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July 13, 2009

Ventura County Board of Supervisors Steve Bennett, Chairman Hall of Administration 800 South Victoria Avenue Ventura, CA 93009

RE: <u>ITEM 33 - JULY 14, 2009 PUBLIC HEARING</u>. DRAFT AMENDMENTS TO THE VENTURA COUNTY HOUSING ELEMENT & GENERAL PLAN & RELATED ZONING AMENDMENTS

Dear Chairman Bennett and Members of the Board of Supervisors:

I write this letter on behalf of the Farm Worker Housing Task Force of the Ventura County Ag Futures Alliance and *House Farm Workers*, its advocacy and educational project.

We would like to thank the Staff for their sincere and diligent efforts to address HCD's critique of the County's 2006-2014 Housing Element. The road traveled has been lengthy and painful for all concerned, as we are now three years into the current planning period. Yet, we are encouraged because the documents you have before you include not just the Housing Element and General Plan amendments, but also identify sites for rezoning to high density residential, and include necessary zoning and subdivision amendments to implement the Housing Element.

We are pleased that the County's updated Land Use Appendix, and Goals, Policies and Programs address many of the concerns raised by HCD in their November 10, 2008, review of the County's adopted Housing Element. This letter will focus on four specific concerns that we have with the documents that Staff have presented for your consideration.

1. Program 3.3.3. 5 (8) – General Plan and Non-Coastal Zoning Ordinance to allow for the creation of parcels less than 40 acres in the AE zone for Farm Worker Housing Complexes. (Exhibit 2)

We are disappointed and frustrated that this program and specifically, the proposed zoning amendment to implement Program 3.3.3. 5(8), are inadequate to address the demonstrated need for farm worker housing.

We have two specific objections to the proposed ordinance Sec. 8103-2.7 - Parcels for Farm Worker Housing Complexes: (1) parcels in the OS zone are not included within the scope of the ordinance; and (2) the ordinance requires that the remaining non-farmworker housing complex parcel is a minimum of 40 acres.

The requirement for a 40 acre remainder parcel is particularly onerous, and poses a "catch 22" in that one cannot subdivide a legally constituted 40 acre parcel and still retain 40 acres in the remainder parcel. This is especially so if the eligible parcels are restricted to the area within or adjacent to a city Sphere of Influence because the parcels closer to the cities tend to be smaller to begin with. We also note that agriculture and farming practices in this County are constantly adapting to the changing environment. Farmers by necessity are finding better and more productive cultivation practices and are growing more and different varieties of crops. The historical notion that it takes 40 acres to maintain a viable farming operation is not necessarily the case in general, and certainly not in Ventura County.

Thus, we propose that the Board eliminate the requirement for a 40 acre remainder parcel. We would also urge the Board to allow for the subdivision of OS parcels, as was originally intended.

As background, and to understand the source of our frustration, please consider that a number of the current members of the Farm Worker Housing Task Force have been working collaboratively with the County on this issue since September 27, 2001, when the Board of Supervisors convened a Farm Worker Housing Study Committee to work with the Planning Division to provide the Board with a more detailed study of farm worker households, farm worker housing needs, and additional methods to address those needs. The findings and recommendations of this committee were included in a Farmworker Housing Study, published by the Planning Division on August 6, 2002.

Among the recommendations contained in the report was that the General Plan and Zoning Code be amended to allow for the creation of substandard parcels within the AE and OS zones for Farmworker Housing Complexes located within or adjacent to a city's Sphere of Influence.

Here we are seven years later, with nothing to show for our efforts but a proposed ordinance that appears to be at cross purposes with the original identified solution. As previously explained to the Board, it is extremely difficult to produce farm worker housing complexes under the County's existing rules. Affordable housing developers and the agricultural community have been unable to secure even one workable site during these past seven years, notwithstanding efforts to secure parcels included in the County's GIS list of adequate sites that was prepared by the County in 2002⁻¹.

The single most important action that the Board can and should take now is to amend the General Plan and Zoning Ordinance to allow the creation of parcels less than 40 acres in the AE zone and less than 10 acres in the OS Zone. This ordinance is not a panacea by any means, and thus, this Board should not make our challenge even more difficult than it already is.

In the event that the Board deems the 40 acre remainder parcel as imperative, then it should *not* limit the creation of substandard parcels to just those parcels within or adjacent to the city's Sphere of Influence. Rather, the Board should allow such substandard parcels to be created on any viable parcel within the AE or OS zones *anywhere* in the County; and the County should amend the zoning code to delete the requirement for a Conditional Use Permit, and instead allow for a Planned Development Permit in order to construct and operate an onsite "package" sewage treatment plant.

¹. It should be noted that the two Farm worker Housing Complexes listed in *Figure 3.3.9-1* on page 58 of the Land Use Appendix reference projects that are essentially replacement of farm worker housing (i.e. CEDC's 66 unit project is planned on a site where a 120 bed labor camp was previously in operation, The 74 unit project on Limoneira's property will also replace prior farm worker housing units on site).

2. Program 3.3.3.5 (11) – Residential High Density Zone with Lower Income Housing Requirements. (Exhibit 2)

We applaud the Staff for inclusion of this program, that would create the RHD zone to allow ministerial multi-family residential developments with a minimum density of 20 dwelling units per acre on selected parcels. We urge the Board of Supervisors to select multiple parcels in different arcas of the County for inclusion in this zone. Selection of multiple parcels is particularly important because we believe that there is no credible data to support the assertion in *Figure 3.3.5-7* that 17 *extremely low income* second units have been produced during the current planning period (see discussion below under *Figure 3.3.5-7*). Thus, it would be prudent to include multiple parcels in order to ensure that the Housing Element will receive HCD approval.

With respect to the imposition of lower-income housing requirements in the RHD zone, we concur with Staff's recommendation to adopt Option I, which would require all the units constructed in this zone to be affordable to very low and low income households. It should be noted that under Option 1, it is most likely that the parcels would be developed by affordable housing developers using the various local, state and federal financing programs. Generally speaking, under these programs a portion of the homes are usually targeted to extremely low income households. Thus, it is likely that the County would get the benefit of the production of housing for this income category without having to invoke Option 2, which would result in less lower income housing overall.

Figure 3.3.3-5 2008-2009 Monthly Mortgage Payment Estimates Figure 3.3.3-6 Income and Housing Payment Affordability (Exhibit 1, Land Use Appendix, pages 6 & 7)

The data contained in these charts is inaccurate and should be corrected. As noted in the Land Use Appendix at page 5:

"Housing affordability can be calculated by comparing the cost of housing with the maximum housing costs affordable to households of different income levels. The federal guideline is that no more than 30 percent of a household's income be spent on housing costs, including rent/mortgage, property taxes, insurance, etc."

Rental housing costs must be calculated based on both the rent and utilities that the

tenant pays. Likewise ownership housing costs must be calculated based on the amount of the mortgage payment (principle & interest), *plus* property taxes, homeowner's insurance, utilities and maintenance.

Figure 3.3.3.-5 calculates the monthly gross household income that is required to purchase a home costing \$327,000, assuming that the buyer provides a down payment of 20% or 10% of the purchase price, and secures a 30 year fixed loan at a 6% interest rate. However, even assuming that these assumptions are accurate, it is incorrect to allocate the entire 30% of the household income for housing costs to cover just the monthly loan payment because the remaining household costs must also be included. The taxes alone on a \$327,00 home would add about \$340 per month to the housing costs. So assuming an additional \$250 for monthly utilities, maintenance and insurance costs, the total housing costs would go up to \$2,354, including the \$1,764 monthly payment that would be required with a 10% down payment. Thus, in this instance the home owner should have a monthly income of \$7,847 (\$94,164 annual income), rather than the \$5,880 listed in *Figure 3.3.3-5*. Even with a 20% down payment, the home owner would require monthly income of \$7,194 (\$86,328 annual income), well above the \$5,227 listed.

Thus, even in this falling real estate market, the median home price has remained well above the reach for a family of four earning the median income of \$83,900. Rather, the data still reflects the lack of affordability for all but the above moderate and a portion of the moderate income households in Ventura County. *Figure 3.3.3-6* should be adjusted accordingly.

4. Figure 3.3.5-7 2006-2008 Housing Completions for Unincorporated Ventura County (Exhibit 1, Land Use Appendix, page 15)

We have concerns with the validity and accuracy of the data and/or methodology used by the Planning Staff to determine the affordability levels of the second units that have been constructed in the unincorporated area. In particular, the assertion that 21 *extremely low* and *very low* income units have been produced is dubious, especially in light of the fact that there was not one listing on Craig's List that was offered at an affordable rental rate for very low income households.

Additionally, review of the data provided by Ventura County Planner, Shelly Sussman, to Eileen McCarthy on July 9, 2009, in response to a Public Records Act request, demonstrates that none of the rentals classified as affordable to *extremely low*

income households listed the amount of rent being charged. It does not follow that by virtue of the fact that an extremely low income household lives in a particular unit, that the unit is actually being rented at a rate that is affordable to the extremely low income household. Indeed, the reality across the County is quite different, as most extremely low income households are overpaying, i.e. paying more than 30% of their income for rent.

Furthermore, virtually all of the units included in the Ventura County Second Dwelling Unit Affordability Information – July 2009, and classified as affordable to extremely low income households are being occupied by elderly or disabled adults who are not paying rent. Apparently, theses units are occupied by members of the immediate or extended family of the occupants of the primary unit, and thus, the occupants of the second units are members of the same household as the occupants of the primary unit. These units are not restricted, nor do they appear to be available on the open market for extremely low income households, so it is inappropriate to count these units for the purpose of meeting the County's RHNA allocation for very low income households. For these reasons we believe that Figure 3.3.5-7 should not report any second units as being affordable to extremely low income or very low income households.

Thank you for the opportunity to comment on the County's Draft Housing Element and related documents, and especially for your serious consideration of these matters. We urge you to direct the Staff to make changes to the Housing Element to address our concerns.

Sincerely,

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Barbara Macri-Ortiz

xc: Cathy E. Creswell, Deputy Director, HCD