

## STAFF REPORT

**SUBJECT:** Regional Housing Needs Allocation (RHNA)

**MEETING DATE:** February 21, 2008

**AGENDA ITEM:** 9

**STAFF CONTACT:** Michael Powers, Brian Bresolin

### RECOMMENDATION:

Receive status report on preparation on Regional Housing Needs Allocation Plan and provide direction.

### SUMMARY:

On November 13, SBCAG received from the state a revised final Regional Housing Needs Allocation of 11,600 households for the 2007 to 2014 planning period. The board directed staff to work with the Technical Planning Advisory Committee, comprised of local planning directors or their representatives, to serve as the Steering Committee to assist staff in preparing a draft RHNA plan. TPAC held 5 public workshops around the county to solicit public input on the RHNA methodology. TPAC reviewed the allocation plans of other Council's of Governments in California, requested that SBCAG staff develop more than 10 separate allocation scenarios, and examined many additional allocation factors in detail.

After considerable debate, TPAC approved the allocation scenario shown in Table 1, voting 9-1 in favor, with the County of Santa Barbara representative opposed. In this scenario, one-third of the allocation of 11,600 units is based on the distribution of *existing jobs*, by jurisdiction and market area, in the year 2005, one-third is based on the distribution of 2007 to 2014 *projected job growth*, and one-third is based on the distribution of 2007 to 2014 *projected household growth*. Staff is requesting board input on the allocation scenario recommended by TPAC.

Based on the estimated buildout housing capacity and the lower regional housing need target in the current RHNA cycle, it appears that most jurisdictions may be able to accommodate the recommended allocation without making significant changes to existing housing elements. This is a determination, however, that must be made by each agency. Further, it should be noted that the board will be distributing the allocations to each agency according to household income categories and local agencies will not be able to determine whether housing element changes are needed until this distribution is done.

The next step is to allocate this household growth by income level and to address other aspects of the allocation plan such as how annexations are impacted by the regional housing needs plan. TPAC will meet on February 28 to formulate recommendations. It is anticipated that the board will hold a hearing and consider adoption of the RHNA Plan at its March 20 meeting.

**Table 1**

**TPAC Recommended Allocation Scenario**

<b>Region/ Jurisdiction</b>	<b>33% Hsld Growth 33% Existing Jobs 33% Job Growth</b>	<b>Residential Buildout Capacity</b>	<b>Prior 2002 RHNA Allocation</b>
South County Region Total	4,821	8,353	5,977
Carpinteria City	293	853	75
Santa Barbara City	2,737	1,843	2,333
Unincorporated South County	435	3,038	1,181
Goleta City	1,355	2,619	2,388
Santa Ynez Region Total	754	2,819	1,586
Solvang City	153	546	325
Buellton City	312	1,803	536
Unincorporated Santa Ynez Valley	288	470	725
Lompoc Region Total	1,186	4,884	2,012
Lompoc City	950	2,992	890
Unincorporated Lompoc/VAFB	236	1,892	1,122
Santa Maria Region Total	4,730	14,409	7,934
Santa Maria City	3,793	9,000	4,837
Guadalupe City	195	1,389	83
Unincorporated Santa Maria Valley	743	3,770	3,014
Cuyama Valley Region Total	110	500	22
Unincorporated Total	1,811	9,670	6,064
County Total	11,600	30,965	17,531

**DISCUSSION:**

**Background**

In order to respond to the growing population and household growth of the state and to ensure the availability of decent affordable housing for all income groups, the State of California

enacted law (Government Code Section 65584) that requires Councils of Governments (COGs) like SBCAG to periodically distribute the state-identified housing need for its region. This regional housing needs assessment occurs roughly every five years and is a prelude to the housing element update by each local agency. The Department of Housing and Community Development, in consultation with the COG, is responsible for determining this regional need, initiating the process by which each COG must then distribute its share of statewide need to all local jurisdictions within its region.

