Maria encourages a variety and mix of housing types to provide adequate housing choices for persons of all income levels. For housing projects proposed within the Downtown Specific Plan area, the City further requires use of the design principles identified in that Plan to assure superior results that will enhance and revitalize the Downtown area in the short and long term.

Statutory Compliance Summary

The following Table summarizes the California Government Code requirements for the City's Housing Element, and references the location within the Element where those requirements are addressed.

| Government Code Section | Description of Statutory Requirements | Housing Element Section |
|-------------------------|--|--|
| 65583(a) | An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. | Chapter III, throughout |
| 65583(a)(1) | An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. These existing and projected needs shall include the locality's share of the regional housing need. | Chapter III, Sections R and S; Chapter IV, Section A |
| 65583(a)(2) | An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition. | Chapter III, Section C, D, and Q |
| 65583(a)(3) | An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites. | Chapter IV, Section B |
| 65583(a)(4) | The identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. | Chapter III, Section K; Chapter IV, Section C; and Chapter VI, Section C |
| 65583(a)(5) | An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need, and for meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters. | Chapter V, Section A |

| Government Code Section | Description of Statutory Requirements | Housing Element Section |
|-------------------------|--|---|
| 65583(a)(6) | An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction. | Chapter V, Section C |
| 65583(a)(7) | An analysis of any special housing needs, such as those of the elderly, persons with disabilities, large families, farm workers, families with female heads of households, and families and persons in need of emergency shelter. The need for emergency shelter shall be assessed based on annual and seasonal need. | Chapter III, Table III-2, Sections E through K |
| 65583(a)(8) | An analysis of opportunities for energy conservation with respect to residential development. | Chapter VI, Section G |
| 65583(a)(9) | An analysis of existing assisted housing developments that is eligible to change from low income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. | Chapter III, Table III-6 and Section D; Chapter VI, Section E |
| 65583(b)(1) | A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing. | Chapter VI, throughout; Chapter VII, throughout |
| 65583(c) | A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available and the utilization of monies in a low- and moderate-income housing fund of an agency if the locality has established a redevelopment project area. | Chapter VII, throughout; Chapter VIII, throughout |

| Government Code Section | Description of Statutory Requirements | Housing Element Section |
|--------------------------------|---|--|
| 65583(c)(1) | Identify actions that will be taken to make sites available with appropriate zoning and development standards and with services and facilities to accommodate that portion of the City's or County's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory without rezoning. Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels, including multifamily rental housing, factory-built housing, mobile homes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. | Chapter IV, throughout; Chapter VI, Section C |
| 65583(c)(2) | Assist in the development of adequate housing to meet the needs of low- and moderate-income households. | Chapter VI, throughout; Chapter VII, throughout; Chapter VIII, Section D |
| 65583(c)(3) | Address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities. The program shall remove constraints to, and provide reasonable accommodations for housing designed for, intended for occupancy by, or with supportive services for, persons with disabilities. | Chapter V, throughout; Chapter VI, Section C; Chapter VII, Section B |
| 65583(c)(4) | Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. | Chapter VI, Section 6; Chapter VII |
| 65583(c)(5) | Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability. | Chapter VI, Section F; Chapter VII |
| 65583(c)(6) | Preserve for lower income households the assisted housing developments. | Chapter VII, throughout |

| Government Code Section | Description of Statutory Requirements | Housing Element Section |
|--------------------------------|--|---|
| 65583(c)(7) | An identification of the agencies and officials responsible for the implementation of the various actions and the means by which consistency will be achieved with other general plan elements and community goals. The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort. | Chapter I (public participation); Chapter VII, throughout Chapter VIII (consistency with other General Plan Elements) |