

July 14, 2009

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**SUBJECT: Conceptual Approval of Draft Amendments to the County Housing Element and Related General Plan Amendments, and Draft Non- Coastal Zoning, Coastal Zoning and Subdivision Ordinance Amendments; Approval of Sites for Further Evaluation for Re-zoning to Residential High Density (RHD) Zone; Determination of Lower-Income Housing Requirements for the Proposed RHD Zone; and Approval of Draft Scope-of-Work for Environmental Review - Countywide**

**Recommendations:**

The Planning Division recommends that your Board:

1. **Review and conceptually approve** the proposed amendments to the General Plan *Land Use Appendix* and *Goals, Policies and Programs* (Exhibits 1 and 2), and direct the Planning Director to transmit the draft documents to the State Department of Housing and Community Development for mandatory 60-day review.
2. **Review and conceptually approve** the proposed amendments to the Non-Coastal and Coastal Zoning Ordinances and Subdivision Ordinance (Exhibits 3, 4 and 5).
3. **Approve** the sites recommended for further review in an environmental impact report for potential rezoning to Residential High Density (RHD) Zone (Exhibit 8).
4. **Direct** staff to include lower-income housing requirements in the proposed RHD zone consistent with Option 1 of Exhibit 9.
5. **Approve** the attached Environmental Impact Report (EIR) scope-of-work (Exhibit 10).
6. **Direct** staff to proceed with the work program and return to the Board for a net county cost increase once final costs of the environmental impact report are known.



### **Fiscal Impact**

Housing Elements are a State-mandated component of the County General Plan. The current 2008 County Housing Element was not certified by the State Department of Housing and Community Development (HCD) as meeting the requirements of State law.

Approval of this item will require a budget adjustment to cover the costs of consultants to prepare technical studies and analysis for the environmental impact report. The preliminary cost estimate is approximately \$97,900 for the preparation of traffic, noise and water supply analyses as described in Exhibit 10 for the eight sites listed in Exhibit 8. The recommended budgetary adjustments are necessary to correct this deficiency.

In addition to the consultant costs, preparation of the environmental impact report and other identified program tasks will require Planning Division staff time equivalent to approximately two staff people for 12 months as well as review of technical analyses from Public Works Agency Transportation Division and Watershed Protection District staff.

The EIR costs were not included in the FY 2009-10 adopted budget. Preliminary consultant costs are estimated to not exceed \$97,900. As this is not privately-initiated, there is no revenue to offset the estimated costs. RMA will proceed with the scope of work identified in Exhibit 10 and then return to the Board in conjunction with the CEO's mid-year budget adjustment board letter, with a budget adjustment to increase net county cost by no more than \$97,900 once final EIR costs are finalized.

### **Statement of Matter for Board Consideration:**

On February 10, 2009, the Board was presented a summary of comments received from HCD on the 2008 General Plan Housing Element and a staff proposed work program to address HCD's concerns. At that time, staff indicated that the Planning Division would return with draft language for the revised Housing Element, draft language for associated Ventura County Coastal and Non-Coastal Zoning Ordinance amendments, recommendations for sites to be further considered for re-zoning to 20 dwelling units per acre, and a proposed scope-of-work for an EIR.

This Board letter includes the draft amendments and associated EIR scope and cost estimate to address HCD's comments. If acceptable to your Board, the proposed draft Housing Element revisions will be forwarded to HCD for a mandatory 60 day review, and the Planning Division will concurrently proceed with the preparation of an EIR.

### **Discussion:**

#### **Draft Amendments to the General Plan *Land Use Appendix* and *Goals, Policies and Programs***

The *Land Use Appendix* (LUA) of the General Plan provides background data and analysis as a basis for the *Goals, Policies and Programs* (GPP). Portions of each of these documents together constitute the Housing Element. Both of these documents have been revised to address comments received from HCD and are attached as



Exhibits 1 and 2, respectively. In particular, the analysis of housing inventory and affordability in the *LUA* has been significantly re-worked to include actual sales data and rents as requested by HCD. The analysis resulted in revised calculations related to the County's needs assessment and inventory. As previously communicated to your Board, HCD did not accept some of the assumptions that were used to calculate the affordability of both completed dwelling units as well as future inventory for lower-income households.

Additional changes to the lower-income inventory are partly the result of recent changes in the economy and the drastic reduction in the median sales prices of single-family residential units in Ventura County over the past two years. Other updates include the recent approval of the Limoneira farmworker housing project earlier this year consisting of 74 units. In addition, the Cabrillo Economic Development Corporation (CEDC) farmworker housing project in Piru consisting of 66 units is scheduled to go before the Planning Commission on July 23. For purposes of this analysis, staff assumed this project would be approved and incorporated the units into the inventory. If the CEDC project is not approved or the number of units is changed, the inventory would be adjusted accordingly. In summary, as shown in Table 3.3.7-5 of Exhibit 1 the remaining need for lower income housing for the planning period from January 2006 through June 2014 is 28 units.

Although these numbers suggest that the County is very close to being able to demonstrate adequate inventory for lower-income housing within the unincorporated area, staff is recommending going forward with EIR evaluation of several sites for re-zoning for many reasons. First, there is no assurance that HCD will agree with the assumptions and methodology for calculating inventory, as was the case for the 2008 Housing Element. If any one of the assumptions is not acceptable to HCD, the inventory would show an increased deficit and thus, require more sites to be rezoned. Second, any potential sites identified for re-zoning that may turn out not to be necessary for this planning period (January 2006-June 2014), would potentially be available for the next Housing Element update cycle when re-zoning will almost certainly be necessary. Third, since other draft General Plan and Zoning Ordinance amendments would have significant impacts on the environment necessitating the preparation of an EIR (i.e., emergency shelters, parcel size exemptions for farmworker housing complexes); it makes sense to include the evaluation of sites for rezoning to 20 dwelling units per acre in the same EIR.

Other notable revisions to the *LUA* include an update of household incomes, HUD affordability tables, and median salary information to reflect 2008 data, as well as an update of general information, and an explanation of the re-ordering and timing changes for implementation of several programs identified in Section 3.3.9.

Revisions to the *GPP* document are directly related to the above analysis. The most significant change is the re-ordering and timing of implementation of the programs identified in Sections 3.3.3 and 3.4.3. As presented in February, the following programs are being processed concurrently with this Housing Element update:



- ▶ Amendments to the Non-Coastal and Coastal Zoning Ordinances to clarify which zones allow special needs housing (i.e., emergency shelters, transitional housing, supportive housing, single-room occupancy units) and to establish a process to approve deviations from zoning standards to meet the reasonable accommodation provisions of the Federal Fair Housing Act, the Federal Fair Housing Act Amendments Act of 2008, and the California Fair Employment and Housing Act. (program 3.3.3.5(3));
- ▶ Amendments to the General Plan, Zoning Ordinance, and Subdivision Ordinance to allow creation of parcels less than 40 acres in the AE zone for Farmworker Housing Complexes within or adjacent to City Spheres of Influence (program 3.3.3.5(8));
- ▶ Amendment to the Non-Coastal Zoning Ordinance to allow second dwelling units on non-conforming lots subject to the same standards as conforming lots, and increase the size of second dwelling units to 1,800 square feet on parcels of 40 acres or more to accommodate larger, non-farm worker families (program 3.3.3.5(9)); and
- ▶ An inventory and assessment of potential parcels suitable for residential development of 16 or more dwelling units with a minimum density of 20 dwelling units per acre, and concurrent amendments to the General Plan, Area Plans, and the Non-Coastal Zoning Ordinance to create the RHD zone to allow ministerial multi-family residential developments on selected parcels (program 3.3.3.5(11)).

The amendments listed above are the subject of the EIR. The remaining programs are either on-going or will be postponed until 2010-2012. The larger programs that are recommended to be postponed until staff resources become available include:

- ▶ Updating the density bonus ordinance to be consistent with State law;
- ▶ Amendments to the Zoning Ordinances requiring residential development projects of 10 or more dwelling units to provide lower-income residential units; and
- ▶ Amendments to the Zoning Ordinances to require a Housing Impact Mitigation Fee for commercial and industrial developments.

In addition to amendments to the General Plan and Zoning Ordinances, the Piru Area Plan, El Rio/Del Norte Area Plan, and the Santa Susana Community General Plan Map will also need to be revised depending on which sites are approved to be re-zoned. This draft language has not been included as a part of this review and action.

#### Draft Ordinance Amendments

As mentioned previously, Section 3.3.9 of the *LUA* and Section 3.3.3 of the *GPP* identified numerous programs that require zoning ordinance amendments. The primary focus of these amendments is to facilitate the development of housing for lower-income households (e.g., special needs housing and emergency shelters, farmworker housing complexes, second dwelling units, and re-zoning to accommodate high density multi-family residential projects). Each of these programs was assigned a timeframe for

completion stretching from the beginning of 2009 through 2011. However, based on HCD's comments and your Board's direction, proposed ordinances have been drafted concurrently with this Housing Element Update and are attached herein. Proposed draft ordinance changes are included as Exhibits 3, 4, and 5 and are summarized as follows:

- Exhibit 3 – Draft Amendments to the Non-Coastal Zoning Ordinance (NCZO):
  - Exhibit 3-1 - Special Needs Housing, Emergency Shelters, and Reasonable Accommodation.
  - Exhibit 3-2 – Farmworker Housing Complexes.
  - Exhibit 3-3 – Second Dwelling Units.
  - Exhibit 3-4 –Residential High Density (RHD) Zoning.
- Exhibit 4 – Draft Coastal Zoning Ordinance Amendments for Special Needs Housing and Reasonable Accommodation
- Exhibit 5 - Draft Subdivision Ordinance Amendments regarding exemptions to parcel size limitations.

Exhibits 6 and 7 are maps of potential emergency shelter locations and potential farmworker complex sites, respectively, if the proposed amendments to the Non-Coastal Zoning Ordinance (Exhibits 3-1 and 3-2) are approved.

Exhibit 3-1 provides draft language for special needs housing, emergency shelters and reasonable accommodations as required by state law. The special needs housing segment includes definitions for emergency shelters, single room occupancy, supportive housing, and transitional housing. The draft language also identifies which zones the special needs housing is allowed by revising the zoning use matrix as shown. More specifically, single room occupancy units without a kitchen would be allowed in the R (Residential), AE (Agricultural Exclusive) and OS (Open Space) zones similar to a boardinghouse with a Planning Commission approved Conditional Use permit. Single room occupancy with a kitchen would only be allowed in the RPD (Residential Planned Development) zone with approval of a Planning Commission Conditional Use permit consistent with other multi-family dwellings in the RPD zone. In addition, the matrix would be revised to include approval of emergency shelters in the CPD (Commercial Planned Development) zone subject to the new standards with approval of a zoning clearance as required by state housing law.

In addition, Exhibit 3-1 provides a process for approval of reasonable accommodations pursuant to the Federal Fair Housing Act. Reasonable accommodations are deviations from specific zoning and land use requirements to ensure equal access to housing for people with disabilities. Examples of these features include setback encroachments and yard area encroachments for handrails, ramps, and building additions to allow accessibility. Such requests would be submitted to the Planning Director for review and evaluation and subject to conditions of approval. Each request is specific to an individual. This new language is repeated in Exhibit 4 in order to modify the Coastal Zoning Ordinance.



Exhibit 3-2 provides specific language allowing the creation of substandard sized parcels for farmworker housing complexes in the AE zone, provided the parcels are within or adjacent to a city Sphere of Influence and that the remaining agricultural parcel be no less than 40 acres.

Exhibit 3-3 provides specific language allowing second dwelling units with four bedrooms and up to 1,800 square feet on parcels that are 40 acres or more outside of groundwater quality and traffic impact areas as defined in existing code. This provision is included in order to help facilitate lower-income housing for larger families.

Staff has also prepared draft language for a Residential High Density (RHD) zone (Exhibit 3-4) that would allow development of multi-family residential projects "by right" as required by state housing law. The proposed language includes development standards, regulations and design standards for a multi-family residential project not subject to discretionary review or defined as a "project" under CEQA. An applicant would submit a development application that addresses all of the requirements of the zone and be approved with a Zoning Clearance.

In conjunction with the new RHD zoning ordinance, staff has continued to research and evaluate the list of 14 sites that was recommended to your Board in February 2009. As a result of this analysis, the list is recommended to be reduced to eight sites, which are listed and shown on Exhibit 8. Criteria used to evaluate suitability of the sites included vacant, undeveloped or underutilized parcels, minimum parcel size of 0.8 acres, not subject to SOAR, water and sewer service availability, not located within the Highway 33 or Highway 118/34 impact areas, and other physical constraints such as topography and local access. The minimum parcel size is based on State law requirement that each site identified in the re-zoning program must be able to accommodate at least 16 units. These sites are *not* listed in any particular order of preference pending completion of the environmental review.

The recommended potential sites include two sites in the Piru Community, two sites located on Santa Susana Pass Road, one site in Strickland Acres, and three sites in El Rio. Aerial photographs depicting the sites are included in Exhibit 8 as Figures 1, 2, 3 and 4, respectively. At the time of this writing, staff successfully contacted six of the eight property owners by phone with four of the six agreeable to the re-zoning of their property, one having reservations, and the sixth one being opposed. Attempts were made to contact the remaining two property owners by phone, email and/or U.S. postal service prior to this hearing.

Six of the 14 sites originally presented in February, are recommended to be removed from the list for various reasons, including a lack of water and sewer service, topography and potentially inadequate site access. A summary of these and other development constraints is also included in Exhibit 8.

With re-zoning at a density of 20 units per acre and a minimum project size of 16 units, it would take re-zoning of approximately 1 to 2 acres to provide adequate sites for development of the necessary 28 units to meet the County's lower-income housing identified need.

#### Lower-Income Housing Requirements

During the Board hearing in February 2009, there was discussion regarding whether or not a mandatory affordability requirement could be included in the proposed RHD zone. In response to this question, the Planning Division, in conjunction with County Counsel, prepared options for Lower-Income Housing Requirements in the RHD zone, which is attached as Exhibit 9. Exhibit 9 describes three options ranging from 100 percent affordable units to no affordable housing requirements. In summary, Option 1 includes 100 percent affordability requiring that all units be built as affordable to very low and low-income households. Option 2, in order to encourage development of extremely low-income units, involves requiring a portion of the units be required to be affordable at a yet to be determined ratio of extremely low, very-low and low-income units, with the remaining units allowed to be market rate. Option 3 does not include any provision for ensuring affordability. In staff's opinion, although this option appears to not violate the specific provisions of state law, it would not achieve the purpose and intent of State law for rezoning which is to facilitate development of very low and low income housing.

Staff recommends Option 1, which includes a requirement of 100 percent affordable units for very low and low-income units as indicated in Exhibit 9 as it will ensure development of affordable units consistent with the intent of State law and be less costly to develop and administer than Option 2. Option 1 also ensures that the least amount of land would be rezoned to higher density while meeting the County's Regional Housing Needs Allocation targets.

#### Proposed EIR Scope and Cost Estimate

The proposed EIR scope of work, cost estimate and timeline are provided in Exhibit 10. The EIR will be prepared principally by Planning Division staff with technical studies and analysis to be completed by consultants, where necessary. Staff requested cost estimates from a qualified consultant for the consultant's portion of the work. The preliminary estimates including traffic, noise and water supply analyses, total \$97,900 for all eight sites. Preparation of the EIR is expected to take approximately nine months with public hearings before the Environmental Report Review Committee, Planning Commission and Board anticipated in summer and fall of 2010.

#### Public Notice:

A public notice of this Board of Supervisors hearing was prepared in accordance with California Government Code and published in the Ventura County Star on July 3, 2009. In addition, notice of the hearings appeared on the Planning Division's Housing Element webpage. Notices were also sent via either email or regular mail to property owners, a 300-foot list of surrounding property owners, applicable cities, stakeholders and concerned persons/entities involved in the County's Housing Element update process.



This Board item has been reviewed by County Executive Office, County Counsel, and the Auditor-Controller's Office. If you have any questions regarding this item, please contact me at 805-654-2481, or Bruce Smith at 805-654-2497.



Kim L. Rodriguez  
Planning Director

Attachments:

- Exhibit 1 – Draft Amendments to the *Land Use Appendix* of the General Plan
- Exhibit 2 – Draft Amendments to the *Goals, Policies and Programs* of the General Plan
- Exhibit 3 – Draft Amendments to the Non-Coastal Zoning Ordinance:
  - Exhibit 3-1 – Draft Special Needs Housing, Emergency Shelters, and Reasonable Accommodation Ordinance Amendments
  - Exhibit 3-2 – Draft Farmworker Housing Complex Ordinance Amendments
  - Exhibit 3-3 – Draft Second Dwelling Unit Ordinance Amendments
  - Exhibit 3-4 – Draft High Density Residential (RHD) Zoning Amendments
- Exhibit 4 – Draft Amendments to the Coastal Zoning Ordinance
- Exhibit 5 – Draft Amendments to the Subdivision Ordinance
- Exhibit 6 – Map Depicting Potential Emergency Shelter Sites
- Exhibit 7 – Map of Potential Farmworker Complex Sites
- Exhibit 8 – Potential Sites for Re-zoning to 20 Dwelling Units per Acre
- Exhibit 9 – Options for Lower-Income Housing Requirements in the Residential High Density Zone
- Exhibit 10 – Preliminary Scope of Work, Cost Estimate and Timeline for EIR