The primary objective of the RHNA is to set the housing need targets that each city and county uses in its local Housing Element of the Comprehensive Plan. The legislation requires COGs to distribute total housing need as well as housing need by income categories. COGs are also required to distribute the lower-income portion of need in such a way that impactation of lower-income households is avoided in any one area. The regional need considers forecasted household growth, ideal vacancy rates, and replacement needs from demolitions of housing units.

The Regional Housing Needs Assessment (RHNA) produces regional and local targets for the amount and type of housing needed over the seven and a half year period. It takes into account unmet housing needs and anticipated housing demand generated by employment growth and population increase. State law requires SBCAG to follow a set of guidelines in preparing its regional housing need determination. Guidelines come from two primary sources: (1) HCD who sets a housing need planning target for the region, and (2) State law, which provides guidelines on how to allocate the region's housing need among jurisdictions (Government Code, Sections 65584).

The regional housing allocations are used by local jurisdictions in updating their housing elements. They are the basis for assuring that adequate sites and zoning are available to accommodate at least the number of units allocated. After local agencies receive their share of the regional need they must ensure adequate site capacity and/or programs to accommodate and address all housing need is addressed in their local Housing Element. However, the allocation is not a quota of housing to be produced and does not mandate the local agency to produce these units.

The final RHNA needs to be adopted by SBCAG and submitted to HCD by August 31, 2008 and integrated into local Housing Elements by August 2009.

The details of the methodology are essentially left to the Council of Governments, working in cooperation with local governments and providing opportunities for public input.

As you recall SBCAG received our initial draft allocation of 13,112 units from the state on July 30 of this year. SBCAG initiated a protracted negotiation with HCD staff and officials in efforts to reduce this countywide estimate of regional housing need. This negotiation occurred between July 30 and November 13 when SBCAG received from HCD our final regional housing needs allocation for the County of Santa Barbara. During this time, SBCAG requested two reductions in our countywide housing need and formally appealed our countywide allocation. Notably, according to HCD officials, our agency was the only one in the state to appeal our initial RHNA countywide allocation.

On November 13, SBCAG received from HCD a revised final Regional Housing Needs Allocation of 11,600 households for the 2007 – 2014 planning period. The SBCAG board accepted this estimate because the risks of not complying with the state law are significant.

SBCAG could be subject to litigation, local agencies could lose building permit authority if they do not have a certified housing element and this would be impossible if they did not address their portion of the RHNA adopted by SBCAG. The board directed staff to work with the Technical Planning Advisory Committee, comprised of local planning directors or their representatives, to serve as the Steering Committee to assist staff in preparing a draft RHNA. TPAC discussed the HCD allocation and the policy issues at its meeting on November 1. SBCAG staff also requested liaisons from TPAC to the SBCAG board to assure good communication between local staff agency representatives and the board on the RHNA process. The selected TPAC liaisons are Brian Smith, City of Santa Maria and David Matson, County of Santa Barbara.

## **Public Workshops**

A requirement of the RHNA process is to establish a methodology to distribute the HCD determined countywide housing need to local jurisdictions. According to the legislation, this methodology should include not only input from local jurisdictions and the council of governments but also representatives from all economic segments of the community. This change in the law since last cycle is more prescriptive about the development of the “methodology” in an open publicly accessible manner.

The process involved TPAC performing a significant role with other representatives meeting in a public setting to propose a draft methodology. Note that there is a limit to the amount of time that can be devoted to this effort. According to the preliminary schedule there is approximately 3 to 4 months that can be devoted to the allocation methodology. Time must also be allowed for a 60-day public review and hearing, development of the draft plan, HCD review and potential appeals by local jurisdictions. Meetings were held more frequently than the current TPAC regular monthly meeting schedule and other locations and times were provided additional opportunities for input by others.

In order to provide better access to TPAC meetings to solicit input on development of the methodologies the initial meetings were held in a variety of locations including Buellton, Santa Maria, Lompoc and the South Coast.

- All workshops were held on Wednesdays, starting at 6:30 pm
- Meetings were held in different areas of the County in accessible locations
  - Santa Barbara Co. Admin., Nov. 28
  - Buellton City Council, Dec. 12
  - Lompoc City Council, Dec. 19
  - Santa Maria City Council Chambers, January 9
  - Santa Barbara County Board of Supervisors Hearing Room, January 23

The public input from the workshops is memorialized in the TPAC Minutes of November 28, December 12, 19, 2007 and January 9 of 2008. In summary, the consistent input across all the workshops in each area was the importance of addressing the existing imbalance of jobs and housing. In addition, representatives from most areas expressed concerns about the ability of resources to support additional growth particularly water, and highlighted concerns about traffic congestion, among other factors. Other related comments advised against using forecast jobs as an allocation factor due to its speculative nature. Others advocated for inclusion of housing production as an allocation criteria. In addition, there were those in all areas who objected to

any allocation of housing. For more information consult the Minutes of the above meetings, which are on the SBCAG website.

### **TPAC deliberations and development of alternative allocation scenarios**

During their bi-weekly meetings between January 9 and February 6 TPAC members deliberated over the implications of demographic and employment growth trends, effects of emerging state policies, market factors influencing housing production, past and pending practices of urban development, appropriate location and type of new urban development, and regional commuting. The minutes of these meetings reflect the diversity of opinions on these issues. For more information, members should consult the minutes of the TPAC meetings for January 9, and 23 which are on the SBCAG website. To gain a statewide perspective, at the request of TPAC, staff summarized the RHNA plans developed by other agencies around the State. For more information this summary is on the SBCAG website in the January 23<sup>rd</sup> TPAC Agenda. During their deliberations, TPAC directed staff to prepare a number of alternative allocation scenarios, summarized in Table 2. Many of these scenarios revolve around the theme of the relationship between jobs and housing.

After considerable debate, TPAC approved the following hybrid scenario (see Table 1) at its meeting on February 7 (Unapproved Minutes attached). The vote was 9-1 in favor, with the representatives from all of the cities and SBCAG voting in support and the representative from the county in opposition.

#### **TPAC Recommended Allocation Scenario: 1/3 existing jobs, 1/3 job growth, 1/3 household growth**

In this scenario:

- A) One-third based on the distribution of *existing jobs*, by jurisdiction and market area, in the year 2005 as identified in adopted SBCAG Regional Growth Forecast 2007 (RGF)
- B) One-third based on the distribution of 2007 – 14 *job growth*, by jurisdiction and market area, as identified in SBCAG RGF 2007.
- C) One-third based on the distribution of 2007 – 14 *household growth*, by jurisdiction and market area, as identified in SBCAG, RGF 2007.

While TPAC members rejected use of residential or commercial buildout as a factor in allocating regional housing need, they did want residential buildout estimates identified for information. When staff updated the Regional Growth Forecast this past year, residential buildout data was collected for each agency. That data was included in the adopted Regional Growth Forecast 2005 – 2040 (Appendix 5, page 4) and is also included in Table 1. Staff also provided this information to you in December 2007. Also identified in Table 1 for comparison purposes is the prior 2002 RHNA cycle and its allocation of 17,530 households.

### **Considered and Rejected Scenarios**

The other scenarios that were considered but not selected are described below and summarized in Table 2.

### **Housing Growth/Existing Jobs Scenario**

This scenario is initially based on the distribution of 2007 – 2014 *housing growth*, by jurisdiction and market area, identified in SBCAG, RGF 2007. This accounts for 7,202 units. The remaining 4,398 units ( $11,600 - 7,202 = 4,398$ ) are allocated based on the distribution of *existing jobs* in the year 2005, as identified in SBCAG RGF 2007.

### **Existing Jobs Scenario**

Based on the distribution of *existing jobs*, by jurisdiction and market area, in the year 2005 as identified in SBCAG, RGF 2007

### **Job Growth Scenario**

This scenario is based on the 2007 – 14 growth in jobs, by jurisdiction and market area, as identified in SBCAG, RGF 2007. This is the scenario closest to what the County of Santa Barbara representative favored.

### **Job Growth/Household Growth Scenario**

This scenario is initially based on the distribution of 2007 – 14 *housing growth*, by jurisdiction and market area, as identified in SBCAG, RGF 2007. This accounts for 7,202 units. The remaining 4,398 units ( $11,600 - 7,202 = 4,398$ ) are based on the distribution of 2007 – 14 *job growth*, by jurisdiction and market area, as identified in SBCAG RGF 2007.

### **Prior 2002 RHNA Methodology**

This scenario is based on the previous 2002 RHNA methodology, adjusted for RGF 2007. The prior methodology also focused on jobs and housing. The scenario uses housing unit growth from the approved forecast, existing jobs, and Census 2000 Vacancy Rates. The housing allocation to an agency increased if there was a relatively greater allocation of job growth, while higher vacancy rates lowered a jurisdictions housing allocation.

### **Existing Jobs, Job Growth, Existing Housing, and Household Growth Scenario**

This scenario is based on:

- A) The distribution of *existing jobs*, by jurisdiction and market area, in the year 2005 as identified in SBCAG, RGF 2007, Appendix 4, Table 20
- B) The distribution of 2007 – 14 *job growth*, by jurisdiction and market area, as identified in SBCAG RGF 2007, Appendix 4, Tables 20/21
- C) The distribution of *existing households*, by jurisdiction and market area in the year 2005 as identified in SBCAG RGF 2007, Appendix 7, Table 13
- D) The distribution of 2007 – 14 *household growth*, by jurisdiction and market area, as identified in SBCAG, RGF 2007, Appendix 7, Table 13/14.

The 11,600 units are allocated based on equal weighting (25%) of each of these four criteria. Twenty-five percent (2,900 households) of the 11,600 units are each individually assigned to each of the four criteria, and then distributed to each agency based on their proportion of the criterion, e.g., existing jobs, in relation to the countywide total. Then

the four individual allocations are summed for each jurisdiction and region to get the total RHNA allocation by area and jurisdiction.

### Existing Jobs Emphasis, along with Job Growth and Household Growth Scenario

This scenario is based on:

- A) The distribution of *existing jobs*, by jurisdiction and market area, in the year 2005 as identified in SBCAG, RGF 2007
- B) The distribution of 2007 – 14 *job growth*, by jurisdiction and market area, as identified in SBCAG RGF 2007
- C) The distribution of 2007 – 14 *household growth*, by jurisdiction and market area, as identified in SBCAG, RGF 2007

The 11,600 units are allocated based on 50% existing jobs, 25% new jobs, and 25% new housing. Fifty percent of the 11,600 units (5,800 households) are allocated to the existing jobs criteria and twenty-five percent of the 11,600 households are allocated each to job growth (2,900 households) and household growth (2,900 households). The distribution of the countywide total to each agency is based on their percent of the total countywide number of existing jobs, job growth, or household growth.

### Household Growth Scenario

This scenario is solely based on the distribution of 2007 – 14 *household growth*, by jurisdiction and market area, as identified in SBCAG, RGF 2007 as applied to the 11,600 countywide household allocation.

**Table 2**

#### Scenario's considered but not selected by TPAC

Region/ Jurisdiction	Existing Jobs and Household Growth	Existing Jobs Only	Job Growth Only	Job and Household Growth	Prior Method	25% Existing and 25% Growth in Jobs Households	50% Exist. Jobs 25% Growth in Jobs, Housing	100% Household Growth Proportion
South County Region								
Total	4,314	6,774	4,795	3,614	4,557	5,144	5,309	2,893
Carpinteria City	267	433	276	211	237	322	328	172
Santa Barbara City	2,257	3,910	3,007	1,944	2,446	2,781	3,030	1,295
Unincorporated South County	493	985	116	171	529	795	572	205
Goleta City	1,296	1,446	1,396	1,288	1,345	1,246	1,378	1,221
Santa Ynez Region								
Total	830	607	680	862	756	743	717	974
Solvang City	203	233	40	132	185	160	173	187
Buellton City	284	167	412	378	253	269	276	358
Unincorporated Santa Ynez Vall	343	207	227	352	318	314	268	429
Lompoc Region								
Total	1,209	1,286	1,234	1,112	1,091	1,284	1,211	1,038
Lompoc City	892	854	1,211	947	804	985	926	786
Unincorporated Lompoc/VAFB	317	432	23	165	287	299	285	251
Santa Maria Region								
Total	5,228	2,908	4,604	5,892	5,175	4,338	4,275	6,679
Santa Maria City	4,142	2,487	3,710	4,624	4,106	3,361	3,466	5,182
Guadalupe City	333	113	3	292	318	178	174	469
Unincorporated Santa Maria Vall	753	309	891	976	751	799	634	1,028
Cuyama Valley Region								
Total	19	25	287	119	21	91	88	16
Unincorporated Total	1,925	1,958	1,544	1,784	1,906	2,298	1,847	1,929
County Total	11,600	11,600	11,600	11,600	11,600	11,600	11,600	11,600

In addition, the following scenarios did not receive sufficient support to deserve further consideration

:

- 1) Buildout of residential and non-residential development based on local general plans
- 2) Transit service, measured by transit stops
- 3) Recent housing production or performance (The Santa Barbara City representative reserved the option to bring this back)

Scenarios that received considerably less support from most participants were those that used just one allocation criteria such as job growth or household growth. Greater attention was given by most members to hybrid scenarios that looked at existing jobs and future jobs and housing. The reason for this stems from the need to recognize development trends, i.e., projects already in the pipeline, while also trying to help alleviate existing imbalances between jobs and housing.

### **Next Steps**

Staff is seeking board input and direction on the TPAC recommended allocation scenario. The next step is to address the income groups with each allocation. The household need for each jurisdiction must be allocated by income group: very low, low, moderate, above moderate income. TPAC will meet on February 28 to initiate these discussions and address other issues with the draft plan, e.g., annexation policies. A draft plan will be returned to your board in March when you will hold a public hearing to gather input on the plan and provide direction. Following this hearing, you will give authorization to staff to distribute the draft plan to local agencies for formal review and comment. Table 3 provides a draft schedule.

### **COMMITTEE REVIEW:**

The TPAC committee input was integrated into the staff report. At its February 6 meeting, TPAC voted 9-1 in support of the recommended allocation scenario.

**Attachment 1:** Unapproved Minutes of TPAC Meeting, February 7, 2008

**Table 3**

**Regional Housing Needs Plan Timeline, 2008**

Nov. 12, 2007	Final SBCAG Regional Housing Need Allocation by HCD
Nov. 07 – Feb. 08	Development of RHNA Allocation Methodology
Feb. 21	Board consideration of draft allocation methodology
March 20	SBCAG Board hearing on proposed allocation methodology and draft Plan
April 17	SBCAG approves allocation methodology and releases methodology and draft plan (60 day review)
April – June	Local agency and public review of draft plan
June 26	Est. Deadline for local agency request for revision
July 17	Board holds hearing and approves (Proposed) final plan if no local appeals, if appeals
August 21	If appeal submitted by local agency, Board holds hearing and approves final RHNA (60-day HCD review)
Nov. 2008	Deadline for HCD consistency determination

