

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, OCTOBER 09, 2024**

MINUTE ORDER NO. 5

SUBJECT: OPPORTUNITIES FOR STREAMLINING AFFORDABLE AND ATTAINABLE HOUSING AND NOTICE OF EXEMPTION FROM CEQA (DISTRICTS: ALL)

OVERVIEW

The County of San Diego (County) Board of Supervisors (Board) is actively addressing housing affordability through various efforts to increase housing opportunities across all income levels. The Opportunities for Streamlining Affordable and Attainable Housing (Streamlining Opportunities) project builds on previous efforts to address affordability by exploring the feasibility of several innovative programs designed to expand affordable and attainable housing opportunities without adding regulation or development costs since they are all voluntary and incentive-based. Affordable housing is defined as housing that costs no more than 30% of a household's income. Attainable housing refers to housing that is accessible to those who may not qualify for traditional deed-restricted housing - homes legally bound by covenants to remain affordable for a period of time - but who still face challenges with the high costs of market-rate housing.

The Streamlining Opportunities project is a response to Board direction provided on July 14, 2021 (1) and March 13, 2024 (10) to explore opportunities for new housing programs. At this hearing, staff was directed to explore the feasibility of housing programs that would create more home ownership opportunities, facilitate the production of housing for older adults, and remove barriers to affordable housing development. The Streamlining Opportunities project includes four new programs that are voluntary and incentive-based, aligning with the County's goals of promoting equitable access to housing, facilitating the production of senior and low-income housing, and expanding homeownership opportunities. These programs are aligned with and will be integrated into the County's 6th Cycle Housing Element Implementation Plan to ensure efficient implementation timelines, resource allocation, and funding. The recommendations that staff are presenting today will be accomplished using existing funding and will result in no net change in General Fund cost. Staff conducted best practice research and engaged with community members and stakeholders to identify the following new programs. These will be developed by the end of the 6th Cycle Housing Element cycle (2029), with some being completed in the next 18-36 months and others completed in FY 26-27, if the Board directs staff to prioritize these efforts in the PDS housing workplan:

1. *Small Lot Subdivision Program*: Encourages the design and construction of smaller single-family homes.
2. *Senior Housing and Assisted Living Facility Program*: Creates incentives to encourage the construction of more Senior Housing and Assisted Living Housing Facilities. It also incorporates accessible design principles to allow anyone to visit or live in homes comfortably, regardless of physical abilities.
3. *Expanded By-Right Program*: Expands streamlined ministerial approval to include housing developments that provide at least 20% of their units as affordable housing for low-income (80% of the Area Median Income and below) families and individuals.

4. *Accessory Dwelling Units (ADUs) Ownership Opportunities Program*: Allows the sale of ADUs separate from the primary home on the property.

Today's request is for the Board to provide direction on recommendations brought forward for each program to proceed with the development of new Streamlining Opportunities programs. These programs will be integrated into the broader package of efforts under the County's 6th Cycle Housing Element Implementation Plan.

RECOMMENDATION(S)

DEPARTMENT OF PLANNING & DEVELOPMENT SERVICES

Planning & Development Services recommends that the Board of Supervisors:

1. Find in accordance with Section 15061(b)(3) that today's actions are exempt from CEQA because they do not meet the definition of a project and pursuant to the commonsense exemption because it can be seen with certainty that there is no possibility today's actions may have a significant effect on the environment.
2. Receive the materials for the Opportunities for Streamlining Affordable and Attainable Housing and direct staff to further pursue the recommendations provided to develop the Small Lot Subdivision Program, Senior Housing and Assisted Living Facility Program, Expanded By-Right Program, and the Accessory Dwelling Units (ADUs) Ownership Opportunities Program.