**UNAPPROVED MINUTES**

**TECHNICAL PLANNING ADVISORY COMMITTEE,  
Regional Housing Needs Assessment**

**Thursday, February 7, 2008  
1:00 pm**

**Buellton City Council Chambers  
140 West Highway 246  
Buellton**

**TPAC Voting Members Present**

Brian Smith	City of Santa Maria
Marc Bierdzinski	City of Buellton
Liz Limon	City of Santa Barbara
Dave Matson	County of Santa Barbara
Lucille Breese	City of Lompoc
Michael Powers	SBCAG
Anne Wells	City of Goleta
John Rickenbach	City of Guadalupe
Shelly Stahl	City of Solvang
Jackie Campbell	City of Carpinteria

**Others in Attendance**

Brett McNulty	County of Santa Barbara
Chris Rich	County of Santa Barbara
Ed Skytt	Solvang City Councilmember
Bob Field	Resident
Chris Randall	Los Alamos GPAC
Phil Greene	Marian Medical
Angela Perez	City of Buellton
Kirk Lindsey	City of Santa Maria
Brian Bresolin	SBCAG
Gregg Hart	SBCAG

**1. CALL TO ORDER AND INTRODUCTIONS**

Chairman Marc Bierdzinski called the meeting to order and asked for introductions.

**2. PUBLIC COMMENT**

Chairman Bierdzinski asked for public comment and there was none.

### **3. MINUTES**

Shelly Stahl motioned approval of the minutes, Lucille Breese seconded the motion and the minutes of January 23, 2008 were approved with Jackie Campbell and Shelly Stahl abstaining.

### **4. REGIONAL HOUSING NEEDS ALLOCATION**

Dave Matson stated the unincorporated county population on page 4 should be 2,299 rather than 2,298, He also said on page 7 the total unincorporated county population should be 1,929 rather than 2,870 and 1,847 rather than 2,787.

Dave Matson suggested TPAC look at the issue from a principle that housing should be located where the jobs are located. If we do anything else we are perpetuating sprawl.

Brian Smith said the City of Santa Maria believes commute distances should also be considered as a factor in the methodology. RHNA is just one tool and others are available such as the Blueprint Planning Process to help reduce commute times.

Anne Wells suggested that the Land Use Plans address the jobs housing issue to some degree.

Dave Matson stated that state law requires housing be planned for based on the future jobs that will come to the area.

Jackie Campbell stated the RHNA process is a planning exercise looking forward but it is only a short 7 year look ahead. It looks like the previous RHNA effort used methodology to create the numbers that started the process but they were then massaged by the SBCAG Board with an eye toward regionalism. We are forced to work with geographic boundaries but can fine tune the allocation in recognition of unique characteristics.

Kirk Lindsey said Mr. Matson's approach should be seriously considered. Santa Maria does not want to perpetuate the past and needs more than a fine tuning, an overhaul would be more appropriate. There is an affordability gap in Santa Barbara and Santa Maria as well. Santa Maria is a bedroom community by design and policy, with a lower paid workforce. There are many lower paying agricultural jobs and it is the growth industry. He suggested watching the Price of Paradise documentary.

Bob Field said he wanted to second Mr. Matson and Mr. Lindsey's comments. He stated, the two biggest industries in Santa Barbara County are tourism and agriculture which are the two lowest paying industries. We need an economic development strategy that doesn't aggravate the housing affordability problem. He advocated for deletion of the Household growth allocation scenario.

Kirk Lindsey said the City of Santa Maria has discovered it couldn't build their way into affordable housing. This is largely because two-thirds of the Santa Maria workforce makes less than \$18,000 per year.

David Matson commented the County is seeing intensity of agriculture increasing. The County is projected to grow jobs in retail, services and agriculture sectors. Employees in these sectors can't afford to buy houses due to their \$18,000 to \$23,000 incomes.

Jackie Campbell said we can't be tasked with solving these market issues. We need to concentrate on allocating the RHNA numbers. We don't have the ability to build our way out of the problem. RHNA cannot address market forces and will not solve problem of affordable housing for agricultural and service workers.

David Matson said RHNA is the place to start changing the paradigm that puts houses in locations that don't have job centers. We shouldn't exacerbate the existing jobs housing imbalance.

Jackie Campbell said we can't build our way out of the housing affordability crisis

Dave Matson agreed, but believes we need to start to address this problem through the RHNA process.

Brian Smith agreed we are not going to build our way out of the problem with single family housing. We need to build apartments and other higher density developments.

John Rickenbach said we have been assigned a number by HCD that won't make much difference in solving the statewide housing affordability problem. We need to be consistent in meeting our other goals regarding air quality and traffic as they impact the residents of Santa Barbara County.

Marc Bierdzinski said we should drop the 100% percent household growth factor since it does not address existing problems.

Matson made a motion to drop the pure housing growth factor from our discussion, Anne Wells seconded the motion.

Liz Limon said she was not prepared to drop the 100% household growth factor entirely.

Dave Matson withdrew his previous motion for purposes of further discussion. He said housing must be allocated where the jobs are.

Brian Smith said our focus should be on not exacerbating the existing jobs housing imbalance and we should reduce overall trips and target the opportunities for multi family housing.

Shelly Stahl agreed we need to put the houses where the jobs are.

Jackie Campbell said we should talk about farmworker housing as a factor.

Brian Bresolin stated that farm worker employment data is included in the agricultural category however it is seasonal and difficult to enumerate.

Dave Matson said the County has very good numbers on agricultural job impacts.

David Matson introduced Chris Rich who gave a Power Point presentation on the County's RHNA methodology proposal.

John Rickenbach asked if TPAC is open to considering new methodology.

To clarify a few points in the County's presentation, Michael Powers explained that HCD did not include job growth in its RHNA calculations. He also wanted to clarify the statement in the slide show that the public wanted us to consider the relationship of jobs and housing but not necessarily just job growth.

Jackie Campbell said the RHNA process will not result in more housing units rather it is an exercise in zoning for housing only.

Marc Bierdzinski agreed that the public wanted existing jobs to also be factored into the methodology rather than just new job growth.

John Rickenbach agreed with Marc Bierdzinski's comments.

Lucille Breese agreed with Marc and John.

Anne Wells agreed and said using either the 100% household growth factor or only the future job growth were both too extreme approaches. We need to blend factors.

Jackie Campbell asked how future job growth was calculated in the Regional Growth forecast.

Brian Bresolin explained that the jobs over the 2005 to 2010 period are allocated based on their proportion of commercial, retail and industrial development that is proposed, permitted, pending, or under construction.

Jackie Campbell said she was very uncomfortable using only job growth for the methodology because growth in agricultural and other jobs were difficult to predict.

Liz Limon stated the 4,000 job growth number attributed to the City of Santa Barbara in the Regional Growth Forecast does not reflect reality. She was concerned about how the Cottage Hospital remodel was used to allocate future job growth.

John Rickenbach said any forecast is always open to criticism. A methodology that blends all of the various factors is the best approach. Let's use the first column on the summary table the factors in existing jobs and future jobs.

Liz Limon said we should use the allocation methodology used in the last RHNA cycle because nothing has changed significantly since that time.

Kirk Lindsey said one thing that has changed since last time is the level of debate in the community has increased significantly. He applauded the efforts of TPAC and suggested we look at existing jobs not just job growth.

Marc Bierdzinski agreed with John Rickenbach that the blended approach with 25% each to existing and forecast households and jobs was his preference.

David Matson said he had the opposite view and couldn't support an approach that heavily weights the methodology in favor of existing housing because it will worsen the jobs housing imbalance.

Jackie Campbell asked that we massage the numbers to accommodate the unique circumstances of each jurisdiction.

Anne Wells said that approach would be hard to conclude as each jurisdiction has its own issues.

Brian Smith said SLOCOG is only looking at existing jobs, not job growth, in its RHNA process. The reason to consider jobs housing balance is to avoid long distance commuting.

Anne Wells suggested TPAC consider the first column in the staff report 25% existing, 25% growth since existing jobs at UCSB and the County Facilities should be accounted for.

Jackie Campbell suggested that addressing existing jobs housing does not perpetuate the imbalance and that the slowing of economic growth could invalidate job growth estimates.

Marc Bierdzinski agreed.

Dave Matson suggested that we cannot fix what is broken and should address future growth only. UCSB is in the unincorporated area and a concern of the county as well.

Kirk Lindsey pointed out the importance of identification of the true problem to properly address it over the long term through this and the next RHNA cycle.

Michael Powers emphasized that a allocation methodology needs to be recommended to the board and issues related to the jobs housing balance may transcend the RHNA.

Jackie Campbell suggested that even with a jobs housing balance there would still be commuting since the housing costs and jobs do not match.

Jackie Campbell suggested TPAC consider disregarding existing housing and instead use 1/3 existing jobs, 1/3 household growth, 1/3 job growth.

Michael Powers said the second column in the staff report is the closest approximation to the approach suggested by Ms. Campbell.

Marc Bierdzinski suggested bringing the SBCAG Board the second column and the County's proposal as two different options.

Lucille Breese said she could conceptually support the 1/3, 1/3, 1/3 proposal.

Marc Bierdzinski called for a brief break and requested that staff compute the jurisdictional allocations with the new 1/3 scenario.

Following a break, Chair Bierdzinski reconvened the meeting and asked Michael Powers to share the new allocation numbers by jurisdiction which he did.

John Rickenbach said this allocation methodology works for the City of Guadalupe.

Dave Matson said this approach doesn't go far enough to address future job growth. If we use a correction method we should reconsider transit as a criterion.

Liz Limon said the City of Santa Barbara can't support any of these scenarios because they penalize the one city that is doing the most to build affordable housing of any jurisdiction in the

county. In the City of Santa Barbara thirteen percent is subsidized and 60% is rental, they also limit commercial growth. It is also the institutional and regional job center.

Dave Matson said the County is also doing a good job on affordable housing providing 17% of recent permits to very low and low income.

Anne Wells said so is Goleta with its 35% to 55% inclusionary housing ordinance.

Marc Bierdzinski referred to the Buellton inclusionary housing ordinance.

Jackie Campbell said the RHNA numbers are just too big.

Marc Bierdzinski again suggested a dual recommendation approach.

David Matson suggested a methodology that was 80% future job growth.

Liz Limon questioned the accuracy of the job forecasts and the emphasis of it in the RHNA allocation.

John Rickenbach made a motion to support the 1/3 existing jobs, 1/3 household growth, 1/3 job growth scenario. The motion was seconded by Jackie Campbell.

Dave Matson said the County can't support the motion.

John Rickenbach amended his motion to include bringing the County's minority proposal to the SBCAG Board along with the 1/3, 1/3, 1/3 proposal, Lucille Breese seconded the motion.

Following discussion and concerns about what a minority report consists of, John Rickenbach withdrew his new motion and returned to his original motion without the forwarding of the County's minority position, seconded by Jackie Campbell

The motion passed with Dave Matson voting no.

Michael Powers explained the next step of the RHNA process is for staff to allocate the low income categories. Staff is proposing using the same methodology that was used in the last RHNA cycle.

Liz Limon commented that very low and low should be allocated to where the jobs are. She also requested that any summary tables include local residential buildout.

Brian Smith stated he was interested in the disaggregation of the service sector jobs category.

## **5. 2010 CENSUS**

Michael Powers summarized the staff report.

## **6. ANNOUNCEMENTS**

Michael Powers reference the HCD initiative on affordable housing funding.

**ADJOURN** Chair Bierdzinski adjourned the meeting at 4:25 PM