EQUITY IMPACT STATEMENT

Planning & Development Services (PDS) recognizes the systemic impacts that inequitable policies create for residents of the San Diego region. The Opportunities for Streamlining Affordable and Attainable Housing Project potential programs seek to equitably address the unincorporated area's housing needs by increasing the production of housing units for low-income families, first time homebuyers, and older adults. By developing more housing opportunities across all income levels, these programs will help reduce housing inequity. Updates to the density bonus program as part of the Senior Housing and Assisted Living Facilities Program would incentivize the development of housing projects that are accessible to people living with disabilities, including older adults. This will foster inclusivity and reduce systemic barriers by ensuring everyone can access safe, accommodating living environments regardless of ability or mobility. The Accessory Dwelling Units (ADUs) Ownership Opportunities Program and the Small Lot Subdivision Program aim to create more attainable homeownership opportunities. This will enhance equity by enabling individuals from diverse socioeconomic backgrounds to build wealth, support financial stability, and invest in their communities, thereby reducing disparities in homeownership rates and fostering greater economic inclusion.

SUSTAINABILITY IMPACT STATEMENT

The Opportunities for Streamlining Affordable and Attainable Housing (Streamlining Opportunities) will implement the County's Housing Element and facilitate compliance with State housing law. The Streamlining Opportunities effort evaluates actions to support affordable housing development and expand housing opportunities for communities across the unincorporated area of San Diego County by facilitating the development of affordable housing for low and moderate-income (up to 120% of the Area Median Income, or AMI) individuals, families, and people at all life stages. Through engaging with unincorporated communities during this process, the Streamlining Opportunities effort advances Sustainability Goals #1 and #2 to provide just and equitable access to County policy decision-making in support of sustainable communities. In addition, the Streamlining Opportunities effort has been

developed to support the sustainable development of housing within Vehicle Miles Traveled (VMT) Efficient and Infill areas. To support these efforts an Environmental Analysis can help streamline housing projects by providing a one-time analysis of the environmental impacts within these areas and corresponding mitigation measures. As a result, discretionary projects consistent with the Environmental Analysis would require fewer additional analyses, saving applicants time and costs.

FISCAL IMPACT

There is no fiscal impact associated with today’s recommendation. There will be no net change in General Fund cost and no additional staff years.

Though there is no impact on General Fund or net FTEs, there are potential opportunity costs depending on Board direction. If directed to move forward with the Senior and Assisted Living Housing and Accessory Dwelling Units (ADUs) Ownership Opportunities programs, existing staff and resources will be directed toward these projects as opposed to future Board-directed housing projects which could require additional allocation of existing staff and resources. Depending on the opportunities selected by the Board, this could result in up to 1.0 FTE and up to \$850,000 being directed toward the programmatic opportunities outlined in this Board letter.

The Small Lot Subdivision Program and the Expanded By-Right Program opportunities can be incorporated into the scope of the upcoming Development Feasibility Analysis Programmatic Environmental Impact Report or other appropriate environmental analysis (Environmental Analysis) and would not result in FTEs or resources being redirected. Further details on the potential costs are detailed under each program section of the board letter.

Again, there will be no additional cost associated with these actions. Staff will also monitor funding opportunities and mechanisms to leverage other financing sources.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Desmond, the Board of Supervisors took the following actions:

1. Found in accordance with Section 15061(b)(3) that today’s actions are exempt from CEQA because they do not meet the definition of a project and pursuant to the commonsense exemption because it can be seen with certainty that there is no possibility today’s actions may have a significant effect on the environment.
2. Received the materials for the Opportunities for Streamlining Affordable and Attainable Housing and directed staff to proceed with all the recommendations provided to develop the following:
 - Small Lot Subdivision Program
 - Senior Housing and Assisted Living Facility Program
 - Expanded By-Right Program
 - Development of a local Accessory Dwelling Units (ADUs) Ownership Opportunities Program

3. Directed staff to report back on housing element implementation and other housing activities progress as part of their annual General Plan Annual progress report in the Spring.

AYES: Vargas, Lawson-Remer, Montgomery Steppe, Desmond
NOES: Anderson

State of California)
County of San Diego)

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter