

# City of Solana Beach Housing Element 2021-2029

Draft (February 2023)

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# Introduction

# **Section 1: Introduction**

# A. Role of the Housing Element

The Housing Element is one of the seven state mandated elements included in the City of Solana Beach's General Plan. The purpose of the Housing Element is to identify and plan for the City's existing and projected housing needs; it contains a detailed outline and work program of the City's goals, policies, quantified objectives, and programs for the preservation, improvement, and development of housing for a sustainable future. Each eight-year planning cycle, the City is allocated a specific number of housing units called the Regional Housing Needs Allocation (RHNA). The RHNA quantifies current and future housing growth within a City. Through research and analysis, the Housing Element identifies available candidate housing sites and establishes the City's official housing policies and programs to accommodate Solana Beach's Regional Housing Need Assessment (RHNA) goals as determined by the San Diego Association of Governments (SANDAG).

# B. State Policy and Authorization

#### 1. Background

As a mandated Element of the Solana Beach General Plan, the Housing Element must meet all requirements of existing state law. Goals, programs and policies, and quantified objectives developed within the Housing Element are consistent with state law and are implemented within a designated timeline to ensure the City accomplishes the identified actions as well as maintains compliance with state law. The California Department of Housing and Community Development (HCD) reviews each Housing Element for substantial compliance with state law, HCD's review and certification is required before a local government can adopt its housing element as part of its overall General Plan

# 2. State Requirements

California State Housing Element Law (California Government Code Article 10.6 and Section 65588) establishes the requirements for the Housing Element. Each local government in the state must adopt a Housing Element and review and revise it no less than once every eight years.

The California Legislature identifies overall housing goals for the state to ensure every resident has access to housing and a suitable living environment; section 65588 of the California Government Code states the following Housing Element goals:

- a. The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.
- b. The early attainment of this goal requires cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians in all economic levels.
- c. The provisions of housing affordable to low- and moderate-income households requires the cooperation of all levels of the government.
- d. Local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for housing needs of all economic segments of the community. The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.

**Table 1-1** summarizes State Housing Element requirements and identifies the location in this document where these requirements are addressed.

Table 1-1: Housing Element Requirements						
Housing Element Requirement(s)	Gov. Code Section	Reference in Housing Element				
Analysis of employment trends.	Section 65583.a	Section 2-B				
Projection and quantification of existing and projected housing needs for all income groups.	Section 65583.a	Section 3-E				
Analysis and documentation of the City's housing characteristics, including cost for housing compared to ability to pay, overcrowding, and housing condition.	Section 65583.a	Section 2-D				
An inventory of land suitable for residential development including vacant sites and sites having redevelopment potential.	Section 65583.a	Appendix B				
Analysis of existing and potential governmental constraints upon the maintenance, improvement or development of housing for all income levels.	Section 65583.a	Section 3-B				
Analysis of existing and potential nongovernmental (private sector) constraints upon maintenance, improvement or development of housing for all income levels.	Section 65583.a	Section 3-A				
Analysis concerning the needs of the homeless.	Section 65583.a	Section 2-E.7				
Analysis of special housing needs: handicapped, elderly, large families, farm workers, and female-headed households.	Section 65583.a	Section 2-E				
Analysis of opportunities for energy conservation with respect to residential development.	Section 65583.a	Section 3-F.5-7				
Identification of Publicly Assisted Housing Developments.	Section 65583.a	Section 3-E				
Identification of Units at Risk of Conversion to Market Rate Housing.	Section 65583.a	Section 3-E				
Identification of the City's goal relative to the maintenance, improvement, and development of housing.	Section 65583.a	Section 4-B				
Analysis of quantified objectives and policies relative to the maintenance, improvement, and development of housing.	Section 65583.b	Section 4-C				
Identification of adequate sites that will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels.	Section 65583.c(1)	Appendix B				
Identification of strategies to assist in the development of adequate housing to meet the needs of low and moderate-income households.	Section 65583.c(2)	Section 3-E.3				
Description of the Public Participation Program in the formulation of Housing Element Goals, Policies, and Programs.	Section 65583.d	Appendix C				
Description of the Regional Housing Needs Assessment (RHNA) prepared by the San Diego Association of Governments.	Section 65583.e	Section 3-E				
Analysis of Fair Housing, including Affirmatively Furthering Fair Housing.	Section 8899.50	Section 3-G				

Table 1-1: Housing Element Requirements						
Housing Element Requirement(s)	Gov. Code Section	Reference in Housing Element				
Review of the effectiveness of the past Element, including the City's accomplishments during the previous planning period.	Section 65583.f	Appendix A				
Source: State of California, Department of Housing and Community Development.						

The City of Solana Beach's current Housing Element was last amended in 2014 for the 5th cycle for the 2014 to 2021 planning period; the 6<sup>th</sup> Cycle Housing Element will plan for the 2021-2029 planning period. Multiple amendments have been made to State Housing Element law since the adoption of the current Housing Element. These amendments change the required analysis, reporting and type of policies that must be contained in the City's 2021-2029 Housing Element. The contents of this Housing Element comply with these amendments to State housing law and all other federal, State and local requirements.

### 3. Regional Housing Needs Assessment (RHNA)

California's RHNA is a methodology for determining future housing need within the state, by income category, and is based on growth in population, households, and employment. The statewide RHNA is determined under the administration of HCD. The quantified housing need is then allocated among the State's 18 Metropolitan Planning Organizations (MPOs), in the City of Solana Beach's case, this agency is SANDAG.

In accordance with Section 65583 of the California Government Code, SANDAG then delegates a "fair share" of housing need to its member jurisdictions. The RHNA allocation is then divided amongst four income categories, which are benchmarked on the County of San Diego's median income for a family of four. **Table 1-2** below identifies the four income categories by which the City's RHNA allocation is divided.

Table 1-2: San Diego County Income Categories				
Income Category Percent of Median Family Income (MFI)				
Very Low Income	0-50% MFI			
Low Income	51-80% MFI			
Moderate Income	81-120% MFI			
Above Moderate Income	>120% MFI			

For the 2021-2029 planning period the City of Solana Beach is allocated a total of 875 units, including:

- 316 units affordable to very low-income households
- 159 units affordable to low-income
- 160 units affordable to moderate-income
- 240 units affordable to above-moderate income

# 4. Relationship to Other General Plan Elements

The Housing Element is one Element (Chapter) of the Solana Beach General Plan. The goals, policies, actions, and programs described in the Housing Element relate to and are consistent with the other Elements of the Solana Beach General Plan. The City's Housing Element focuses on programs and policies that support the preservation, improvement, and development of housing to meet the existing and projected future needs of its population.

The Housing Element relates to development policies contained in the Land Use Element, which designates the proposed general distribution, general location, and extent of the uses of the land for housing, business, industry, open space, and other uses. The Land Use Element also includes the standards of housing density (dwelling units per acre) and building intensity (Floor Area Ratio) established for various land use designations identified in the plan. By

designating areas for residential development, the General Plan identifies limits on densities and types of housing units constructed in the City. The Land Use Element identifies lands designated for a range of commercial and office uses creating employment opportunities for various income groups. The presence and potential for job growth affects the current and future demand for local housing at the various income levels in the City.

The Circulation Element of the General Plan also relates to the Housing Element. The Circulation Element is intended to better balance the needs of all roadway users by making enhancements to existing circulation facilities to establish a comprehensive multi-modal system that facilitates more walking, cycling, and transit use. Consequently, the Housing Element must include policies and incentives that consider the types of infrastructure essential for residential housing units in addition to mitigating the effects of growth in the City.

The Housing Element has been reviewed for consistency with the City's other General Plan components, and the policies and programs in this Element are consistent with the policy direction contained in other parts of the General Plan. As portions of the City's General Plan may be amended in the future, the Housing Element will be reviewed to ensure internal consistency is maintained.

#### 5. Public Participation

Section 65583 of the Government Code states that, "The local government shall make 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." Meaningful community participation is also required in connection with the City's Assessment of Fair Housing (AFH). A discussion of citizen participation is provided below.

As part of the 6th Cycle Housing Element Update process, the City of Solana Beach has conducted extensive public outreach activities beginning in 2019. Participation was encouraged through a variety of activities and tools in order to engage multiple segments of the Solana Beach community. During the first stage of outreach a comprehensive Housing Element Update webpage was created on the City's website, an in-person workshop was held at City Hall, and flyers and factsheets were provided to the community in print and available on the Housing Element webpage. Th second round of outreach built upon the participation in the first round and included informational flyers available in Spanish and English, a virtual workshop where Spanish translation was available but not requested, an online survey to gather additional input, and opportunities to review the draft documents. Outreach activities and events are described in detail below. All information relating to the project is available on the Housing Element Update website page located on the City's website and the page is updated regularly to include new information as it becomes available.

Outreach for the 6th Cycle Housing Element to the Solana Beach community, includes the following actions:

**Community Workshop#1 -** The City of Solana Beach conducted a Community Workshop at City Hall on Thursday, March 5, 2020. The purpose of the meeting was to provide information on the Housing Element update process and to gather input and ideas from the public that will shape the goals, policies and programs in the Housing Element. The workshop included a PowerPoint presentation as well as an interactive feedback session to answer the following questions:

- What are the biggest challenges to housing in Solana Beach?
- What types of programs or assistance could the City provide to facilitate housing?
- What other opportunities or ideas do you have to address Housing issues in Solana Beach?

There were a number of common themes expressed by participants during the workshop. These themes ranged from challenges relating to the high cost of land and limited remaining undeveloped areas within the City to participants wanting to see an emphasis on accessory dwelling units and mixed-use development. The comments provide great insight into the areas of opportunity that are addressed within the Housing Element. Appendix C contains a summary of all public comments regarding the Housing Element received by the City during the update process.

Community Workshop #2 – The City conducted a second community workshop on October 15, 2020 virtually, using Zoom; Spanish translation was available for the workshop but was not requested. The workshop was advertised through flyers in both English and Spanish and on the City' Housing Element Update webpage. The workshop is available for viewing at <a href="https://www.ci.solana-beach.ca.us/housingelement">https://www.ci.solana-beach.ca.us/housingelement</a>. During the workshop, participants were provided with an overview of the current status of the update process, information on previous outreach efforts, and information on each section of the Draft Housing Element. The workshop also directed participants to take an online housing survey and to provide comments on the Pubic Review Draft.

As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public have previously been provided to each member of the City Council.

Online Community Survey – On October 15, 2020 the City of Solana Beach launched an online community survey to gather additional feedback regarding the Housing Element Update. Participants were asked to consider potential policies and programs to include in the Housing Element, as well as potential housing types and opportunities for housing in the City. The survey also solicited feedback regarding potential barriers to housing access and constraints to the development of housing.

City Council Study Session – On October 28, 2020, the City held a City Council Study Session. During the study session, the project team provided a presentation to the Solana Beach City Council with an overview of the Public Review Draft Housing Element and Housing Element update process to date. Community members had the opportunity to give public comments and several were received by the City.

Community Workshop #3 – On November 12, 2020, the City hosted a third community workshop.

**Project Website** – The City made diligent efforts to be transparent with the community regarding the Housing Element Update process, including the creation of a centralized source for all information.

Fact Sheets – In an effort to inform the public of the Housing Element Update process and the different components, the City created a fact sheet that provided information on the process, timeline, the City's local RHNA allocation, and different methods for obtaining more information. This fact sheet was translated into Spanish as well.

#### 6. Data Sources

The data used for the completion of this Housing Element comes from a variety of sources. These include, but are not limited to:

- 2000 and 2010 Census
- American Community Survey
- Regional Analysis of Impediments to Fair Housing (AI)
- Regional Forecast by the San Diego Association of Governments (SANDAG), 2019
- Point-in-Time Homeless Census by the Regional Task Force on the Homeless, 2019
- Home Mortgage Disclosure Act (HMDA) lending data
- California Department of Economic Development
- California Employment Development Division Occupational Wage data, 2019
- Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), 2012-2016
- San Diego Apartment Association Survey, 2019

The data sources represent the best data available at the time this Housing Element Update was prepared. The original source documents contain the assumptions and methods used to compile the data.

#### 7. Housing Element Organization

This Housing Element represents the City's policy program for the 2021-2029 6th Planning Period. The Housing Element is comprised of the following Chapters:

<u>Chapter 1:</u> Introduction contains as summary of the content, organization and statutory considerations of the Housing Element;

<u>Chapter 2:</u> Community Profile contains an analysis of the City's population, household and employment base, and characteristics of the housing stock;

<u>Chapter 3:</u> Housing Constraints and Resources examine governmental and non-governmental constraints on the production, maintenance, and affordability of housing and provides a summary of housing resources, including sites identification, funding and financial considerations, and an analysis of fair housing;

<u>Chapter 4:</u> Housing Policy Plan addresses Solana Beach's identified housing needs, including housing goals, policies and programs.

Appendices provides various appendices with supplementary background resources including:

- Appendix A Review of Past Performance of 5<sup>th</sup> Cycle Housing Element Programs
- Appendix B Adequate Sites Analysis
- Appendix C Community Engagement Summary
- Appendix D Glossary of Housing Terms



# **Community Profile**

# Section 2: Community Profile

This Community Profile for the City of Solana Beach provides an overview of the City's housing and population conditions. The Community Profile lays the foundation for the Housing Element's policies by describing and assessing the factors and characteristics that contribute to the supply and demand for housing in Solana Beach. Specifically, the Community Profile describes the community's population, employment, economic, and household characteristics. Special Needs groups and housing stock characteristics are also described.

The data used for this community profile has been collected using the most current available from the San Diego County Association of Governments (SANDAG), 2010 U.S. Census, 2013-2017 American Community Survey, the California Department of Finance, the California Employment Development Department, the California Department of Education and other currently available real estate market data.

# A. Population Characteristics

The characteristics of Solana Beach inform the planning process and help establish policies for current and future needs of the City. Population characteristics affect current and future housing demand in the City. Population growth, age composition, and race/ethnicity influence the type and extent of housing needed and the ability of the local population to afford housing costs. The following section describes and analyzes the various population characteristics and local trends that affect housing needs.

#### 1. Population Growth

Solana Beach is a small coastal community in the San Diego Region, with an estimate population of 13,367 residents. The 2010 American Census reported that from 2000 to 2010 Solana Beach's population declined by about one percent. Compared to surrounding cities, the one percent population decline is modest relative to Del Mar's 14 percent decline and Carlsbad's 66 percent increase in population in those ten years. SANDAG's Regional Growth Forecast data (Table 2-1) shows Solana Beach is projected to grow fourteen percent from 2010 through 2050, from 12,867 to 14,870. The increase in population compares closely to neighboring jurisdiction, which are projected to grow from ten to sixteen percent through 2050.

	Table 2-1: Population Growth (2000-2050)								
	Population						Percent Change		
Jurisdictions	2000	2010	2012	2020	2035	2050	2000 -	2012-	
	Actual	Actual	Projected	Projected	Projected	Projected	2010	2050	
Oceanside*	161,029	167,086	169,319	177,840	188,597	189,377	3.8%	12%	
Carlsbad*	78,247	105,328	107,674	118,450	124,351	124,518	34.6%	16%	
Encinitas*	58,014	59,518	60,346	62,908	65,264	66,670	2.6%	10%	
Solana Beach*	12,979	12,867	13,000	13,367	14,207	14,870	-0.9%	14%	
Del Mar	4,389	4,161	4,194	4,399	4,672	4,732	-5.2%	13%	
San Diego City	1,223,400	1,307,402	1,321,315	1,453,267	1,665,609	1,777,936	6.9%	35%	
San Diego County	2,813,833	3,095,313	3,143,429	3,435,713	3,853,698	4,068,759	10.0%	29%	

Represents an estimate from the SANDAG 2050 Regional Growth Forecast.

Sources: Bureau of the Census (2000-2010) and SANDAG Regional Growth Forecast Update (2013).

<sup>\*</sup>North coastal cities in San Diego County.

#### 2. Age Characteristics

The age composition of a community is an important factor in evaluating housing needs because housing demand within the market is often determined by the preferences of certain age groups. Conventionally, young adults and seniors tend to favor apartments, low to moderate-cost condominiums, and smaller or more affordable single-family units because they tend to live on smaller or fixed incomes and have smaller families. While the middle-aged demographic, persons between 35-years and 65-years, makes up a major portion of buyers, as well as the market for moderate to high-cost apartments and condominiums because they generally have higher incomes and larger families. As population moves through different stages of life, housing is required to accommodate new or adjusted needs. In order to produce a well-balanced and healthy community, where needs are met, it is essential that a community be provided with appropriate housing to accommodate needs of all ages.

As shown in **Figure 2-1**, in 2017, majority of Solana Beach's population (54.6 percent) falls into middle age, 25 years to 64 years, category. The data in Figure one shows a slightly reduced middle age population, from 58.3 percent in 2000 to 54.6 percent in 2017, a 6.3 percent change. The data also shows an increasing population of 65 years or over from seventeen percent to about 23 percent, a 31.7 percent increase. Figure 1 also exemplifies a decline in population under the age 18 from 17.9 percent to 16.2 percent. An aging population in a community is important to note because of the changing or additional needs in housing costs, accessibility and accommodations that an aging population may require.

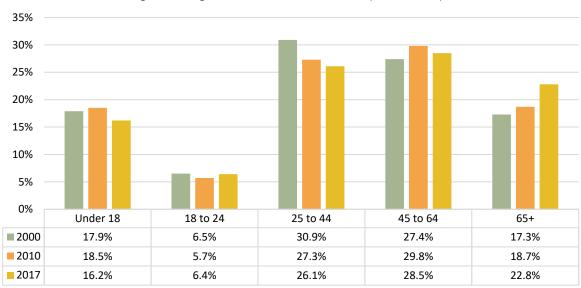


Figure 2-1: Age Distribution in Solana Beach (2000 – 2017)

Source: United States Census Bureau, 2000 and 2010 and American community Survey, 5-Year Estimates, 2017.

The data in **Table 2-2** compares the age distribution of Solana Beach to San Diego County and surrounding jurisdictions. According to American Community Survey 2017 estimates, the Solana Beach population of 65+is approximately 10% higher than San Diego County. However, an older population is not abnormal in North County when comparing age demographics to surrounding communities. In Del Mar, 25 percent of the population is age 65 years and over, the highest percentage in the North County region; in Oceanside, Carlsbad and Encinitas the population 65 years and over is above fifteen percent, higher than the County and City of San Diego of about twelve percent. In Solana Beach, the population under the age of 18 is lower than the county by about seven percent. The population of people age 18 to 24 is 5.3 percent lower than the County.

Table 2-2: Age Characteristics / Age Distribution (2017)								
Jurisdiction	Under 5	5 to 17	18 to 24	25 to 44	45 to 64	65 years +		
Oceanside	6.4%	15.0%	10.1%	28.1%	25.2%	15.1%		
Carlsbad	6.0%	17.4%	6.4%	24.3%	29.8%	16.0%		
Encinitas	5.5%	15.0%	5.7%	26.5%	30.4%	16.9%		
Solana Beach	Solana Beach 3.9% 12.4% 6.4% 26.1% 28.5% 22.8%							
Del Mar	1.7%	10.3%	1.3%	25.0%	36.2%	25.6%		
San Diego	6.3%	14.2%	11.7%	32.6%	23.3%	12.0%		
San Diego County	6.5%	15.7%	10.9%	29.5%	24.5%	12.9%		
Source: American Community Survey, 5-Year Estimates, 2017.								

# 3. Race/Ethnicity Characteristics

Racial and ethnic composition of a community is important to understand and analyze the implications for housing to the extent that different racial and ethnic groups have different household characteristics, income levels, and cultural backgrounds which may affect their housing needs, housing choice and housing types.

The American Community Survey data (shown in **Table 2-3**) reports Solana Beach's White population to be 12.6 percent higher than San Diego County. The City of Solana Beach's demographics (shown in Figure 2-2) show a significantly smaller percentage of residents who are Black compared to the County of San Diego (0.6 percent compared to five percent). Similarly, the percentage of the population within Solana Beach who is Asian is less than half of the overall County's percentage of the population who is Asian (5.1 percent compared to 11.7 percent). Both the Native Hawaiian/Other Pacific Islander and American Indian/Alaska Native populations are each below one percent of the total population (0.4 and 0.6 percent respectively). Of San Diego's total population, 33.4 reported Hispanic or Latino, nearly triple the 11.5 percent who reported Hispanic or Latino in Solana Beach. Overall, Solana Beach's White population is a higher percentage than the County's, with less overall diversity than the County.

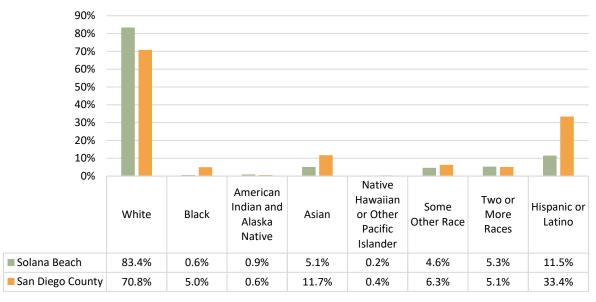


Figure 2-2: Racial Ethnic Composition (2017)

Source: American Community Survey, 5-Year Estimates, 2017.

In addition to comparing Solana Beach's demographics to the County of San Diego, the data in **Table 2-4** tracks the racial and ethnic demographics over the course of about 20 years, from 2000 to 2017. The American Community Survey data reports the racial and ethnic composition of Solana Beach from 2000 to 2017, showing the trends and changes in the City. The data shows that Solana Beach's population has been primarily White between 2000 and 2017, however, the White population has shown a modest decline by about four percent overall. While the Black population percentage remains virtually unchanged, under one percent of the total population from 2000 to 2017, the Asian population increased from 3.5 percent in 2000 to 5.1 percent in 2017. Of Solana Beach's total population in 2000, about fifteen percent identified as Hispanic or Latino, whereas in 2017 the Hispanic or Latino population decreased to 11.5 percent in 2017.

Та	Table 2-4: Solana Beach Racial/Ethnic Composition (2000-2017)						
Race/Ethnicity	2000	2010	2017	Percent Change 2000 to 2010	Percent Change 2010 to 2017		
White	87.0%	85.8%	83.4%	-1.4%	-2.8%		
Black	0.5%	0.5%	0.6%	0.0%	20.0%		
American Indian and Alaska Native	0.4%	0.5%	0.9%	25.0%	80.0%		
Asian	3.5%	4.0%	5.1%	14.3%	27.5%		
Native Hawaiian or Other Pacific Islander	0.1%	0.1%	0.0%	0.0%	-100.0%		
Some Other Race	5.6%	5.7%	4.6%	1.8%	-19.3%		
Two or More Races	2.9%	3.4%	5.3%	17.2%	55.9%		
Hispanic or Latino	14.8%	15.9%	11.5%	7.4%	-27.7%		
Source: United States Cen.	sus Bureau, 2000 a	nd 2010 and Ameri	can Community Sui	rvey, 5-Year Estima	tes, 2017.		

The racial and ethnic composition of a population may affect housing needs because of cultural preferences associated with different racial/ethnic groups. Cultural influences may reflect preference for a specific type of housing; additionally, race and ethnicity tend to correlate with other characteristics such as location choices, mobility, and income. In Solana Beach, most of the population is white, and poverty primarily affects the City's Black and American Indian or Alaskan Native residents, with 17.3 percent and twenty percent living below the poverty level respectively (shown in **Figure 2-6**). Race and ethnicity as they correlate with income and poverty, are important in recognizing housing needs trends and housing availability.

#### B. Economic Characteristics

Reporting and analyzing economic characteristics of a community is an important component of the Housing Element because the data provides valuable insight of the community's ability to access the housing market as well as financial restraints consistent with housing needs and accommodations. Incomes associated with different types of employment and the number of workers in a household affect housing affordability and choice. Therefore, to consider a healthy balance between jobs and housing, it is important to consider the employment characteristics of a community. Local employment growth is linked to local housing demand, and the reverse being true when employment contracts.

#### 1. Employment and Wage Scale

For a City to achieve a healthy balance between jobs and housing, it is important to consider employment, wage and occupational characteristics and growth changes. Based on the SANDAG Sub-regional Growth Forecast (**Table 2-5**), San Diego County can expect a 17.6 percent employment growth from 2020 to 2050. Solana Beach is expected to grow 18.7 percent between 2010 and 2050, but only about 8 percent from 2020 to 2050. Though the job growth in San Diego County (34.4 percent) outpaces Solana Beach, nearby counties are shown to experience similar growth rates. Solana Beach's neighbor to the North, Encinitas, is shown to experience a 15.2 percent job growth from 2010 to 2050. Del Mar, to the south, projects a significantly lower job growth rate (6.6 percent).

Table 2-5: Job Growth (2010-2050)								
Jurisdiction	on 2010 2020		2050	% Change 2010-2050	Numeric Change 2010-2050			
Carlsbad	64,956	77,431	85,718	32.0%	20,762			
Del Mar	4,431	4,542	4,725	6.6%	294			
Encinitas	25,643	27,276	29,542	15.2%	3,899			
Oceanside	Oceanside         41,142         48,208         54,091         31.5%         12,949							
Solana Beach         7,417         8,156         8,802         18.7%         1,385								
San Diego County         1,421,941         1,624,124         1,911,405         34.4%         489,464								
Source: SANDAG Series 13 Subregional Growth Forecast, 2013.								

**Table 2-5** shows Solana Beach to generate a total of 1,385 jobs between 2010 and 2050, an 18.7 percent increase overall, higher than the neighboring Cities, with similar demographics and populations, of Del Mar and Encinitas. The 2010 to 2050 employment growth of 18.7 percent in Solana Beach is slightly higher to its population growth (15.5 percent 2010 to 2050 population growth) shown in Table 1. In 2035, Solana Beach is projected to have 19.4 jobs per developed employment acre, which total 8,536 jobs available for a projected population of 11,809 (persons 18 years or over). In 2050, there are a projected 8,802 jobs available for a projected 12,247 persons over the age of 18.

Analyzing the employment by sector in a city is important in understanding growth changes, income and wages, and access to different types of housing, as well as what housing needs maybe be present. Solana Beach is a moderate to high income community (see Table 2-11), which may be attributed to the high percent of persons in the professional, scientific, management, and administrative services Industries, an estimated 21.7 percent in 2010 and 23.6 percent in 2017. The data in **Table 2-6** shows a large increase (211.4%) in agriculture, forestry, fishing and hunting, and mining from 2010 to 2017, as well as a in retail (104.5%). The data also reports a fifty percent decrease in public administration roles, and a twenty percent drop in the arts, entertainment, recreation and hospitality sectors. Education, healthcare and social services as well as professional, scientific, management and administration make up majority of the positions in Solana beach in 2017 (39.5 percent combined).

Table 2-6: Employment by Sector in Solana Beach (2017)						
	201	.0	201	Percent		
Industry Sector	# of people employed	% of City Employment	# of people employed	% of City Employment	Change 2010-2017	
Agriculture, forestry, fishing and hunting, and mining	35	0.5%	109	1.5%	211.4%	
Construction	359	5.5%	364	5.1%	1.4%	
Manufacturing	365	5.6%	454	6.3%	24.4%	
Wholesale trade	254	3.9%	232	3.2%	-8.7%	
Retail trade	396	6.1%	810	11.3%	104.5%	
Transportation and warehousing, and utilities	111	1.7%	202	2.8%	82.0%	
Information	327	5.0%	201	2.8%	-38.5%	
Finance and insurance, and real estate and rental leasing	644	9.9%	761	10.6%	18.2%	
Professional, scientific, management, and administrative services	1,409	21.7%	1,689	23.6%	19.9%	
Education services, health care, and social assistance	1,108	17.1%	1,140	15.9%	2.9%	
Arts, entertainment, recreation, accommodation, and food services	963	14.8%	767	10.7%	-20.4%	
Other services (except public administration)	279	4.3%	309	4.3%	10.8%	
Public Administration	236	3.6%	117	1.6%	-50.4%	
Total 6,486 100% 7,155 100% 10.3%						
Source: American Community Survey, 5-Year Estimates, 2010 and 2017.						

In addition to reporting and analyzing employment sector trends, analyzing the unemployment rate is essential to understanding current housing affordability and needs, as well as projected needs. According to the American Community Survey Data, (**Table 2-7**) Solana Beach experienced just below a four percent unemployment rate in 2017, the lowest unemployment rate in the North County region. The data reports San Diego County to have about a seven percent unemployment rate in 2017, and surrounding jurisdictions to have unemployment rates ranging from 3.9 in Del Mar to 6.6 percent in Oceanside.

Table 2-7: Unemployment Rate (2017)				
Jurisdiction	Unemployment rate*			
Oceanside	6.6%			
Carlsbad	5.2%			
Encinitas	4.9%			
Solana Beach	3.8%			
Del Mar	3.9%			
San Diego	7.0%			
San Diego County 7.1%				
*Population 16 years and over				
Source: American Community	Survey, 5-Year Estimates, 2017.			

Table 2-8 displays average annual wage data for occupations compiled by the California Employment Development Department (EDD) for the San Diego Metropolitan Statistical Area in 2019. Professional and health services occupations, including managers, doctors, attorneys, architects, and engineers were among the highest paying professions in the region. In addition to the traditionally higher paying occupations, computer and mathematical occupations averaged over \$100,000 in the County, and making careers in tech higher paying than healthcare, architecture and engineering occupations. Education and financial occupations generally offer high to moderate pay scales while the food preparation and retail sales offer lower wages. Compared to County statistics, the City of Solana Beach's residents benefitted from higher paying jobs and a lower unemployment rate. According to the data in Table 6, majority of Solana Beach's residents maintain mid to high level paying occupations.

Table 2-8: Mean Salary by Occupation in San Diego County					
Occupation	Salary				
Management	\$131,550				
Legal	\$125,772				
Healthcare Practitioners and Technical	\$97,702				
Architecture and Engineering	\$98,760				
Computer and Mathematical	\$101,629				
Life, Physical and Social Sciences	\$86,073				
Business and Financial Operations	\$80,510				
Education, Training and Library	\$66,335				
Arts, Design, Entertainment, Sports and Media	\$61,635				
Construction and Extraction	\$58,011				
Protective Services	\$58,798				
Community and Social Service	\$57,077				
Installation, Maintenance and Repair	\$53,025				
Sales	\$43,543				
Office and Administration Support	\$43,266				
Production	\$42,499				
Transportation and Material Moving	\$38,450				
Healthcare Support	\$38,858				
Building, Grounds Cleaning, and Maintenance	\$33,718				
Personal Care and Service	\$31,530				
Farming, Fishing and Forestry	\$32,872				
Food Preparation and Serving Related \$26,380					
Source: California Employment Development Division, Occupa	tional Wage data, 2019.				

#### C. Household Characteristics

A household is considered all persons who occupy a housing unit, as defined by the Census; this may include single persons living alone, families related through marriage, blood or adoption, domestic partnerships and unrelated individuals living together. Not all housing is considered a housing unit including, nursing facilities, residential care facilities, dormitories, and other group living, as well as the persons living with them are not considered a household.

Information on household characteristics assists understanding growth and determining the housing needs of a community. Income and affordability are best measured at the household level, as well as the special needs of certain groups, such as large families, single parent households, or low and extremely low-income households. For example, if a City has a prominent aging population, who are homeowners but live on fixed incomes, it may consider implementing a home beautification assistance program.

### 2. Household Type and Size

According to the American Community Survey 2017, there were 1,111,739 total households in San Diego County. Of those households, 5,744— less than one percent— were in Solana Beach. Compared to surrounding jurisdictions, Solana Beach is one of the smallest communities, being only larger than Del Mar, which has 2,157 households. The data in **Table 2-9** breaks down characteristics the total households of Solana Beach and its surrounding communities. Nearly half of all the Households in Solana Beach were married-couple families, similar to both the County and nearby jurisdictions. Just under six percent of the households were female headed with no husband present, about half of the eleven percent female headed households in San Diego County. The data also reports that 44.6 percent of all households reported non-family; an abnormally high number compared to 32.8 percent reported in the County and as low as 29.2 percent in Carlsbad to 41.8 percent in Del Mar, of nearby jurisdictions.

	Table 2-9: Household Characteristics							
Jurisdiction	Married- couple Family Households	% of Total Households	Female Household, No Husband Present	% of Total Households	Non-Family Household	% of Total Households	Total Households	
Oceanside	31,652	51.1%	7,115	11.5%	20,142	32.5%	61,978	
Carlsbad	24,617	56.9%	4,576	10.6%	12,626	29.2%	43,281	
Encinitas	13,026	53.6%	1,560	6.4%	8,698	35.8%	24,284	
Solana Beach	2,608	45.4%	331	5.8%	2,559	44.6%	5,744	
Del Mar	1,060	49.1%	75	3.5%	901	41.8%	2,157	
San Diego	221,461	44.5%	56,305	11.3%	196,653	39.6%	497,189	
San Diego County	556,665	50.1%	133,696	12.0%	364,949	32.8%	1,111,739	
Source: Americ	an Community S	Gurvey, 5-Year Es	timates, 2017.					

**Figure 2-3** displays the data in Table 9, with the addition of householder ages 65 and above. Previously noted in Figure 1, Solana Beach has a growing population over the age of 65. In 2000, the population 65 years and over was 17.3 growing to 22.8 percent in 2017. A high percentage of persons over 65 years contributes to a higher percentage of Senior headed households. About sixteen percent of all households in Solana Beach are senior headed.

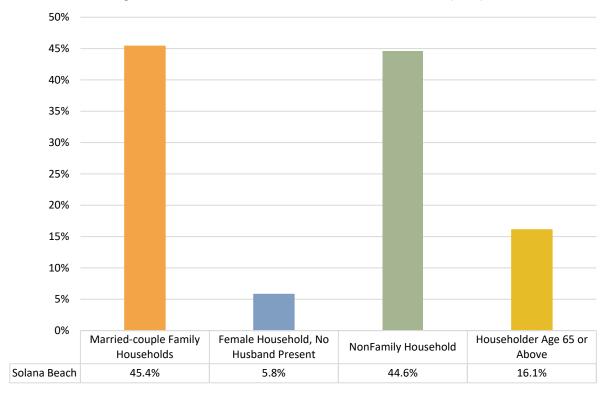


Figure 2-3: Solana Beach Household Characteristics in Percent (2017)

Source: American Community Survey, 5-Year Estimates, 2017.

Table 2-10 shows that between 2000 and 2010, Solana Beach experienced a five percent decrease in total households and a 1.6 percent increase from 2010 to 2017. Overall Solana Beach has experienced a less than one percent decrease in total households from 2010 to 2017. The data shows that both the married-couple households and the female households with no husband present have slightly decreased from 2000 to 2017. However, the percentage of householders 65 years and over, or senior headed households, has steadily increased; jumping from 10.4 percent in 2000 to 11.5% in 2010 then increasing again to 16.1 percent in 2017.

Table 2-10: Changes in Household Types											
	2000	Percent	2010	Percent	2017	Percent					
Total Households	5,754	100.0%	5,650	100.0%	5,744	100.0%					
Married-couple Family Households	2,723	47.3%	2,730	48.3%	2,608	45.4%					
Female Household, No Husband Present	389	6.8%	360	6.4%	331	5.8%					
Non-family Household	2,474	43.0%	2,367	41.9%	2,556	44.6%					
Householder 65 Years and Over	599	10.4%	647	11.5%		16.1%					
Source: American Commu	ınity Survey, 5	-Year Estimate	es, 2017.		Source: American Community Survey, 5-Year Estimates, 2017.						

Household size is an indicator of one source of population growth and an indicator of the character households, which represent the most basic unit of demand for housing. Although there can be more than one family in a housing unit, the measure of persons per household provides an indicator of the number of persons residing in a household

organizing unit and the number of persons living in a housing unit. Average household size can be both a result and indicator of housing affordability and other household economic conditions.

**Table 2-11** displays the average number of persons per household in North County San Diego as well as San Diego city and the County as a whole. The American Community Survey reports Solana Beach to have an average household size of 2.33 persons in 2017. The average household size of Solana Beach is smaller than the 2.87 average for the County. However, the average household size of surrounding communities is similar, ranging from 2.01 persons per households in Del Mar to 2.81 persons per household in Oceanside.

Table 2-11: Average Household Size				
Jurisdiction	Average Persons per Household			
Oceanside	2.81			
Carlsbad	2.60			
Encinitas	2.56			
Solana Beach	2.33			
Del Mar	2.01			
San Diego	1.37			
San Diego County	2.87			
Source: American Community Survey, 5-Year Estimates, 2017.				

#### 3. Household Income

Household income is directly connected to affordability, as household income increases, it is more likely that the household can afford market rate housing units, larger units and/or pursue ownership opportunities. As household income decreases, households tend to pay a disproportionate amount of their income for housing. This may influence increased incidence of overcrowding and substandard living conditions.

The California State Department of Housing and Community Development (HCD) has identified the following income categories based on the HUD Area Median Family Income (HAMFI) of San Diego County;

- Extremely Low-income: households earning up to 30 percent of the HAMFI
- Very Low-income: households earning between 31 and 50 percent of the HAMFI
- Low-income: households earning between 51 percent and 80 percent of the HAMFI
- Moderate Income: households earning between 81 percent and 120 percent of the HAMFI
- Above Moderate Income: households earning over 120 percent of the HAMFI

Combined, the extremely low, very low, and low-income groups are referred to as lower income.<sup>1</sup> Comprehensive Housing Affordability Strategy (CHAS) estimates based on 2006-2016 American Community Survey (ACS) data used below. In 2017, approximately 76 percent of Solana Beach households earned moderate or above moderate incomes (**Table 2-12**), while 24 percent of households had incomes in the extremely low, very low, and low-income levels.

Federal housing and community development programs typically assist households with incomes up to 80 percent of the HAMFI and use different terminology. For example, the Federal Community Development Block Grant (CDBG) program refers households with incomes between 51 and 80 percent HAMFI as moderate income (compared to low-income based on State definition).

Table 2-12: Households by Income Category in Solana Beach (2013-2017)							
Income Category (% of County AMFI) Households Percent							
Extremely Low (30% HAMFI or less)	330	5.7%					
Very Low (31 to 50% HAMFI)	355	6.2%					
Low (51 to 80% HAMFI)	695	12.1%					
Moderate or Above (over 80% HAMFI)	4,365	76%					
Total	5,745	100%					

Source: Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS), 2013-2017.

Household incomes in Solana Beach are significantly higher than the County, yet comparable to incomes in surrounding communities. The American Community Survey data reports that the median income in San Diego County was \$70,588 in 2017 (Figure 2-4). In the same year, Solana Beach reported an average income of \$103,864, similar to Encinitas' median income of \$103,842 and Carlsbad's median income of \$102,722. Solana Beach's median income represents its high volume of professional residents in moderate to high paying jobs (Tables 6 and 8). The data in Table 2-13 shows that Solana Beach's median reported income in 2017 was 32 percent higher than the County's median income, a common trend in the North County region.

\$140,000.00 \$122,563.00 \$120,000.00 \$103,842.00 \$103,864.00 \$102,722.00 \$100,000.00 \$80,000.00 \$71,535.00 \$70,588.00 \$61,778.00 \$60,000.00 \$40,000.00 \$20,000.00 \$-Oceanside Carlsbad **Encinitas** Solana Beach Del Mar San Diego City Median Income Median Income of San Diego Region

Figure 2-4: Median Household Income by City (2017)

Source: American Community Survey, 5-Year Estimates, 2017.

Table 2-13: Median Household Income						
Jurisdiction	Median Income	Percent Above/Below Regional Median				
Oceanside	\$61,778	-14.3%				
Carlsbad	\$102,722	31.3%				
Encinitas	\$103,842	32.0%				
Solana Beach	\$103,864	32.0%				
Del Mar	\$122,563	42.4%				
San Diego	\$71,535	1.3%				
San Diego County						
Source: American Commu	ınity Survey, 5-Year Estimat	es, 2017.				

The data displayed in **Figure 2-5** shows the majority of households in Solana Beach (63.5 percent) had an income of \$75,000 or higher. Majority of residents made above \$100,000 per year in 2017, with 21.6 percent households making \$100,000 to \$149,999 and 32.5 percent of households making \$150,000 or more. On the other hand, just 7.7 percent of households made less than \$24,000 and 13.5 percent made \$25,000 to \$49,999. Overall, the majority of Solana Beach's households have moderate to high incomes.

\$50,000 - \$74,999, 15.5% \$100,000 - \$149,999, 21.6% \$35,000 -\$49,999, >75,000, > \$150,000, 7.3% 63.5% \$75,000 -32.5% \$25,000 -\$99,999, \$34,999, 9.4% 6.2% < \$24,999, 7.7%

Figure 2-5: Solana Beach Income Breakdown by Category

Source: American Community Survey, 5-Year Estimates, 2017.

# D. Housing Problems

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census Bureau for HUD provides detailed information on housing needs by income level for different types of households in Solana Beach. The most recent available CHAS data for Solana Beach was published in August 2019 and was based on 2006-2016 ACS data. Housing problems considered by CHAS included:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burdens, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burdens, including utilities, exceeding 50 percent of gross income.

The types of problems in Solana Beach vary according to household income, type, and tenure (**Table 2-14**). These include:

- In general, owner-households had a lower level of housing problems (16 percent) than renter-households (22.6 percent).
- Approximately seven percent of owner households reported having a severe housing problem, whereas almost sixteen percent of renters reported a severe housing problem.
- Overall, 38.6 percent of all households reported at least one housing problem and 22.8 percent of all households reported at least one severe housing problem.

Table 2-14: Housing Problem Overview							
Housing Problem Overview*	Owner	Percent	Renter	Percent	Total	Percent	
Household has at least 1 of 4 Housing Problems	920	16.0%	1,300	22.6%	2,220	38.6%	
Household has none of 4 Housing Problems	2,385	41.5%	1,085	18.9%	3,470	60.3%	
Cost Burden not available, no other problems	25	0.4%	40	0.7%	65	1.1%	
Total	3,325	57.8%	2,425	42.2%	5,750	100%	
Severe Housing Problem Overview**	Owner	Percent	Renter	Percent	Total	Percent	
Household has at least 1 of 4 Severe Housing Problems	400	7.0%	910	15.8%	1,310	22.8%	
Household has none of 4 Severe Housing Problems	2,900	50.4%	1,470	25.6%	4,370	76.0%	
Cost Burden not available, no other problems	24	0.4%	40	0.7%	65	1.1%	
Total	3,325	57.8%	2,425	42.2%	5,750	100%	

<sup>\*</sup> The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2012-2016.

<sup>\*\*</sup> The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%.

#### 1. Overcrowding

A combination of low incomes and high housing costs forces households to live in overcrowded conditions. "Overcrowding" is generally defined as a housing unit occupied by more than one person per room in house (including living room and dining rooms, but excluding hallways, kitchen, and bathrooms). An overcrowded household results from either a lack of affordable housing (which forces more than one household to live together) and/or a lack of available housing units of adequate size. Overcrowding can indicate that a community does not have an adequate supply of affordable housing, especially for large families.

Overcrowded and severely overcrowded households can lead to neighborhood deterioration due to the intensive use of individual housing units leading to excessive wear and tear, and the potential cumulative overburdening of community infrastructure and service capacity. Furthermore, overcrowding in neighborhoods can lead to an overall decline in social cohesion and environmental quality. Such decline can often spread geographically and impact the quality of life and the economic value of property and the vitality of commerce within a city. The combination of lower incomes and high housing costs result in many households living in overcrowded housing conditions.

Table 2-15: Overcrowding by Tenure							
Tenure	Total	Overcrowded Housing Units (1.01-1.5 persons/room)	Housing Units Percent Overcrowded (1.01-1.5 Housing Units		Percent		
Owner Occupied	3,368	27	0.47%	0	0.0%		
Renter Occupied	2,376	15	0.26%	28	0.49%		
Total 5,744 42 0.73% 28 0.49%							
Source: American Community Survey, 5-Year Estimates, 2017.							

Because of Solana Beach's demographic profile (older population, smaller household, higher income) overcrowding has not been a reported issue. According to the American Community Survey, shown in **Table 2-15**, less than one percent of owner-occupied households reported overcrowding (more than one person per room) and no owner-occupied households reported severe overcrowding (more than 1.5 persons per room). Of the renter-occupied households, less than one percent reported overcrowding or severe overcrowding. Only 1.2 percent of all households reported any kind of crowding, nearly five percent less than San Diego County. Additionally, overcrowding was less of an issue in Solana Beach than many of its neighbors, where Oceanside experienced 4.8 percent reported overcrowding and 3.4 percent in Encinitas. Overall, overcrowding in the North County area is reported as less of a problem than in San Diego County as a whole.

Table 2-16: Overcrowded Housing Units						
Jurisdiction	Total Overcrowded Units	Percent				
Oceanside	2,997	4.8%				
Carlsbad	892	2.1%				
Encinitas	816	3.4%				
Solana Beach	70	1.2%				
Del Mar	0	0%				
San Diego	31,411	6.3%				
San Diego County 72,686 6.5%						
Source: American Community Survey, 5-Year Estimates, 2017.						

#### 2. Overpayment (Cost Burden) In Relationship to Income

State and federal standards indicate that a household paying more than 30 percent of its income for housing is overpaying. Overpayment for housing can cause an imbalance on the remainder of a household's budget. Understanding and measuring overpayment for housing in a community is an indicator of the dynamics of demand and supply.

Per the Housing and Urban Development CHAS report, show in **Table 2-17**, 3,189 households or about half of Solana Beach's households reported some type of overpayment. About 15 percent of owners experienced a cost burden over 30 percent and only about 6 percent of owners reported a cost burden of 50 percent or greater. The data in Table 17 show that renters were importunately affected by cost burden, where 20.4 percent reported a 30 percent or higher burden and 13.5 percent reported a 50 percent or high cost burden.

Table 2-17: Summary of Housing Overpayment											
	Owner				Renter				Total % of		
Income by Cost Burden*	Cost Burden > 30%	% of Tot. HH*	Cost Burden > 50%	% of Tot. HH	Cost Burden > 30%	% of Tot. HH	Cost Burden > 50%	% of Tot. HH	Households with Cost Burden	Tot. HH	
Household Income is less- than or = 30%	65	1.1%	55	1.0%	255	4.4%	240	4.2%	615	10.7%	
Household Income >30% to less-than or = 50% HAMFI	99	1.7%	95	1.7%	275	4.8%	250	4.3%	719	12.5%	
Household Income >50% to less-than or = 80% HAMFI	135	2.3%	95	1.7%	355	6.2%	235	4.1%	820	14.3%	
Household Income >80% to less-than or = 100% HAMFI	120	2.1%	50	0.9%	205	3.6%	35	0.6%	410	7.1%	
Household Income >100% HAMFI	465	8.1%	60	1.0%	85	1.5%	15	0.3%	625	10.9%	
Total	884	15.4%	355	6.2%	1,175	20.4%	775	13.5%	3,189	55.5%	

<sup>\*%</sup> of tot. HH = Percent of Total Households in Solana Beach

Note: HAMFI = HUD Area Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. HAMFI will not necessarily be the same as other calculations of median incomes (such as a simple Census number), due to a series of adjustments that are made.

Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2012-2016.

<sup>\*</sup>Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

# E. Special Needs Groups

Certain households may have more difficulty in finding adequate and affordable housing due to special circumstances, therefore, it is important to understand the demographics of persons with special needs to recognize how it influences the housing needs within a community. Special needs populations include seniors, persons with disabilities, femaleheaded households, large households, and farm workers. In addition, many often have lower incomes because of their conditions. **Table 2-18** displays the data for persons with special needs in Solana Beach.

Table 2-18: Special Needs Groups						
Special Needs Groups	# of People or Households	Percent of Total Population/ Households				
Senior Headed Households	1,067	18.6%				
Households with Seniors (65 years and over)	2,190	38.1%				
Seniors Living Alone	926	16.1%				
Persons with Disabilities	861	6.5%				
Large Households (5 or more persons per household)	197	3.4%				
Single-Parent Households	267	4.6%				
Single-Parent, Female Headed Households with Children (under 18 years)	119	2.1%				
People Living in Poverty	656	4.9%				
Farmworkers	109	0.8%				
Homeless*	80					

<sup>\*</sup> Total number of people includes counts for Solana Beach and surrounding jurisdictions, including Del Mar, Encinitas and San Diego. Source: American Community Survey, 5-Year Estimates, 2017

#### 1. Seniors

The senior population, generally defined as those 65 years of age and over, has several concerns: limited and fixed incomes, high health care costs, transit dependency, and living alone. Specific housing needs of the senior population include affordable housing, supportive housing (such as intermediate care facilities), group homes, and other housing that includes a planned service component.

A limited income for many seniors, often makes it difficult to find affordable housing. **Table 2-19** compares Solana Beach's senior population to San Diego County and nearby cities. The data reports than in Solana Beach 22.8 percent of the population is age 65 or over, 3,040 persons. Among the senior population, 926 living alone, and 2,190 households have persons 65 years and over living in them (Table 2-18). Furthermore, about 18 percent of all households in Solana Beach were seniors headed households. In 2017, ACS reported 12.9 percent of San Diego County's population to be age 65 or over, about half of Solana Beach's Senior population. The North County Cities all report a higher senior population than the County, Del Mar's being the highest at 25.6 percent. In addition to overpayment problems faced by seniors due to their relatively fixed incomes, many seniors are faced with various disabilities (Table 20).

Table 2-19: Persons Ages 65 and Over					
Jurisdiction	Population Count	Percent			
Oceanside	26,461	15.1%			
Carlsbad	18,082	16.0%			
Encinitas	10,582	16.9%			
Solana Beach	3,040	22.7%			
Del Mar	1,109	25.6%			
San Diego	12.0%				
San Diego 425,217 12.9%					
Source: American Co	mmunity Survey, 5-Ye	ar Estimates, 2017.			

**Table 2-20** displays the tenure of Solana Beach and surrounding jurisdictions for residents 65 and over. There are currently more owner-occupied housing units than renter-occupied housing units in all the jurisdictions listed below. In Solana Beach, owner-occupied housing units make up 81% of all senior occupied housing units, with the remainder being renter-occupied units.

Table 2-20 Tenure of Persons Ages 65 and Over					
Jurisdiction	Owner-Occupied Housing Units	Renter-occupied Housing Units	Occupied Housing Unit		
Del Mar	636	75	711		
Encinitas	5,248	2,133	7,381		
Solana Beach	1,627	375	2,002		
San Diego	73,515	30,626	103,841		
San Diego County	191,062	67,286	258,348		
Source: American Community Survey, 5-Year Estimates, 2019					

## 2. Persons with Physical and Developmental Disabilities

Physical and developmental disabilities can hinder access to traditionally designed housing units as well as potentially limit the ability to earn adequate income. Physical, mental, and/or developmental disabilities may deprive a person from earning income, restrict mobility, or make self-care difficult. Thus, persons with disabilities often have special housing needs related to limited earning capacity, a lack of accessible and affordable housing, and higher health costs associated with a disability. Additionally, some residents suffer from disabilities that require living in a supportive or institutional setting.

Although no current comparisons of disability with income, household size, or race/ethnicity are available, it is reasonable to assume that a substantial portion of persons with disabilities would have annual incomes within Federal and State income limits, especially those households not in the labor force. Furthermore, many lower income persons with disabilities are likely to require housing assistance and services. Housing needs for disabled persons are further compounded by design issues and location factors, which can often be costly. For example, special needs of households with wheelchair-bound or semi-ambulatory individuals may require ramps, holding bars, special bathroom designs, wider doorways, lower cabinets, elevators, and other interior and exterior design features.

Housing opportunities for persons with disabilities can be addressed through the provision of affordable, barrier-free housing. Rehabilitation assistance can be targeted toward renters and homeowners with disabilities for unit modification to improve accessibility.

The 2017 ACS identifies six disability types: hearing disability, vision disability, cognitive disability, ambulatory disability, self-care disability and independent living disability. The Census and the ACS provide clarifying questions to determine persons with disabilities and differentiate disabilities within the population. The ACS defines a disability as a report of one of the six disabilities identified by the following questions:

- Hearing Disability: Is this person deaf or does he/she have serious difficulty hearing?
- Visual Disability: Is this person blind or do they have serious difficulty seeing even when wearing glasses?
- Cognitive Difficulty: Because of a physical, mental, or emotional condition, does this person have serious difficulty concentrating, remembering, or making decisions?
- Ambulatory Difficulty: Does this person have serious difficulty walking or climbing stairs?
- Independent Living Difficulty: Because of a physical, mental, or emotional condition, does this person have difficulty doing errands alone such as visiting a doctor's office or shopping?

According to the 2017 ACS, shown in **Table 2-21**, majority of persons in Solana Beach with a disability reported having an ambulatory disability (30.2 percent). Twenty-three percent of persons with a disability reported having independent living difficulties, which could be an effect of the generally older population of Solana Beach. The 2017 ACS data reports that 18.3 percent of persons with a disability had a cognitive difficulty and 17.6 percent had a hearing difficulty.

Among the persons with reported disabilities, 1,120 were 65 years and older, about 70 percent of reported disabilities. Only about five percent of documented disabilities were reported for persons under the age of eighteen, and a 24.6 percent were persons aged 18 to 64. Overall, of the total population in Solana Beach 6.5 percent are reported to have at least one disability (**Table 2-18**).

Table 2-21: Disability Status of Residents in Solana Beach						
Disability Type	Under 18 with a Disability	18 to 64 with a Disability	65 years and Over with a Disability	Total	Percent of Population with Disability	Percent of Total Population
Population with a Hearing Difficulty	0	54	228	282	17.6%	2.1%
Population with a Vision Difficulty	5	17	34	56	3.5%	0.4%
Population with a Cognitive Difficulty	46	111	136	293	18.3%	2.2%
Population with an Ambulatory Difficulty	17	88	378	483	30.2%	3.6%
Population with a Self-care Difficulty	17	35	64	116	7.3%	0.9%
Population with an independent Living Difficulty		90	280	370	23.1%	2.8%
Total	85	395	1,120	1,600*	100.0%	

<sup>\*</sup>This number may double count as some persons report having one or more disabilities, therefore this total number differs from the total number of persons with a disability in Table 18.

Source: American Community Survey, 5-Year Estimates, 2017.

#### **Developmental Disabilities**

State law requires that the Housing Element discuss the housing needs of persons with developmental disabilities. As defined by the Developmental Disabilities Assistance and Bill of Rights Act of 2000, a "developmental disability" is a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self- sufficiency; and
- Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic
  services, individualized supports, or other forms of assistance that are of lifelong or extended duration and
  are individually planned and coordinated.

Many people with developmental disabilities can live and work independently within a conventional housing environment. Individuals with more severe developmental disabilities require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for persons with developmental disabilities is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

Solana Beach has approximately 21 individuals aged 0-17 and 29 individuals 18 years and older identified as having a developmental disability by the State Department of Developmental Services (DDS) in December 2020. This is a total of 50 individuals, which represents approximately 0.4% of the total population for the City. While the 21 individuals aged 0-17 likely live with family, it is important that housing for the 21 adults with developmental disabilities be planned for by the City. To address the needs of this population, the City has included **Program 4C** to accommodate the approval of group homes, ADA retrofit efforts, ADA compliance and/or other measures through the implementation of Title 24.

The San Diego Regional Center (SDRC) is a focal point in the community for persons with developmental disabilities living in San Diego and Imperial Counties. The SDRC provides community resources and services to residents with developmental disabilities by assisting in locating affordable housing opportunities, employment opportunities, and overall enhancing quality of individual's daily living experiences through access to necessary services. The SDRC has five main Area Offices, with the Carlsbad (North County Office), being the closest to Solana Beach. The SDRC has a wide range of resources available both in person at their Area Offices as well as online at <a href="http://sdrc.org/">http://sdrc.org/</a>. The SDRC does not post statistics relating to individuals assisted per jurisdiction but does have an extensive list of service providers who they partner with to provide services to residents. The following service providers located within Solana Beach are listed on the 2021 SDRC Vendor List.

- Behavioral Autism Therapies, LLC
- Real Connections Child Development Institute
- Solana Beach Child Development Center
- MFG, Inc.
- Strength Collectives, LLC
- Evans, Amber Pawlowski
- Andrews Speech and Language
- At Play Occupational Therapy Services, Inc.

- Hartmann Barrett, Brooke
- Himstreet, Christine E ST
- Kids on the Go Therapy
- Rise Physical Therapy
- Segal Speech and Language Therapy
- Strides Physical Therapy, Inc.
- College Nannies & Tutors #1
- Access to Success ILS
- Kelly-Danssaert, Joanne

#### 3. Large Households

Large Households are defined as households consisting of five or more persons. Such households comprise special needs groups because many communities have a limited supply of adequately sized and affordable housing units. To save for other necessities such as food, clothing and medical care, it is common for lower income large households to reside in smaller units with inadequate number of bedrooms, which frequently results in overcrowding and can contribute to fast rates of deterioration.

Securing housing large enough to accommodate all members of a household is more challenging for renters, because multi-family rental units are typically smaller than single-family ownership units. While apartment complexes offering two and three bedrooms are common, apartments with four or more bedrooms are rare. It is more likely that a large family will experience overcrowding in comparison to smaller families. Additionally, throughout the region, larger single-family homes, whether to rent or own, are generally not affordable to most lower income households.

The 2017 ACS reported a small percentage of large households in Solana Beach. **Table 2-22** displays the data for large households, showing that under four percent of total households in Solana Beach were large households. Among large households in Solana Beach, majority were owner occupied, 177; while just twenty were renter occupied. Overall, Solana Beach has a small percentage of large households to accommodate.

Table 2-22: Large Households by Tenure						
Household Size	Owner	Percent	Renter	Percent	Total	Percent
5-Person Household	130	2.2%	9	0.1%	139	2.4%
6-person household	20	0.3%	10	0.2%	30	0.5%
7-or-more person Households	27	0.5%	1	0.01%	28	0.5%
Total	177	3.1%	20	0.3%	197	3.4%
Source: American Community Survey, 5-Year Estimates, 2017.						

#### 4. Single-Parent Households

Single-parent households often require special consideration and assistance due to their greater need for affordable and accessible day care, health care, and other supportive services. Many female-headed households with children are susceptible to having lower incomes than similar two-parent households. Single, female mothers often face social marginalization pressures that often limit their occupational choices and income earning potential, housing options and access to supportive services.

The data in **Table 2-23**, gathered from the 2017 ACS, shows that under five percent (267) of all households are single-parent households in Solana Beach. Of the 267 single parent households, 119 are reported female headed, no male present and 148 are male headed, no female present. Overall, the data shoes that there are no single-parent households living in poverty.

Table 2-23: Single Parent Households						
I Male No Female   Female No Male   Households				Percent of Total Households		
Solana Beach	148	119	0	267	4.6%	
Source: American Community Survey, 5-Year Estimates, 2017.						

#### 5. Farmworkers

The Agricultural sector is one of the largest industry sectors in California and employs 422,430 persons as of 2019<sup>2</sup>. Farm workers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Farm workers have special housing needs because they earn lower incomes than many other workers and move throughout the year from one harvest location to the next.

Data for farm and agriculture workers is compiled by county within California; the most recent available data comes from the Census of Agriculture, 2017 report produced by the United States Department of Agriculture, National Agricultural Statistics Services. According to the Hired Farm Labor – Workers and Payroll report, there were a total of 2,202 farms and 12,335 hired farm laborers in San Diego County in 2017. The data also identifies a total of 764 migrant farmworkers<sup>3</sup>. On average, farmworkers in the San Diego region earn about \$32,800 per year, this is about 46 percent of the San Diego County median income (See Figure 4 above), therefore, farmworkers are generally within the low-income household category. Currently, there are a reported less than one percent of the population employed in agriculture, forestry, fishing and hunting, and mining occupations in Solana Beach. The City has several plant and tree nurseries and ornamental horticultural businesses which employ residents identified within the agricultural sector. The City's efforts to plan for future housing available to lower-income residents encompasses the current identified need for residents in the agricultural sector.

#### 6. Extremely Low-income Households and Poverty Status

2012-2016 Comprehensive Housing Affordability Strategy (CHAS) data indicates there were approximately 700 low-income households and 445 very low-income households. Very low-income households are those households that earn 50 percent or less of the median family income (MFI) for San Diego County. Extremely low-income households are those households which earn less than 30 percent of the MFI. There are approximately 435 extremely low-income households in Solana Beach (renters and owners). **Table 2-24** below, includes data characterizing affordability and cost burden for various income groups.

<sup>2</sup> California Agriculture Employment Maps, California Employment Development Department, 2019.

<sup>3</sup> United States Department of AGricuklture, National Agriculture Statistics Services, Census of Agriculture, California, 2017.

Table 2-24: Housing Problems for All Households by Tenure					
	Owner				
Income by Housing Problem	Household has at least 1 of 4 Housing Problems	Household has none of 4 Housing Problems	Cost Burden not available, no other Housing Problem		
Household Income is less-than or = 30%	65	30	25		
Household Income >30% to less-than or = 50% HAMFI	100	70			
Household Income >50% to less-than or = 80% HAMFI	140	200			
Household Income >80% to less-than or = 100% HAMFI	125	170			
Household Income >100% HAMFI	490	1,915			
Total	920	2,385	25		
	Renter				
Income by Housing Problem	Household has at least 1 of 4 Housing Problems	Household has none of 4 Housing Problems	Cost Burden not available, no other Housing Problem		
Household Income is less-than or = 30%	255	20	40		
Household Income >30% to less-than or = 50% HAMFI	275				
Household Income >50% to less-than or = 80% HAMFI	355	10			
Household Income >80% to less-than or = 100% HAMFI	250	60			
Household Income >100% HAMFI	165	995			
Total	1,300	1,085	40		
Total Households (Owner and Renter)	2,220	3,470	65		

Source: Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) 2012-2016.

Note: HAMFI = HUD Area Median Family Income, this is the median family income calculated by HUD for each jurisdiction, to determine Fair Market Rents (FMRs) and income limits for HUD programs. HAMFI will not necessarily be the same as other calculations of median incomes (such as a simple Census number), due to a series of adjustments that are made.

According the 2017 ACS, 656 persons were reported to be living in poverty, about 4.9 percent of the population. **Figure 2-6**, displays the percent of persons living in poverty by race or ethnicity and Hispanic or Latino origin, based on own race/ethnicity.

The lowest percentage of people living in poverty was the population who identified as White, with just 4.1 percent of all persons who identified White living in poverty. American Indian and Alaska native was the highest percent of persons living in poverty at 20 percent of the total American Indian and Alaska native population living in poverty. Additionally, both the Black or African American and Asian populations were disproportionately affected by poverty as 17.3 percent of the Black or African American population in the City reported living in poverty and 10.9 percent of the Asian population in the City reported living in poverty. The Native Hawaiian and other Pacific Islander population shows no persons living in poverty; however, it should be noted that no people within Solana Beach reported their race/ethnicity as Native Hawaiian/other Pacific Islander.

<sup>\*</sup> The four housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%.

<sup>\*\*</sup> The four severe housing problems are: incomplete kitchen facilities, incomplete plumbing facilities, more than 1.5 persons per room, and cost burden greater than 50%.

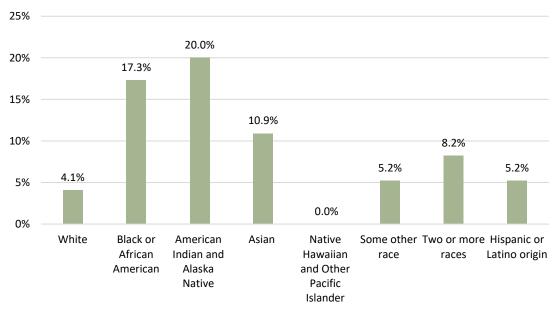


Figure 2-6: Percent below Poverty Level, by Race and Hispanic or Latino Origin in Solana Beach

Source: American Community Survey, 5-Year Estimates, 2017.

#### 7. Homeless

Throughout the country and the San Diego region, homelessness has become an increasingly important issue in light of the current economic conditions. Factors contributing to the rise in homelessness include increased unemployment and underemployment, a lack of housing affordable to lower and moderate-income persons (especially extremely low-income households), reductions in public subsidies to the poor, and the deinstitutionalization of the mentally ill.

State law mandates that municipalities address the special needs of homeless persons within their jurisdictional boundaries. "Homelessness" as defined by the U.S. Department of Housing and Urban Development (HUD) has recently been updated, the following list the updated descriptions for homeless and the changes in the definition from HUD:

- People who are living in a place not meant for human habitation, in emergency shelter, in transitional housing, or are exiting an institution where they temporarily resided. The only significant change from existing practice is that people will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days), and were in shelter or a place not meant for human habitation immediately prior to entering that institution.
- People who are losing their primary nighttime residence, which may include a motel or hotel or a doubled-up situation, within 14 days and lack resources or support networks to remain in housing. HUD had previously allowed people who were being displaced within 7 days to be considered homeless. The proposed regulation also describes specific documentation requirements for this category.
- Families with children or unaccompanied youth who are unstably housed and likely to continue in that state. This is a new category of homelessness, and it applies to families with children or unaccompanied youth who have not had a lease or ownership interest in a housing unit in the last 60 or more days, have had two or more moves in the last 60 days, and who are likely to continue to be unstably housed because of disability or multiple barriers to employment.

People who are fleeing or attempting to flee domestic violence, have no other residence, and lack the resources or support networks to obtain other permanent housing. This category is similar to the current practice regarding people who are fleeing domestic violence.

This definition does not include persons living in substandard housing (unless it has been officially condemned); persons living in overcrowded housing (for example, doubled up with others), persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge), or persons who may be at risk of homelessness (for example, living temporarily with family or friends.)

The Regional Task Force on the Homeless (RTFH) is San Diego County's leading resource for information on issues of homelessness. The RTFH promotes a regional approach as the best solution to ending homelessness in San Diego County. RTFH compiles data from a physical Point-In-Time (PIT) count of sheltered (emergency and transitional) and street homeless persons. 2018 was the last year in which the San Diego County WeAllCount Annual Report identified Solana Beach separately from surrounding jurisdictions. In the 2018 count, the population of sheltered and unsheltered people experiencing homelessness in Solana Beach was none. The 2019 Count was conducted on January 25, 2019 and the results are shown in **Table 2-25.** Oceanside had the largest homeless population of the North County coastal cities. Due to the way the survey was conducted, Solana Beach's homeless population includes homeless persons in the surrounding cities of Encinitas, San Dieguito, and Del Mar.

The City of Solana Beach participates in meetings with RTFH to discuss approaches to assisting persons experiencing homelessness within the region as well as surveys to assist RTFH in determining the needs of persons experiencing homelessness within the community. The City will continue to partner with RTFH to address issues related to homelessness within the community as outline in **Program 4H**.

Table 2-25: Homelessness in Solana Beach and Surrounding Cities						
Jurisdiction	Unsheltered	Sheltered	Total	% of County		
Oceanside	242	166	408	5.4%		
Carlsbad	94	53	147	1.9%		
Solana Beach*	47	33	80	1.1%		
San Diego	2,283	2,604	4,887	64.1%		
San Diego County	3,971	3,648	7,619	100%		

<sup>\*</sup> Total number of people includes counts for Solana Beach and surrounding jurisdictions, including Del Mar, Encinitas and San Diego

According to RTFH, the San Diego region's homeless population can be divided into two general groups: (1) urban homeless, and (2) rural homeless, including farm workers and day laborers who primarily occupy the hillsides, canyons and fields of the northern regions of the County. It is important to recognize that homeless individuals may fall into more than one category (for example, a homeless individual may be a veteran and a substance abuser), making it difficult to accurately quantify and categorize the homeless. RTFH reports the San Diego Region has seen an increase in the average length of time people reside in emergency shelters. The report shows that over 40 percent of the people who exit shelter move on to stable living conditions, but 26 percent return to homelessness within two years.

The North County region of San Diego experiences a reduced amount of homelessness compared to San Diego City and the County as a whole (Table 2-24). The City of Solana Beach (including nearby cities) has the lowest count of homeless persons in the North County region, 47 unsheltered and 33 unsheltered, a total of 80 homeless persons.

Source: San Diego Regional Task Force on the Homeless (RTFH), WeAllCount Survey Results, 2019.

# 8. Students

The college student population in the area is another significant factor affecting housing demand. Solana Beach is located near the University of California, San Diego, San Diego State University, the University of San Diego, California State University at San Marcos, Point Loma Nazarene University, Palomar College, Mesa College and Mira Costa College. According to the 2013-2017 ACS, 696 persons, about 5.2 percent of Solana Beach's population, were enrolled in college or graduate school, of total persons enrolled in college or graduate school 456 were females (65.5 percent). While many of the City's college students reside with their parents, some students reside in Solana Beach in their own independent housing and a general lack of affordable housing is often a factor in a student's decision to move elsewhere after graduation.

# F. Housing Stock Characteristics

The characteristics of the housing stock, including growth, type, availability and tenure, age and condition, housing costs, and affordability are important in determining the housing needs for the community. This section details the housing stock characteristics of Solana Beach to identify how well the current housing stock meets the needs of its current and future residents.

# 1. Housing Growth

According to the 2017 ACS, between 2000 and 2010, the Solana Beach housing stock was estimated to grow from 6,456 to 6,540 units, a 1.3 percent growth shown in Table 25. From 2010 to 2017, Solana Beach experienced a 1.9 percent housing growth. The Overall housing growth in the Northern Coastal County areas has been limited; when compared to adjacent cities, Solana Beach experienced the lowest percent of housing growth as Carlsbad saw a 32 percent growth from 2000 to 2010 and another 5.5 percent increase in housing stock from 2010 to 2017. Additionally, smaller cities, such as Del Mar saw a 9.3 percent growth from 2010 to 2017.

Table 2-26: Housing Unit Growth Trends							
Jurisdiction	2000	2010	2017	Percent Change 2000 to 2010	Percent Change 2010 to 2017		
Oceanside	59,581	64,435	66,715	8.1%	3.5%		
Carlsbad	33,798	44,673	47,119	32.2%	5.5%		
Encinitas	23,843	25,740	26,321	8.0%	2.3%		
Solana Beach	6,456	6,540	6,665	1.3%	1.9%		
Del Mar	2,557	2,596	2,838	1.5%	9.3%		
San Diego	469,689	516,033	533,973	9.9%	3.5%		
San Diego County	1,040,149	1,164,786	1,195,868	12.0%	2.7%		
Source: U.S. Census Bu	ureau, 2000 and 2010	and American Comr	nunity Survey, 5-Year	Estimate, 2017.	•		

# 2. Housing Type

**Table 2-27** provides characterization of the housing stock in Solana Beach and San Diego County per the 2013-2017 American Community Survey. The 2013-2017 American Community Survey indicates that single-family detached homes are the predominant housing type in both Solana Beach and San Diego County. However, Solana Beach proves to provide a diverse assortment of housing. Single-family housing units make up about 45.7 percent of Solana Beach's housing stock and multi-family units make up 38.9 percent of the housing stock. Mobile homes make up under one percent of the total housing stock.

	Table 2-27: Total Housing Units by Type						
Jurisdiction	Single- Family Detached	The second of th					
Solana Beach	3,051	992	2,596	26	6,665		
San Diego         613,113         112,939         426,053         42,614         1,195,868							
Source: American Community Survey, 5-Year Estimates, 2017.							

# 3. Housing Availability and Tenure

Housing tenure and vacancy rates generally influence the supply and cost of housing. Housing tenure defines if a unit is owner-occupied or renter-occupied. Tenure is an important market characteristic as it relates to the availability of housing product types and length of tenure. The tenure characteristics in a community can indicate several aspects of the housing market, such as affordability, household stability, and availability of unit types, among others. In many communities, tenure distribution generally correlates with household income, composition, and age of the householder.

In 2017, Solana Beach's occupied housing was nearly split evenly between owners and renters. Owners made up 58 percent of occupied housing units, majority in single-family detached housing (2,334). Just sixteen percent of single family detached units were occupied by renters, where nearly 80 percent of multi-family units were occupied by renters. All occupied mobile homes in the City were owner occupied.

Table 2-28: Occupied Housing Units by Type and Tenure							
	Single- Family Detached	Single-Family Attached	Multi-Family	Mobile Homes	Total Occupied Units		
Owner Occupied	2,334	600	408	26	3,368		
Renter Occupied	451	336	1,589	0	2,376		
Total	2,785	936	1,997	26	5,744		
Source: American Community Survey, 5-Year Estimates, 2017.							

As shown in **Table 2-29**, owner-occupied households had a slightly higher average household size than renter-occupied households in 2017. The average owner-household size in 2017 was 2.41, whereas renter-occupied units average 2.21 persons per household. Additionally, overall household size is smaller than both the County's average of 2.87 persons and the nearby jurisdictions ranging from 2.56 in Encinitas to 2.81 in Oceanside. The smaller household sizes could be due to the large number of seniors and senior headed households and smaller number of persons under 18 years in the City.

Table 2-29: Average Household Size by Tenure						
Jurisdiction	Owner Occupied Household Size	Renter Occupied Household Size	Average Household Size			
Oceanside	2.73	2.91	2.81			
Carlsbad	2.67	2.47	2.60			
Encinitas	2.68	2.36	2.56			
Solana Beach	2.41	2.21	2.33			
Del Mar	2.19	1.80	2.01			
San Diego	2.80	2.66	2.72			
San Diego County         2.89         2.85         2.87						
Source: American Comi	munity Survey, 5-Yea	r Estimates, 2017.				

Vacancy rates are an important housing indicator because they indicate the degree of choice available. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Too high of a vacancy rate can be difficult for owners trying to sell or rent. Low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. Too low of a vacancy rate can force prices up making it more difficult for lower and moderate-income households to find housing. Vacancy rates of between two to three percent are usually considered healthy for single-family or ownership housing, and rates of five to six percent are usually considered healthy for multifamily or rental housing. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market.

The data displayed in **Figure 2-7** shows that Solana Beach has a vacancy rate of 13.8 percent, lower than Del Mar's 24 percent, but nearly double the County's vacancy rate and higher than nearby jurisdictions.

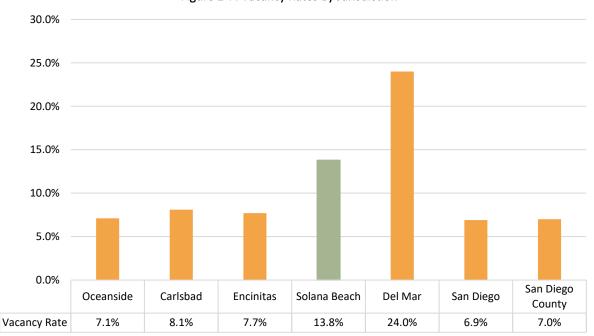


Figure 2-7: Vacancy Rates by Jurisdiction

Source: American Community Survey, 5-Year Estimates, 2017.

Table 2-30 displays the breakdown of type of vacant units in Solana Beach. Seasonal, recreational and occasional use units have the highest count of vacancy at 681 units, meaning that many of the vacant homes in Solana Beach are primarily seasonal vacation homes. There were 45 rented but unoccupied units in 2017 and 16 sold but unoccupied units. In addition, there were zero units vacant for migrant workers and only 88 units available for sale and for rent combined in 2017.

Table 2-30: Vacant Housing Units by Type in Solana Beach				
Type of Housing	Estimate			
For rent	88			
Rented, not occupied	45			
For sale only	0			
Sold, not occupied	16			
For seasonal, recreational or occasional use	681			
For migrant workers	0			
Other vacant	91			
Total	921			
Source: American Community Survey, 5-Year Estimates	, 2017.			

# 4. Housing Age and Condition

Housing age can be an important indicator of housing condition within a community. For example, housing that is over 30 years old is typically in need of some major rehabilitation, such as a new roof, foundation, plumbing, etc. Many federal and state programs also use the age of housing as one factor in determining housing rehabilitation needs.

According to the data displayed in **Figure 2-8**, there was a housing stock boom from 1970 to 1978, with 46.2 percent of all housing built during this time. Between 1980 and 1989, a smaller number of homes were built but overall a large percentage of homes were built during the mid to late 20<sup>th</sup> century. Only about 4 percent units in Solana Beach built after 2000, and about 2 percent in 2014 or later. Typically, a large proportion of older housing would indicate that most of the City's housing stock could require major rehabilitation. However, due to the City's higher than average median household income and housing values, owner-occupied housing is generally well maintained no reported instances of substandard living/housing conditions. From 2019 to 2020 a total of 80 code enforcement reports were filed related to dilapidated properties or property maintenance. All 80 code enforcement reports related to yard and property maintenance. The City had one property (771 Santa Florencia) go into receivership due to poor housing conditions approximately 15 years ago. The City facilitated the process of bringing that unit into compliance with then current codes prior to its sale to a private party. The housing unit remains in good standing at the time of adoption of this housing element.

The City has identified two apartment properties located at 250 S. Sierra Avenue (13 units) and 305 S. Sierra Avenue (10 units) and will outreach to the property owners regarding rehabilitation grant opportunities. Working with these property owners, the City will assess the potential to rehabilitate/replace a portion of the units within these apartment buildings. The City anticipates potential rehabilitation of twenty (20) units should funding sources become available. This represents less than one percent of the units within the City of Solana Beach. The City has accounted for these rehabilitation efforts in the Quantified Objectives in **Table 4-1**.

50% 45% 40% 35% 30% 25% 20% 15% 10% 5% 0% Built 2014 or 2010 to 2000 to 1990 to 1980 to 1970 to 1950 to 1940 to 1939 or 1960 to later 2013 2009 1999 1989 1979 1969 1959 1949 earlier ■ Solana Beach 1.6% 0.1% 2.7% 5.3% 20.6% 46.2% 8.4% 10.6% 1.8% 2.5%

Figure 2-8: Housing Stock Age

Source: American Community Survey, 5-Year Estimates, 2017.

# 5. Housing Costs and Affordability

Housing costs reflect the supply and demand of housing in a community. This section summarizes the cost and affordability of the housing stock to Solana Beach's residents.

**Table 2-31** shows the median home value in Solana Beach was \$1,103,900 in 2017. Value is significantly lower than Del Mar's median home value of \$2,000,000, Solana Beach's median home value is 28% higher than Encinitas. Additionally, Solana Beach's median home value is about 56 percent higher than the County's median home value of \$484,900.

Table 2-31: Median Home Value by Community			
Jurisdiction	Median Home Value		
Oceanside	\$423,100		
Carlsbad	\$713,600		
Encinitas	\$862,300		
Solana Beach	\$1,103,900		
Del Mar	\$2,000,000		
San Diego	\$523,600		
San Diego County \$484,900			
Source: American Community Sur	vey, 5-Year Estimates, 2017.		

The primary source of information on rental costs in the San Diego region is the San Diego County Apartment Association (SDCAA). SDCAA conducts two surveys of rental properties per year. For the spring 2019 survey, 6,000 surveys were sent out to rental property owners and managers throughout San Diego County. Responses were received from 23,000 units. Although this survey sampled a broad variety of rental housing, it was not a scientific sampling.

**Table 2-32** shows that in the fall of 2018, average monthly rents in Solana Beach ranged from \$2,043 for a one-bedroom apartment to \$2,770 for a three-bedroom apartment. In Spring of 2019, the average rent for a one-bedroom apartment increased from \$2,043 to \$2,099, and the rent for larger apartments increased moderately from \$2,391 for a two bedroom in 2018 to \$2,443 in 2019 and from \$2,770 to \$2,820 for a three bedroom. Average costs of rent in Spring of 2018 ranged from \$1,500 for a studio to \$2,712 for a three-bedroom.

Table 2-32: Average Monthly Rental Rates in Solana Beach							
Unit Type	Properties Surveyed	Spring 2019 Average Monthly Rent	Spring 2019 Average Rent/Sq. Foot	Fall 2018 Average Monthly Rent	Spring 2018 Average Monthly Rent		
Studio	0/0	\$0	\$0.00	\$0	\$1,500		
1 Bedroom	77/1	\$2,099	\$3.10	\$2,043	\$1,985		
2 bedrooms	91/1	\$2,443	\$2.66	\$2,391	\$2,331		
3+ Bedrooms	8/1	\$2,820	\$2.69	\$2,770	\$2,712		
Source: Southern	California Rental H	ousing Association	San Diego 2019 V	acancy and Rental B	Rate Survey		

Source: Southern California Rental Housing Association, San Diego 2019 Vacancy and Rental Rate Survey, March 2019.

Housing affordability can be inferred by comparing the cost of renting or owning a home in the City with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding and overpayment.

The Federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household's eligibility for federal housing assistance. Based on this survey, the California Department of Housing and Community Development (HCD) developed income limits, based on the HUD Area Median Family Income (HAMFI), which can be used to determine the maximum price that could be affordable to households in the upper range of their respective income category. Households in the lower end of each category can afford less by comparison than those at the upper end. The maximum affordable home and rental prices for residents in San Diego County are shown in Table 2-33.

The data shows the maximum amount that a household can pay for housing each month without incurring a cost burden (overpayment). This amount can be compared to current housing asking prices (**Table 2-31**) and market rental rates (**Table 2-32**) to determine what types of housing opportunities a household can afford.

#### **Extremely Low-income Households**

Extremely low-income households earn less than 30 percent of the County HAMFI – up to \$22,500 for a one-person household and up to \$34,700 for a five-person household in 2019. Extremely low-income households cannot afford market-rate rental or ownership housing in Solana Beach without assuming a substantial cost burden.

# **Very Low-income Households**

Very low-income households earn between 31 percent and 50 percent of the County HAMFI – up to \$37,450 for a one-person household and up to \$57,800 for a five-person household in 2019. A very low-income household can generally afford homes priced between \$174,500 and \$269,500, adjusting for household size. A very low-income household at the maximum income limit can afford to pay approximately \$936 to \$1,445 in monthly rent, depending on household size. Given the high cost of housing in Solana Beach, persons or households of very low-income could not afford to rent or purchase a home in the City.

#### Low-income Households

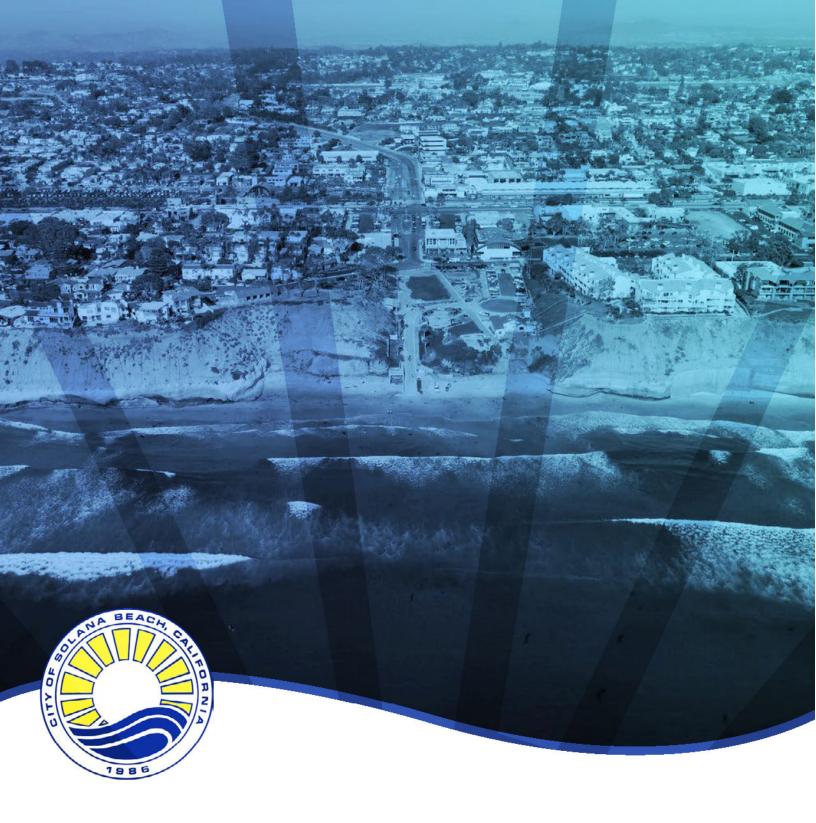
Low-income households earn between 51 percent and 80 percent of the County's HAMFI - up to \$59,950 for a one-person household and up to \$92,450 for a five-person household in 2019. The affordable home price for a low-income household at the maximum income limit ranges from \$239,500 to \$430,750. Based on the asking prices of homes for sale in 2019 (Table 2-24), ownership housing would not be affordable to low-income households. A one-person low-income household could afford to pay up to \$1,499 in rent per month and a five-person low-income household could afford to pay as much as \$2,311. Low-income households in Solana Beach would not be able to find adequately sized affordable apartment units (Table 2-25).

#### **Moderate income Households**

Persons and households of moderate income earn between 81 percent and 120 percent of the County's HAMFI – up to \$111,850, depending on household size in 2019. The maximum affordable home price for a moderate-income household is \$338,000 for a one-person household and \$521,250 for a five-person family. Moderate income households in Solana Beach would not be able to purchase a home in the City. The maximum affordable rent payment for moderate income households is between \$1,813 and \$2,796 per month. Appropriately-sized market-rate rental housing is generally affordable to households in this income group.

	Table 2-33: Affordable Housing Costs (2019) San Diego County						
Annual Income		Affordable Mont	Utilities	Utilities Allowances, Taxes, and Insurance			
Annua	i income	Rent	Sale	Rent	Sale	Taxes/ Insurance	Purchase Price
Extremely L	ow-income (30	% of HAMFI)					
1-Person	\$22,500	\$563	\$563	\$119	\$180	\$84	\$105,000
2-Person	\$25,700	\$643	\$643	\$152	\$220	\$96	\$120,000
3-Person	\$28,900	\$723	\$723	\$222	\$261	\$108	\$135,000
4-Person	\$32,100	\$803	\$803	\$237	\$323	\$120	\$149,750
5-Person	\$34,700	\$868	\$868	\$271	\$364	\$130	\$162,000
Very Low-in	come (50% of I	HAMFI)					
1-Person	\$37,450	\$936	\$936	\$119	\$180	\$140	\$174,500
2-Person	\$42,800	\$1,070	\$1,070	\$152	\$220	\$161	\$199,500
3-Person	\$48,150	\$1,204	\$1,204	\$222	\$261	\$180	\$224,500
4-Person	\$53,500	\$1,338	\$1,338	\$237	\$323	\$201	\$249,500
5-Person	\$57,800	\$1,445	\$1,445	\$271	\$364	\$217	\$269,500
Low-income	e (80% HAMFI)						
1-Person	\$59,950	\$1,499	\$1,499	\$119	\$180	\$225	\$279,500
2-Person	\$68,500	\$1,713	\$1,713	\$152	\$220	\$257	\$319,500
3-Person	\$77,050	\$1,926	\$1,926	\$222	\$261	\$289	\$359,000
4-Person	\$85,600	\$2,140	\$2,140	\$237	\$323	\$321	\$399,000
5-Person	\$92,450	\$2,311	\$2,311	\$271	\$364	\$347	\$430,750
Moderate Income (120% HAMFI)							
1-Person	\$72,500	\$1,813	\$1,813	\$119	\$180	\$272	\$338,000
2-Person	\$82,850	\$2,071	\$2,071	\$152	\$220	\$311	\$386,000
3-Person	\$93,200	\$2,330	\$2,330	\$222	\$261	\$350	\$434,000
4-Person	\$103,550	\$2,589	\$2,589	\$237	\$323	\$388	\$482,750
5-Person	\$111,850	\$2,796	\$2,796	\$271	\$364	\$419	\$521,250

Source: San Diego Housing Commission, Allowances for Tenant-Furnished Utilities and Other Services Report and California Department of Housing and Community Development, 2019 Income Limits and Kimley Horn and Associates Assumptions: 2019 HCD income limits; 30% gross household income as affordable housing cost; 15% of monthly affordable cost for taxes and insurance; 10% down payment; and 4.5% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on San Diego County Utility Allowance.



# Constraints, Resources, and Fair Housing

# Section 3: Housing Constraints, Resources and Fair Housing

A variety of constraints affect the provisions and opportunities for adequate housing in Solana Beach. Housing constraints consist of both governmental constraints, including but not limited to development standards and building codes, land use controls, and permitting processes; as well as, nongovernmental or market constraints, including but not limited to land costs, construction costs, and availability of finances. Combined, these factors create barriers to availability and affordability of new housing, especially for lower and moderate-income households.

# A. Nongovernmental Constraints

Nongovernmental constraints largely affect the cost of housing in Solana Beach and can produce barriers to housing production and affordability. These constraints include the availability and cost of land for residential development, the demand for housing, financing and lending, construction costs, and the availability of labor, which can make it expensive for developers to build any housing, and especially affordable housing. The following highlights the primary market factors that affect the production of housing in Solana Beach.

# 1. Land Costs and Construction Costs

High land costs are a significant constraint to the development of affordable and middle-income housing in the City of Solana Beach. Land cost represents a significant cost component in residential development. There are significant fluctuations in land costs per square foot depending on location.

While the City contains numerous vacant properties, an April 20, 2020, web search revealed that less than 100 units were listed for sale, majority of the parcels zoned for single-family residence. Current housing data shows that the price of single-family residences ranged from \$889,000 for a three bed and two bath unit (1,072 sf) to \$2,545,000 for a three bed and 2 baths (2,124 sf). Beach front property with similar square footage is listed for as much as \$2,599,000 and homes with higher square footage reach \$4,200,000 and \$5,500,000. The limited supply and high cost of vacant land poses the largest constraint to the construction of affordable housing, especially affordable housing in Solana Beach. High land costs have a demonstrable effect on the cost of housing in Solana Beach, as the price of housing is directly related to the costs of acquiring land.

The cost of construction is another major factor in the price of housing. The International Code Council (ICC) provides estimates for the average cost of labor and materials for typical Type VA wood-frame housing. Estimates are based on "good-quality" construction, providing for materials and fixtures well above the minimum required by state and local building codes. In August 2019, the ICC estimated that the average per square-foot cost for good-quality housing in the San Diego region was approximately \$117 for multi-family housing and \$129 for single-family homes. Construction costs for custom homes and units with extra amenities, run even higher. Although construction costs are a significant portion of the overall development cost, they are consistent throughout the region and, especially when considering land costs, are not considered a major constraint to housing production in Solana Beach.

# 2. Availability Financing

The availability of financing in a community depends on a number of factors, including the type of lending institutions active in a community, lending practices, rates and fees charged, laws and regulations governing financial institutions, and equal access to such loans. Additionally, availability of financing affects a person's ability to purchase or improve

a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. The primary concern in a review of lending activity is to determine whether home financing is available to residents of a community. The data presented in this section include the disposition of loan applications submitted to financial institutions for home purchase, home improvement, and refinancing in Solana Beach.

**Table 3-1** below displays the disposition of loan applications for the county of San Diego, per the 2016 Home Mortgage Discloser Act report. Given the relatively high rate of approval for home purchase, improvement, and refinance loans, home financing is generally available and not considered to be a significant constraint to the provision and maintenance of housing in Solana Beach.

Table 3-1: Disposition of Loan Applications – San Diego County						
Applications by Loan Type	Total	Percent Approved	Percent Denied	Percent Other		
Conventional Purchase	20,129	77.6%	5.2%	17.2%		
Government-Backed Purchase <sup>1</sup>	6,721	72.8%	5.6%	21.5%		
Home Improvement	1,875	78.0%	7.9%	14.2%		
Refinancing	14,015	72.8%	7.3%	19.8%		

Notes: Percent approved includes loans approved by the lenders whether or not they are accepted by the applicant Percent Other includes loan applications that were either withdrawn or closed for incomplete information.

#### 3. Economic Constraints

Market forces on the economy and the trickle-down effects on the construction industry can act as a barrier to housing construction and especially to affordable housing construction. It is estimated that housing price growth will continue in the City and the region for the foreseeable future. Moving into 2020, the economy was growing, California was seeing a 1.6 percent growth in jobs from 2019 and experiencing all-time lows for unemployment rates.

A 2020 California Association of Realtors (CAR) report found that homes on the market in San Diego County cost an average of \$670,000 in February 2020, a seven percent increase year to year change. According to the CAR First Time Buyer Housing Affordability Index, from 2018 to 2019 the median value of a home in San Diego County was \$556,750 with monthly payments (including taxes and insurance) of \$2,880, requiring an average qualifying income of \$86,400. However, in the City of Solana Beach, homes and cost of living was significantly higher. According to March 2020 data from Zillow, the median cost of a home in Solana Beach is \$1,475,031. According to research conducted on Zillow.com, the median price of a home in Solana Beach increased nine percent from 2018 to 2020 (\$1,200,000 to \$1,310,000), and they are expected to rise another 0.4 percent moving into 2021. The same report found that the median list price per square foot in Solana Beach is \$790, which is higher than the San Diego-Carlsbad Metro average of \$390.

Solana Beach's home value index (\$1,480,000) outpaced nearby coastal cities such Encinitas (\$925,000) and Carlsbad (\$785,100). The high cost of land and increasing home prices in Solana Beach can be seen as a constraint to the development of and access to housing, particularly the development of and access to affordable housing.

<sup>1.</sup> Government-backed loans include loans insured or guaranteed by the Federal Housing Administration (FHA), Veteran Administration (VA), and Farm Service Agency (FSA)/Rural Housing Services (RHS). Source: HMDA data, 2017.

# B. Governmental Constraints

In addition to market constraints, local policies and regulations also affect the price and availability of housing and the provision of affordable housing. For example, State and Federal regulations affect the availability of land for housing and the cost of housing production, making it difficult to meet the demand for affordable housing and limiting supply in a region. Regulations related to environmental protection, building codes, and other topics have significant, often adverse, impacts on housing cost and availability.

While the City of Solana Beach has limited control over State and Federal Laws that affect housing, local laws including land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing create barriers to housing.

# 1. Land Use Controls

In the State of California, cities are required to prepare a comprehensive, long term General Plan to guide future development. The Land Use Element of the General Plan establishes land uses and density of development within the City of Solana Beach and is consistent with the City's Municipal Code. In 1976 California Legislature enacted the Coastal Act which created a mandate for coastal cities and counties to manage the conservation and development of coastal zone areas. Solana Beach is located entirely within the State's Coastal Zone, therefore, in accordance with the Coastal Act requirements, the City developed a Local Coastal Program (LCP) which provides additional guidelines for development.

The Land Use Element in the City of Solana Beach's General Plan and the City's LCP set forth policies and regulations for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land to be allocated for different uses within the City. The LCP and Zoning Ordinance, each of which is consistent with the Community Plan, identify the following residential categories and their existing allowed densities:

- Estate Residential (ER-1, ER-2) (Max. 2 units/net acre)
- Low Residential (LR) (Max. 3 units/net acre)
- Low Medium Residential (LMR) (Max. 4 units/net acre)
- Medium Residential (MR) (Max. 7 units/net acre)
- Medium High Residential (MHR) (Max. 12 units/net acre)
- High Residential (HR) (Max. 20 units/net acre)

In addition to residential categories, Solana Beach also allows residential uses in commercial zones when integrated into a mixed-use development. Residential uses in commercial zones are also subject to additional limitations such as specific guidelines for placement of units, floor area ratio, and additional review. Commercial zones that allow residential uses include the following:

- General Commercial (C) (Max. 20 units/net acre)
- Special Commercial (SC) (Max. 20 units/net acre)
- Light Commercial (LC) (Max. 12 units/net acre)

These categories accommodate development of a wide range of housing types in Solana Beach. Most future residential development will occur as in-fill housing on existing lots due to the built-out nature of the City. Furthermore, maintaining the existing residential categories is important for ensuring compatibility between the new and existing housing.

#### Scenic Area Overlay Zone (SAOZ)

The purpose of the Scenic Area overlay zone is to regulate the development in areas of high scenic value to preserve and enhance the scenic resources present within and adjacent to such areas and to assure the exclusion of incompatible uses and structures. All projects within the zone require a Development Review Permit (DRP). Submittal requirements for applications for Development Review Permits in the overlay zone can be found within Title 17, Section 68 (for DRP regulations) and Title 17, Section 48 (for SAOZ regulation) of the City's Municipal Code. The Scenic Area overlay includes some sites identified within the City's sites inventory along the Highway 101 corridor. The SAOZ is not considered a constraint to the development of housing currently as recent development applications indicate that proposed projects are able to meet density assumptions and (per HCD guidance) the requirements for development within the SAOZ are clearly stated in the section of the City's Municipal Code identified in this section.

#### Hillside Overlay Zone (HOZ)

The purpose of the Hillside overlay zone is to restrict the grading of natural slopes with an inclination of 25 percent or greater in order to achieve the following:

- Preserve the natural topography and scenic qualities of the city;
- Protect native coastal sage/chaparral and grassland habitat;
- Preserve existing watersheds; and
- Reduce the potential for environmental hazards including soil erosion, siltation of coastal wetlands, landslides, adverse impacts due to runoff, and other impacts which could affect the public health, safety and general welfare.

All projects within the zone require a Development Review Permit. Submittal requirements for applications for Development Review Permits in the overlay zone can be found within Title 30 of the City's Municipal Code. The HOZ primarily applies to the hillside areas along the coast and small portions of residential zones. The HOZ is not considered a constraint to the development of housing as none of the City's identified candidate sites are within the HOZ.

#### Floodplain Overlay Zone

The purpose of the Floodplain overlay zone is to ensure that any permitted development within the 100-year floodplain of the San Dieguito River Valley will not constitute an unreasonable, undesirable, or unnecessary obstruction to flood flow and that such development will not adversely affect coastal wetlands, riparian areas, or other sensitive habitat areas within the floodplain. All projects within the zone require a Development Review Permit. Submittal requirements for applications for Development Review Permits in the overlay zone can be found within Title 30 of the City's Municipal Code. The Floodplain overlay zone intends to protect residents from environmental hazards and protect and conserve the land. The Floodplain Overlay Zone is a small area located in the southern portion of the City. Only one site identified to meet the City's moderate income RHNA need is partially located within this zone. This floodplain area applicable to this site does not affect the viability of the site identified and the capacity of the site considers the minimal floodplain constraints. The Floodplain Overlay Zone is not considered a constraint to housing in Solana Beach.

#### Scaled Residential Overlay Zone (SROZ)

The purpose of the Scaled Residential overlay zone is to preserve and enhance the existing community character and aesthetic quality of the City of Solana Beach, by providing regulations to ensure and protect the character of established residential neighborhoods; and by preserving the traditional scale and seaside orientation of residential areas in the City of Solana Beach. The requirements of the overlay zone primarily apply to Low-Medium Residential

Medium Residential zones west of Interstate 5. The development standards set forth by the Scaled Residential zone include but are not limited to the following:

- Floor Area Ratio (FAR) must comply with a four-tiered standard.
- Required parking within garages is excluded from the FAR calculation.
- The floor area of any basement portion of a residential building will follow standards based on whether the basement has exposed sides or no exposed sides.
- Bay windows may extend into the setback given that they will not exceed three feet by four feet by two feet (depth).
- Three level building facades are prohibited.

Development standards applicable to projects within the SROZ can be found within Title 30 of the City's Municipal Code. The SROZ does not apply to any of the site the City has identified to meet their lower income RHNA need. A number of sites identified to meet the City's moderate and above moderate income RHNA needs are within the SROZ, but development in these areas primarily consists of single-family development which is consistent with the goals and standards of the SROZ.

# 2. State Density Bonus Law

Density bonuses are another way to increase the number of dwelling units otherwise allowed in a residentially zoned area. The City's Zoning Ordinance identifies the purpose of the Density Bonus Ordinance to provide density bonuses or equivalent financial incentives for the provision of affordable housing and implement the housing element of the Solana Beach General Plan. Density bonus provisions do not apply to senior citizen and senior congregate care housing projects that utilize alternative density bonus provisions. This City's Density Bonus ordinance was most recently amended through Ordinance No. 392 in January 2009.

Density Bonuses may be awarded to applicants who agree to construct at least one of the following:

- Ten percent (10%) of the total units of a housing development for lower income households;
- Five percent (5%) of the total units of a housing development for very low-income households;
- A senior citizen housing development; or
- Ten percent (10%) moderate income housing in a common interest development; provided, that all of the units in the development are offered to the public for purchase.

If an applicant exceeds the percentages mentioned above, the applicant shall be entitled to an additional density bonus above 20 percent calculated as follows:

- For each one percent (1%) increase above ten percent (10%) in the percentage of units affordable to lower income households, the density bonus shall be increased by one and one-half percent (1.5%), up to a maximum of thirty-five percent (35%) for the total project;
- For each one percent (1%) increase above five percent (5%) in the percentage of units affordable to very low-income households, the density bonus shall be increased by two and one-half percent (2.5%), up to a maximum of thirty-five percent (35%) for the total project;
- For each one percent (1%) above ten percent (10%) in the percentage of units affordable to moderate income households, the density bonus shall be increased by one percent (1%), up to a maximum of thirty-five percent (35%) for the total project.

Each housing developments is entitled to only one density bonus, density bonuses from more than one category may not be combined, additionally, density bonus provisions do not apply to senior citizen and senior congregate care

housing projects that utilize alternative density bonus provisions. An applicant with a development which qualifies for density bonus may also submit a proposal for additional incentives. Additional incentives may include, but are not limited to, reductions in restrictions on building standards, parking requirement, or approval of mixed-use development in conjunction with housing development. Qualifications for additional incentives include:

- One additional incentive for projects that include at least 10 percent of the total units for low income households, at least 5 percent for very low-income households, or at least 10 percent for moderate income households in a common interest development where all units are offered for purchase.
- Two additional incentives for projects that include at least 20 percent of the total units for low income households, at least 10 percent for very low-income households, or at least 20 percent for moderate income households in a common interest development where all units are offered for purchase.
- Three additional incentives for projects that include at least 30 percent of the total units for low income households, at least 15 percent for very low-income households, or at least 30 percent for moderate income households in a common interest development where all units are offered for purchase.

# 3. Residential Development Standards

Residential development standards allow cities to dictate the standards and regulations associated with development in order to maintain community compatibility and to provide well-designed housing options for the community. The City of Solana Beach requires a variety of regulations and restrictions for new developments, those pertaining to the construction of housing are described below and specific requirements can be found in **Table 3-2**. The City's current development standards are accessible to the general public on the City's website. The City's Municipal Code is located on the City's website which provides a listing of all relevant development standards applicable to development in the City.

#### Minimum Lot Sizes

Minimum lot sizes and dimensions (width and depth) correspond to their residential density categories such that application of these standards will allow planned density to be achieved. For example, the LR Low Residential zone requires a minimum lot size of 14,000 square feet (sf) per dwelling unit (du) to achieve a maximum of 3 du/acre (43,560 sf/3 = 14,000 sf). However, to achieve a higher density, minimum lot area is reduced as in the MHR Medium-High Residential Zone which allows 5,000 square feet lot area to achieve a density of 8 du/acre (43,560 sf /8 du = 5,000 sf/du). While minimum lot sizes, achieve appropriate densities per the desired housing type, all residential zones also allow one Accessory Dwelling Unit on lots with existing or proposed single-family homes or multi-family developments. Therefore, minimum lot size and lot dimension standards do not constrain the ability to achieve planned densities.

#### <u>Setbacks</u>

Minimum setback or yard requirements vary among the residential zones. The primary purposes of imposing setbacks is to ensure adequate air and light between properties, to ensure adequate on-site access and circulation, to provide opportunities for private open space areas (yards), and to separate uses between properties to minimize conflicts and potential life/safety hazards. Generally speaking, setbacks are tied to lot size, meaning smaller lots have lower minimum setbacks, and larger lots require larger "yards." While it is possible that setback requirements may inhibit maximum density from being realized in some cases, there is enough flexibility in the current ordinances that setback requirements do not constitute a significant constraint on residential development. Setback requirements have been considered in the City's calculation of realistic site capacity.

#### Lot Coverage and FAR

Lot coverage and floor area ratio (FAR) standards are intended to control bulk, mass, and intensity of a use. Lot coverage limits a building's footprint and is defined as the percentage between the ground floor area of building(s)

and the net area of a lot. FAR limits the total usable floor area and is expressed as a ratio between the bulk floor area of building(s) and gross lot area. Floor area ratio is a supplementary device that under some conditions improves upon (but does not necessarily replace) the traditional means of relating bulk of building to land, to other buildings in the vicinity, and to public facilities. It permits variable dimensions within an over-all volume limit, and it offers a way of predicting the ratio of persons to a unit of land in office building districts of high land use intensity.

In the residential-only zones maximum floor area ratio ranges depending on desired density and requirements. For example, in the LR zone maximum lot coverage is 60 percent for the first 5,000 square feet, 30 percent for each additional square foot between 5,000 and 20,000, and 15 percent for additional square footage above 20,000. However, in the higher density zones such as MHR and HR maximum floor area ratio jumps to 75 percent. As applied to residential development, these standards may only limit the size of dwelling units, and do not limit the number of units, which is an expression of density (that is, zoning). FAR, combined with height limitations, can potentially prevent maximum density from being achieved in certain cases.

# Maximum Building Height

All properties within the City of Solana Beach are located within the Coastal Zone as defined in the California Coastal Act. Therefore, the City's Local Coastal Program, as approved by the California Coastal Commission, restricts the maximum building height within the City to 25 feet in residential zones. Additionally, in the MHR and HR residential zones, maximum building height may be increased to 30 feet pursuant a Development Review Permit or 35 feet pursuant a conditional use permit, as deemed appropriate. This figure is compatible with, and often more generous, than other nearby coastal jurisdictions; for example, the City of Encinitas restricts most building heights to 22 feet. Solana Beach is considered a built-out City, as many of its neighboring coastal cities which have more restrictive building heights, therefore, building height regulations in Solana Beach have not been considered an impediment to the development of housing within the City.

Table 3-2: Residential Development Standards in Solana Beach - Dimensions							
Residential Zone			Dimensions			Construction	n Standards
Community Plan (Zone)	Min. Lot Size (sf)	Street Frontage	Width (Interior)	Width (Corner)	Depth	Max. FAR	Max Height (feet)
Estate Residential (ER-1)	40,000	100'	100'	100′	150'	60% <sup>1</sup>	25
Estate Residential (ER-2)	20,000	80'	80'	85'	150'	60%¹	25
Low Residential Zone (LR)	14,000	65'	65'	70′	100′	60%¹	25
Low Medium Residential Zone (LMR)	10,000	60′	60′	65'	100′	60%¹	25
Medium Residential Zone (MR-East)	6,000	60′	60′	65'	100′	60%¹	25
Medium Residential Zone (MR-West)	5,000	50′	50′	55′	100′	60%¹	25
Medium High Residential (MHR)	5,000	50′	50′	55′	100′	75%	25 <sup>2</sup>
High Residential Zone (HR)	10,000	60′	60′	65′	100′	75%	25 <sup>2</sup>
North Rios Specific Plan	As allowed under the North Rios Specific Plan.						
Tangaroa Estates Specific Plan	As allowed under the Tangaroa Estates Specific Plan.						
Highway 101 Corridor Specific Plan		As allo	wed under th	e Highway 10	)1 Corridor Sp	ecific Plan.	

FAR= Floor Area Ratio

Minimum yard dimensions for the (ER-1), (ER-2), (LR), (LMR), (MR), (MHR), and (HR) zones shall be determined by the setback designator indicated on the City of Solana Beach official zoning map, on file with the city clerk and available at the department of community development. All yards shall be measured from the property line and/or road right-of-way as follows:

Table 3-3: Residential Development Standards in Solana Beach - Setbacks						
Setback	Front Yard	Side Yard	Side Yard	Rear Yard		
Designator	(feet)	Interior (feet)	Street (feet)	(feet)		
Α	35	15	10	50		
В	25	10	10	40		
С	25	10	10	25		
D	25	5	10	25		

Note: Setback Designators are assigned in the City's Zoning Map, Figure 3 below. *Source: City of Solana Beach Zoning Ordinance.* 

<sup>1. 60%</sup> for the first 5,000 sf of lot area, 30% for each additional sf of lot area between 5,000 and 20,000 sf, and 15% for each additional sf of lot area above 20,000 sf.

<sup>2.</sup> Pursuant to a Development Review Permit the max. building height for may be increased to 30 feet and pursuant to a Conditional Use Permit, limited height increases to a max. of 35 feet for civic uses may be allowed.

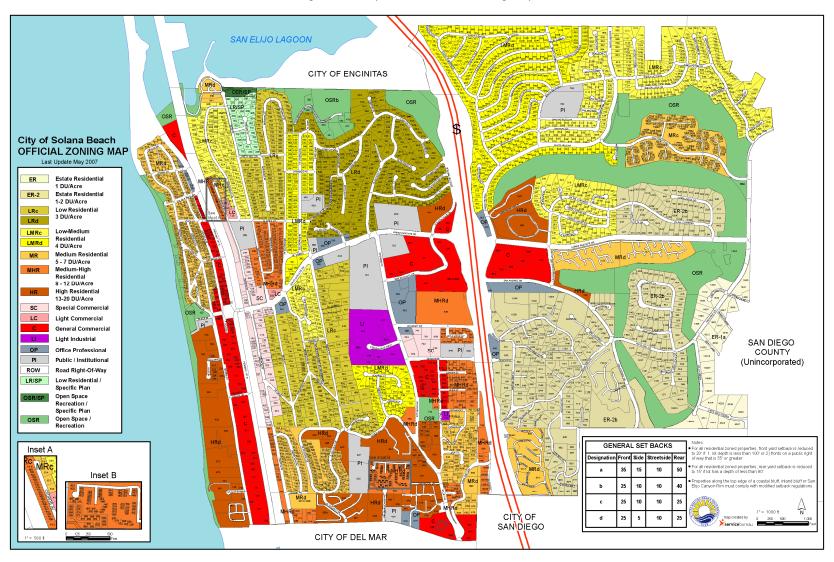


Figure 3-1: City of Solana Beach Zoning Map

#### **Parking Standards**

In addition to the development standards identified in **Table 3-3**, Solana Beach requires a certain number of covered spaces for two family and multifamily rental apartments as well as an additional space for all accessory dwelling units. Guest parking is also required for multi-family housing at a ratio of one space for every four units. The Solana Beach Municipal Code provides additional direction for parking standards and regulation, such as when a garage or parking lot is converted or used for purposes other than parking, the required amount of parking shall be provided on the site consistent with the design standards of this chapter.

Table 3-4: Parking Requirements for Residential Uses				
Unit Type	Number of Spaces Required			
Single-family dwellings	2 Spaces			
Two-family dwellings, multiple- family dwellings and mobile homes <sup>1</sup>				
Studios/efficiency units/single room occupancy	1.5 Spaces			
Two or more bedrooms	2 Spaces			
Additional guest parking	1 uncovered space for each 4 units			
Mobile home parks	2 covered spaces per unit within an enclosed garage and 1 uncovered guest space for each 4 units.			
Group residential	1 space for each resident in accordance with total permitted occupancy plus 1 guest space for each 4 residents of permitted occupancy.			
Accessory dwelling units	1 space in addition to those required for primary residence.			
Residential day care	2 spaces in addition to those required for primary use.			
Residential care facilities	2 spaces in addition to those required for primary residence.			
1. (For rental apartments - a minimum of be covered)	50 percent of required parking spaces shall			

Typically, the cost associated with garage parking construction can be viewed as a constraint to affordable housing development, particularly for multi-family housing. However, the City's parking regulations are not a significant constraint because the number of required parking spaces for duplexes and multi-family projects varies by the number of bedrooms. Furthermore, affordable housing projects that qualify for a density bonus can request application for additional incentives which can be provided in the form of reduction of parking requirements. While off-street parking standards can affect planned residential density, especially for small lots and in-fill areas, this potential constraint is mitigated by the incentives and flexible standards described above.

#### <u>Development Standards - Sample Application</u>

**Table 3-5** and **Figure 3-2** below outline the basics of a Sample Development Project within the General Commercial Zone. The purpose of this is to demonstrate the viability of mixed-use projects within the General Commercial zone. The current development standards in place for the General Commercial zone, including building height, have not

limited projects within the City to date. This development uses the City's current definition of net acreage and is typical of the majority of parcels located within the City's downtown area that have been identified within the Sites Analysis for the Housing Element (Appendix B).

The analysis shows that a sample 2-story mixed-use development on a 0.51-acre parcel, implementing the development standards found within the Highway 101 Specific Plan and the City's Municipal Code, can produce 10 residential units ranging from 1 to 2 bedrooms, with an average size of 920 square feet. This is well in excess of the City's minimum unit size of 650 square feet. This analysis accounts for the required parking (18 spaces), entry and exit drive aisles, and additional landscaping which is not a requirement of mixed-use projects within the General Commercial Zone. Per the Municipal Code, the sample project does not require any setbacks and thus has a 0' lot line condition proposed.

As required in the City's Municipal Code, 40 percent of the building size is reserved for residential uses, while the remaining 60 percent could be utilized for entry/exit corridors, stairways, a leasing office, commercial space, or back of house areas. This example represents one potential development scenario and shows that the existing development standards, including building height, are not an impediment to obtaining the full 20 dwelling units per acre density. This example is for illustrative purposes only and does not represent an actual development or parcel within the City.

Table 3-5: Sample Development Project (General Commercial Zone)						
Project Characteristics	Allowed	Development Example	Notes			
Total Parcel Size	22,000 SF	22,000 SF				
Total Building SF	26,400 SF	23,000 SF	<b>11,500 SF</b> per story			
Building Height	26'/2 stories	2 stories				
Setbacks	0' all setbacks					
Total Residential Component (40% of gross allowable floor area)	10,560 SF	9,200 SF	6,500 SF is the minimum needed to accommodate 10 residential units			
Density	20 du/ac	20 du/ac				
Anticipated Residential Units		10 (5 1bd, 5 2 bds)				
Average Unit Size	Min. 650 SF	920 SF				
Parking Required	18 spaces	18 spaces	Surface parking (50% required to be covered)			
Parking Spaces/Drive Aisle Space		<b>8,450</b> (470 SF per space)	Typical Parking Space (200 SF) Drive aisle width behind space (100') Remaining 3,050 for entry/exit drive aisle			
Open Space/Landscaping	None Required	2,050 SF	Parking lot landscaping (5' islands/drive aisle buffer)			
Total Ground Floor Area Used		22,000 SF				

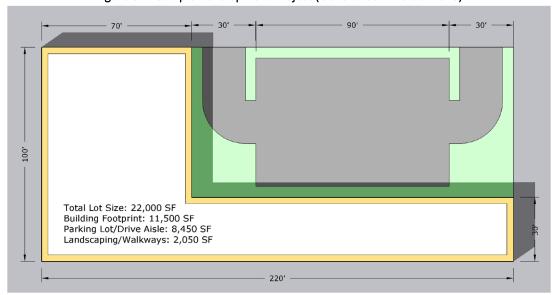


Figure 3-2: Sample Development Project (General Commercial Zone)

# 4. Growth Management Measures

Growth management measures are techniques used by a government to regulate the rate, amount, and type of development. In 1998 Solana Beach citizens voted into law Ordinance No. 251, which requires a public vote on all City Council approved General Plan amendments meeting the following threshold requirements:

- A 2.5 gross acre size;
- An increase in the amount of potential building space allowed by 50,000 square feet; or
- An increase in potential traffic generation by 25 percent or ten percent during peak hours.

More recently, in the General Election of 2000, Solana Beach's voters passed Proposition T, known as the "Community Protection Act" which requires voter approval to change, alter, or increase General Plan land use categories. Proposition T amended the General Plan to specify that without approval by a majority of voters in the City, no General Plan Amendment, including a Specific Plan adoptions or changes, shall be adopted if they would:

- Change, alter, or increase the General Plan Residential Land Use Categories, or
- Change any land use designation to any other, except changes to land already designated residential and which clearly result in a reduction in intensity or density of said land use designated as residential.

Both Proposition T and Ordinance No. 251 require a public vote for general plan amendments affecting land use, with the exception of amendments necessary to comply with state or federal law. Proposition T does not interfere with rights to obtain density bonuses (which do not require a general plan amendment), or limit rights or other entitlements available under affordable housing law. The 2021-2029 Housing Element does not anticipate the need to rezone any land within Solana Beach, therefore Proposition T will not be triggered.

# 5. Specific Plans

### North Rios Specific Plan

The North Rios Specific Plan, approved February 18, 1997, allows for the development of approximately 10 acres of previously underdeveloped land located at the northeast corner of Rios Avenue and Patty Hill Drive in the City of Solana Beach. The Specific Plan consists of a residential development which intends to create a "livable" neighborhood through the implementation of sensitive street and lot design.

The North Rios Specific Plan outlines the development regulations and guidelines, streetscape treatment, view preservation components, and implementation measures applicable to development of the project, which includes development of approximately 24 single-family residences on individual lots. Since adoption of the specific plan, these dwelling units have been constructed and currently remain as of September 2020.

#### Tangaroa Estates Specific Plan

The Tangaroa Estates Specific Plan, adopted September 3, 1996, permits the proposed residential development of a single parcel of land of approximately six acres in size. The subject land is located at the northern terminus of Rios Avenue in the City of Solana Beach, County of San Diego, California. The specific plan permits the development of nine single-family residential dwelling units, with an average lot size greater than 14,000 square feet. The specific plan permits a residential density three units per net acre with a maximum of nine lots.

These units are located directly north of the North Rios Specific Plan area. Since adoption of the specific plan, these dwelling units have been constructed and currently remain as of September 2020.

#### Highway 101 Corridor Specific Plan

The Highway 101 Corridor Specific Plan is a plan for physical development and redevelopment of this important roadway area that defines Solana Beach. The Plan provides a set of guidelines and regulations for directing development within the 163-acre project area. The purpose of the Specific Plan is to provide for new development and redevelopment to achieve a physical environment along the Highway 101 corridor that is cohesive and representative of the unique character of Solana Beach.

The Specific Plan carries out the goals and objectives of the Solana Beach General Plan through its identification of a development plan which complements General Plan policy, while implementing area-specific development standards and design guidelines. Additionally, the Specific Plan and the Zoning Ordinance are designed to work together in the Highway 101 corridor to implement General Plan policy for this area. As such, certain development standards contained in the Specific Plan are tailored to the unique character of the Highway 101 corridor and supersede those contained in the Zoning Ordinance. The Specific Plan designates ten land uses; commercial and industrial uses include, General Commercial, Light Commercial, Office/Professional, Planned Industrial, and Special Commercial. Residential development consists of single-family low medium residential (approximately four units per acre), single-family medium high residential (up to 12 units per acre). For other standards, the Specific Plan refers directly to those contained in the Zoning Ordinance. Residential development standards for the Highway 101 Corridor Specific Plan are shown in Table 3-6.

Table 3-6: Highway 101 Residential Development Standards					
	Designated Zone				
Development Standard	Residential Low Medium and Medium	Residential Medium High			
Minimum Lot Area (a)	10,000 SF	6,000 SF			
Front Setback	25′	20'			
Side Setback	10'	5′			
Rear Setback	25′	25			
Max. FAR	N/A	N/A			
Height Limit*	25′	30'			
Parking	Refer to Zoning Ordinance				
Landscaping	Refer to Zoning Ordinance				
* Building height greater than 16 feet is subject to View Assessment Process.  Source: Highway 101 Specific Plan					

# 6. Provisions for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of a variety of types of housing for all income levels. **Table 3-7** below summarizes the City's zoning provisions for various types of housing. Permitted, conditional, and prohibited residential uses are indicated as follows:

- "P" indicates the use shall be a permitted use in the zone.
- "PL" indicates the use shall be permitted subject to the limitations set forth in the individual zone.
- "C" indicates the use is subject to a conditional use permit issued by the director of community development.
- "CC" indicates the use is subject to a conditional use permit issued by the city council.
- "E" indicates the use shall be prohibited within the zone.

Table 3-7: Permitted, Conditional, and Prohibited Uses in Solana Beach  Residential Zones Commercial/Industrial/Professional Zones													
Housing Type	F., 4	F. 3	1			DALLE.	LID	С	sc	LC			
P = Permitted Use	Er-1	Er-2	LR	LMR	MR	MHR	HR	_			OP	PI	LI
						nit issue						/ Develo	omen
Single-family Dwelling	Р	Р	Р	Р	Р	Р	Р	Е	Е	Е	Е	E	Е
Two-Family Dwellings (duplex)	E	E	E	E	Р	Р	Р	PL	PL	PL	Е	E	E
Multiple-Family Dwellings (condos, townhomes, apartments)	E	E	E	E	Р	Р	Р	PL	PL	PL	E	E	E
Residential/ Mixed Use Buildings	E	E	E	E	E	E	E	PL	PL	PL	E	E	E
Residential Care Facilities (6 or fewer persons	Р	Р	Р	Р	Р	Р	Р	Р	Р	E	Е	Е	E
Residential Care Facilities (7 - 12 persons)	С	С	С	С	С	С	С	С	С	E	E	С	E
Residential Care Facilities (13 or more persons)	СС	СС	СС	СС	СС	СС	CC	СС	СС	E	E	СС	E
Family Day Care Homes (6 or fewer persons)	Р	Р	Р	Р	Р	Р	Р	Р	Р	E	E	E	Е
Group Residential Facilities	E	E	E	E	E	С	С	СС	E	E	Е	E	E
Senior Citizen/ Congregate Care Housing	E	E	E	Е	СС	СС	СС	E	E	E	Е	E	Е
Mobile Home and Manufactured Housing (individual lots)	PL	PL	PL	PL	PL	PL	PL	E	E	E	E	E	E
Mobile Home Parks	СС	СС	СС	СС	СС	СС	СС	Е	Е	E	Е	Е	Е
Guest Houses	PL	PL	PL	Е	E	Е	Е	Е	Е	Е	Е	Е	Е
Accessory  Dwelling Units	PL	PL	PL	PL	PL	С	С	Е	Е	E	Е	Е	Е
Caretaker Units	E	E	Е	Е	E	Е	E	PL	PL	PL	PL	С	PL
Home Occupations	PL	PL	PL	PL	PL	PL	PL	PL	PL	PL	Е	E	Е
Live/Work Uses	E	Е	Е	Е	E	Е	E	С	Е	Е	Е	E	Е
Emergency Shelters	E	E	Е	Е	Е	E	E	Р	Е	E	E	С	E

#### Single-family

Any building designed and used to house not more than one family including all domestic employees of such family. Single-family use is permitted in all residential zones in the City.

#### Two-Family Dwellings

Any building designed and used to house two families living independently of each other on the same legal lot. Dwelling units may be attached or detached. Minimum separation between principal structures on the same lot is 15 feet. Duplexes are permitted in the MR, MHR, and HR zones, and they are permitted with limitations in the C, SC, and LC zones.

# **Multi-family**

Any building designed and used to house three or more families living independently of each other on the same legal lot. Dwelling unit may be attached or detached. Minimum separation between principal structures on the same lot is 15 feet. This includes apartment houses, townhomes, and condos. Currently, multi-family housing is permitted in the MR, MHR, and HR zones and permitted with limitations in the C, SC, and LC zones.

#### Residential/Mixed Use Buildings

Any buildings designed and used to house one or more families living independently of each other in addition to one or more principal nonresidential uses permitted by the zone. Residential/Mixed Use is permitted with limitations in the C, SC, and LC zones.

# Residential Care Facilities

Any family home, group care facility, or similar facility for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living that is licensed by the State of California Department of Social Services or the Department of Alcohol and Drug Programs. Small residential care facilities serve six or fewer persons. Large residential care facilities serve seven or more persons. Residential care facilities designed for six persons or fewer are permitted in all residential zones and the C, SC and LC zones. Residential care facilities designed to for seven to twelve persons are conditionally permitted in all residential zones and the C, SC, and PI zones. Residential Care Facilities designed for thirteen or more persons are conditionally permitted in all residential zones and the C, SC, and PI zones.

#### Employee Housing

As part of the City's 5<sup>th</sup> Cycle Housing Element, the City included **Program 6H** which states that the City would review the current regulations for compliance with the Employee Housing Act, particularly sections 17021.5 and 17021.6 of the Health and Safety Code regarding farmworker housing and make amendments to the City's regulations as necessary. The City conducted this review during the 5<sup>th</sup> cycle and believes that the current code, while it does not explicitly state compliance with Sections 17021.5 and 17021.6 of the Health and Safety Code regarding farmworker housing. **Program 1L** states that the City will revise the City of Solana Beach Municipal code to define employee housing and ensure that the City's code meets the requirements of Section 17021.5 and 17021.6 of the Health and Safety Code.

#### Family Day Care Homes

A day care facility for six or fewer children. Family Day Care homes include infant centers, preschools, and extended day care facilities. Family Day Care Homes are permitted in all residential zones and the C and SC zones.

#### Farmworker Housing

The City has a very small portion of land designated for agriculture uses. According to the American Community Survey, less than two percent of Solana Beach's workforce was employed in the farming industry. Therefore, there is no need for farmworker housing in Solana Beach. However, the City's overall efforts to provide and maintain affordable housing opportunities will help to provide housing for any farmworkers that may choose to reside in the City.

#### **Group Residential Facilities**

Any fraternity, sorority, boarding house, retirement homes or other residential occupancy of living units by groups of seven or more persons, exclusive of residential care facilities, single room occupancy hotels and senior congregate care housing. Group Residential Facilities are conditionally permitted in the MHR, HR, and C zones.

The City of Solana Beach's Municipal Code defines Group Residential as housing which accommodates 7 or more persons, while 6 or fewer persons is treated as a single-family residential use. For instance, a group home of 6 or people would require two parking spaces per the City's requirements of single-family residential uses. The parking requirement for Group Residential is one space for each resident in accordance with the total permitted occupancy plus one guest space for each four residents of permitted occupancy. The City of Solana Beach has not had an applicant express that the existing parking standards present a constraint or have resulted in a project not being developed. The City has created **Program 3F** to amend the Municipal Code regarding Group Residential to be consistent with State law.

The City analyzed this against standards required in surrounding jurisdictions to determine how Solana Beach's parking requirements compared for similar developments. **Table 3-8** shows that comparison analysis using a sample 20 bed group residential home with two beds per room assumed.

Table 3-8: Group Residential Parking Analysis						
Jurisdiction	Group Residential Parking Requirement	Sample Required Parking for a 20 Bed Development, Two Beds Per Room				
Solana Beach	1 parking space per bed and 1	25 parking spaces				
(Group residential defined as 7	guest parking space per four beds					
or more persons)						
Encinitas	1 parking space per bed	20 parking spaces				
Del Mar	1 space per 2 sleeping rooms	5 parking spaces				
Carlsbad	1.25 spaces per sleeping room	13 parking spaces				

Note: In Solana Beach, Group Residential can mean fraternity, sorority, boarding house, retirement homes or other residential occupancy of living by groups of seven or more persons. Encinitas, Del Mar, and Carlsbad do not have Group Residential defined in their code. This analysis uses applicable requirements for fraternities, boarding/rooming houses, and similar uses.

#### Senior Citizen/ Congregate Care Housing

A structure providing residence for a group of senior citizens (60 years of age or more) with central or private kitchen, dining, recreational, etc. facilities with separate bedrooms and/or living quarters. Senior Citizen/Congregate Care Housing is conditionally permitted in the MR, MHR, and HR zones.

#### Mobile Homes/Manufactured Housing and Mobile Home Parks

The Solana Beach Municipal Code defines Mobile/Manufactured Homes as a factory-built or manufactured home as permitted by state of California and federal laws and installed on a permanent foundation system. Therefore, a Mobile Home Park is defined as a residential facility arranged or equipped for the accommodation of two or more mobile homes, with spaces for such mobile homes available for rent, lease, or purchase, and providing utility services and other facilities either separately or in common to mobile home space therein. Mobile/Manufactured Homes are permitted with limitations in all residential zones. Mobile Home Parks are conditionally permitted in all residential homes.

#### **Guest Houses**

The Solana Beach Municipal Code defines a guest house as a detached accessory building for the temporary use by guests of the occupants of the premises including provisions for living, sleeping, and sanitation, but exclusive of cooking facilities. Guest Houses are allowed as an accessory use in the ER-1, ER-2, and LR zones subject to requirements set for in the Solana Beach Municipal Code.

#### Accessory Dwelling Units 1

The Solana Beach Municipal Code defines Accessory Dwelling Units as a dwelling unit attached to a primary residence or accessory garage (to a primary residence) providing complete independent living facilities for no more than two persons including provisions for living, sleeping, eating, cooking, and sanitation. Accessory dwelling units include granny flats and second units. Accessory dwelling units are permitted with limitations in the ER-1, ER-2, LR, LMR, and MR zones, and are conditionally permitted in the MHR and HR zones.

Development standards applied to Accessory dwelling Units are as follows:

- A detached primary dwelling unit shall exist on the lot or premises.
- The lot on which an accessory dwelling unit is proposed shall have a minimum area of 6,000 square feet, not including any commonly owned area.
- The accessory dwelling unit shall be attached to or contained within the primary dwelling in such a manner as to avoid the appearance of the add-on unit. For the purposes of this regulation, "attachment" shall include second story additions to (a) the principal structure, (b) an attached garage, or (c) a detached garage. The accessory dwelling unit shall be architecturally integrated with the structure to which it is attached. The entrance to an accessory dwelling unit shall not be visible from the street adjacent to the front yard setback.
- The maximum allowed area of the accessory dwelling unit shall be 640 square feet. The minimum allowed area of the accessory unit shall be 350 square feet.
- The total floor area of all structures shall not exceed the maximum floor area (FAR) for the site.
- The owner of the property must continually occupy either the main dwelling unit or the accessory dwelling unit. For purposes of this section, "owner" includes a lessee if the leasehold includes both the main dwelling and accessory dwelling unit.
- One off-street parking space shall be provided for the accessory dwelling unit and all off-street parking deficiencies shall be corrected.
- Any construction of an accessory dwelling unit shall conform to all property development regulations of the zone in which the property is located as well as all fire, health, safety and building provisions of this title.

In February 2020, the City passed Ordinance 508 which repealed and replaced the existing section referring to Accessory Living Units with new guidelines consistent with State law. The ordinance text reads "Accessory Dwelling Units" as opposed to the current "Accessory Living Units". Program 1J in the Housing Element commits the City to amending the Municipal Code for consistency within 1 year.

# City of Solana Beach

#### 2021-2029 Housing Element Update

The City may offer incentives to encourage development of accessory dwelling units. If owners of accessory units elect to file a 30-year deed restriction to rent the unit to lower income households, the City will consider waiving fees and reducing parking and development standards or providing other incentives consistent with the Costa Hawkins Act.

New State Law require cities to lessen certain restrictions surrounding ADUs and JADUs. As part of the Housing Plan (**Program 1B**), the City will commit to amending the ADU/JADU ordinance to be consistent with State law.

#### Caretaker Units

A dwelling unit accessory to a principal use on a site and intended for occupancy on the same site by a caretaker, security guard, servant or similar position requiring residence on the site, exclusive of a hotel/motel manager's unit. Caretaker Units are permitted with limitations in the C, SC, LC, OP and LI zones and conditionally permitted in the PI zone.

#### **Home Occupations**

An accessory use of a dwelling unit for gainful employment involving the provision or sale of goods and/or services and the creation of handicrafts and artwork. A home occupation is incidental to the primary use of the building as a residence. Home Occupations are permitted with limitations in all residential zones and in the C, SC, and LC zones.

#### Live/Work Uses

An occupancy by an individual or a family maintaining a common household consisting of one or more rooms or floors in a building originally designed for industrial or commercial occupancy, or in a new building specifically designed for live/work use and includes the following:

- Cooking and sanitary facilities in accordance with applicable standards as adopted by the City of Solana Beach; and
- Adequate working space reserved for that sole purpose and used by one or more persons residing therein.

Live/Work Uses are conditionally permitted in the C zone.

#### **Emergency Shelters**

Temporary housing with minimal supportive services for homeless persons. No individual or household may be denied emergency shelter because of an inability to pay. Emergency Shelters are permitted in the General Commercial (C) zone and are permitted in the Public/Institutional (PI) zone with a director's use permit. The City currently has approximately 183 acres of land zoned for C and PI which may accommodate emergency shelters.

Per the City's code, emergency shelters must comply with the following development standards:

- A new emergency shelter shall not be closer than 300 feet to another emergency shelter as measured between property lines.
- An emergency shelter shall contain a maximum of one bed per 150 square feet of sleeping area not to exceed
   20 beds and shall serve no more than 20 persons.
- Emergency shelters shall have an interior, enclosed client waiting and intake area large enough to accommodate the number of persons equal to 25 percent of the number of beds. The area shall be based on space required for seated persons. Any exterior overflow waiting area shall be fenced, screened, gated, and covered and shall not obstruct sidewalks or driveways.

- Emergency shelters shall have an interior multipurpose area separate from the sleeping area. The multipurpose area shall be provided with space equal to at least 10 square feet per bed, but not be less than 150 square feet. The exterior multipurpose area shall have a gathering area equal to at least 25 square feet per bed and shall be fenced, screened, and landscaped.
- Facilities shall maintain a management plan which documents that management and staffing is sufficient for adequate control of the facility.
- Parking standards as described below.

In Solana Beach, the square footage of office space in a shelter is a separate component of the shelter that needs to be parked at office requirements and the shelter (number of beds) needs parking at 1 space per 10 beds. The amount of required parking associated with the office use is limited to staff working in the emergency shelter, but the 1 space per 10 beds requirement provides parking for those housed temporarily at the emergency shelter. Emergency shelters must provide 1 bed per 150 square feet of sleeping area, not to exceed 20 beds. This equates to requiring one parking space per 1,500 square feet of sleeping area, well below the requirement of typical uses within the General Commercial and Public/Institutional zones.

In comparison, general commercial uses are required to be parked at a rate between 1 space per 200-250 sf depending on the size. Office uses are required to be parked at a rate between 1 space per 200-300 sf depending on the size. Office components of emergency shelters, as stated above, would be parked at the typical rate required by the City's code. This analysis demonstrates that the City's code requirement for parking at emergency shelters is less than that of typical uses permitted in those zones.

#### Transitional and Supportive Housing

Transitional housing is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. California law defines "transitional housing" and "transitional housing development" as buildings configured as rental housing developments but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient after a predetermined period, not less than six months (Health and Safety Code Section 50675.2). Residents of transitional housing are usually connected to supportive services designed to assist the homeless in achieving greater economic independence and a permanent, stable living situation.

Supportive housing links the provision of housing and social services for the homeless, people with disabilities, and a variety of other special needs populations. State law defines "supportive housing" as housing with no limit on length of stay, that is occupied by low income adults with disabilities, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community (California Health and Safety Code Section 50675.14).

The Solana Beach Municipal Code defines Transitional and Supportive Housing consistent with the State 's definitions and requirements. Supportive and transitional housing are not a specified type of residential use and may be proposed as single family units or multifamily units, though the City's Municipal Code does not specifically indicate this within Table 17.12.020-A. Therefore, the regulations which are applicable to residential uses within the zone, where the transitional or supportive housing is proposed, will apply. The City has included **Program 1K** to amend Table 17.12.020-A of the Solana Beach Municipal Code to indicate that transitional and supportive housing are permitted by right in zones where multifamily and mixed-use are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code Section 65651.

#### Tiny Homes

Tiny Homes are not currently defined or included in the Solana Beach Zoning Ordinance. The State of California also does not have existing guidelines for tiny homes; however, the 2018 International Residential Code (IRC) defines tiny homes as a dwelling unit which is 400 square feet or less in floor area excluding lofts. In its rulemaking document the ICC cited reasons for updating and including tiny homes in the IRC, including the following:

- The average US home size is increasing, while family size is decreasing;
- Tiny Houses use a fraction of the wood and wood products of a conventional home;
- Increased housing cost makes home ownership unfeasible for many, and;
- Tiny Houses can add to affordable owned and rental housing stock.

#### Single Room Occupancy Units

The Department of Housing and Urban Development (HUD) defines a Single Room Occupancy Unit (SRO) as a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single eligible individual. The unit need not, but may, contain food preparation or sanitary facilities, or both. They are distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other and could be equivalent to an efficiency unit. Currently, the Solana Beach Municipal Code does not contain specific provisions for SRO units, however, they do fall within the category or Multifamily housing and are subject to the same development standards as multifamily housing.

# 7. Housing for Persons with Disabilities

Both the Federal Fair Housing Amendment Act (FHAA) and the California Fair Employment and Housing Act direct require governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning laws and other land use regulations to afford disabled persons an equal opportunity to housing. State law also requires cities to analyze potential and actual constraints to the development, maintenance, and improvement of housing for persons with disabilities.

The Housing Element Update must also include programs that remove constraints or provide reasonable accommodations for housing designed for persons with disabilities. The analysis of constraints must touch upon each of three general categories: 1) zoning/land use; 2) permit and processing procedures; and 3) building codes and other factors, including design, location and discrimination, which could limit the availability of housing for disabled persons.

#### **Reasonable Accommodation**

Persons with mobility disabilities may require modifications to their living quarters such as access ramps, wider doors and hallways, larger bathrooms, and lowered countertops. The City enforces the California Building Standards Code which provides flexibility in the design of housing for persons with disabilities.

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act require local governments to make reasonable accommodations in their zoning laws and other land use regulations and practices when such accommodations are necessary to afford disabled persons with an equal opportunity to use and enjoy a dwelling.

Reasonable accommodation in the land use and zoning context means providing individuals with disabilities or developers of housing for people with disabilities, flexibility in the application of land use and zoning and building regulations, policies, practices and procedures, or even waiving certain requirements, when it is necessary to eliminate barriers to housing opportunities. For example, it may be reasonable to accommodate requests from persons with

disabilities to waive a setback requirement or other standard of the Municipal Code to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

Solana Beach provides reasonable accommodation in procedures and regulations to ensure equal access to housing for persons with disabilities and the development of housing for persons with disabilities in the Request for Reasonable Accommodation Ordinance, adopted in February of 2014 and available under SBMC Section 17.66. The purpose of the Request for Reasonable Accommodation Ordinance is to provide a procedure under which a person with disabilities, or property owner of industrial or commercial uses, may request a reasonable accommodation in the application of zoning regulations to secure equal access to housing (or commercial/industrial facilities), and outline a process for decision makers to act upon such requests. A request for a reasonable accommodation in land use, zoning, and building laws, regulations, policies, or practices may be made by any person with a disability, or by an entity acting on behalf of a person or persons with disabilities, to secure equal access to housing. The requested accommodation may be approved or granted with modifications if the following findings can be made:

- The housing which is the subject of the request will be used by one or more individuals with a disability protected under the Acts;
- The accommodation requested is necessary to provide one or more individuals with a disability an equal opportunity to use and enjoy a dwelling;
- The requested reasonable accommodation will not impose an undue financial or administrative burden on the City; and
- The requested reasonable accommodation will not require a fundamental alteration in the nature of a city program or law, including but not limited to the general plan, zoning ordinance, and building laws.

The community development director may impose any conditions of approval needed to ensure that the project complies with the required findings mentioned above. Conditions may include, but are not limited to, ensuring that any removable structures or physical design features that are constructed or installed in association with a reasonable accommodation are capable of being removed once those structures or physical design features are no longer necessary to provide access to the dwelling unit for the current occupants.

Currently, the following criteria, among other factors, may be considered by the community development director regarding the reasonableness of the requested accommodation:

- Whether there are alternative reasonable accommodations available that would provide an equivalent level
  of benefit; and
- Whether the requested reasonable accommodation substantially affects the physical attributes of the property or has impacts on surrounding properties that would fundamentally alter a city program or law.

The City has reviewed the two criteria stated directly above which may be considered by the community development director and found that they may potentially create a constraint. In response, the City has included Program 4F within the Housing Element to remove this criteria from the City's Municipal Code.

#### Residential Care Facilities

The City of Solana Beach Municipal Code defines Residential Care Facilities as any family home, group care facility, or similar facility, with or without food services and kitchen facilities, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual including, but not limited to, alcoholism or drug abuse recovery facilities, congregate living facilities, community care facilities, intermediate care facilities/disabled habilitative, or intermediate care/developmentally

disabled-nursing facilities licensed by the state of California, excluding housing for the elderly, nursing and convalescent homes.

Residential care facilities designed for six persons or fewer are permitted in all residential zones and the C, SC, and LC zones. A residential care facility for seven or more persons shall be permitted only by conditional use permit. Specific conditions providing for the development, operation, and design of any residential care facility for seven to 12 persons shall be made by the director of community development. Specific conditions providing for the development, operation, and design of any residential care facility for 13 or more persons shall be made by the city council.

The following development standards are intended as minimum requirements for residential care facilities. Since the Conditional Use Permit process is discretionary, each application will be considered on its own merits. Additional requirements may be imposed in order to meet the objectives of the general plan or to address special circumstances of the proposal including, but not limited to, state and county licensing requirements:

- The use should comply with all property development regulations of the underlying zone, including but not limited to setbacks, yards, floor area ratio, height and parking, unless a variance to the above standards is granted in conjunction with the Conditional Use Permit.
- Sleeping areas must meet all of the following criteria:
  - o A minimum of 70 square feet of sleeping area per resident, exclusive of closet or storage space.
  - o No room commonly used for other purposes shall be used as a sleeping area. Such rooms shall include but shall not be limited to living rooms, dining rooms, family rooms, dens, recreation rooms, hallways, stairways, unfinished attics, basements, garages, storage areas, sheds, or similar attached or detached buildings.
  - o No sleeping area shall be used as a public or general passageway to another room, bath, or toilet.
  - o A minimum of eight square feet of storage (closet or drawers) shall be provided per bed.
- The facility shall provide one full bathroom (toilet, sink, shower, and/or bathtub) per every seven beds.
- The facility shall be required to provide one parking space per employee and one parking space for every seven beds, unless the director of community development determines that additional parking spaces are required.
- The facility shall comply with citywide landscaping regulations.
- The facility shall be required to provide a common living area of 100 square feet plus five square feet per bed, exclusive of the sleeping, dining and kitchen areas.
- Existing and new facilities shall comply with all other health, building, and safety requirements.

#### Occupancy Standards

California law requires local governments to treat licensed group homes and residential care facilities with six or fewer residents no differently than other by-right single-family housing uses. "Six or fewer persons" does not include the operator, the operator's family or persons employed as staff. The City must allow these licensed residential care facilities in any area zoned for residential use and may not require licensed residential care facilities for six or less to obtain Conditional Use Permits or variances that are not required of other family dwellings. Currently, Chapter 17.08.030 of the City's Zoning Ordinance defines a "family" as "Two or more persons living together as a bona fide single housekeeping unit," the City also permits residential care facilities in all residential zones. The City's definition of family does not produce potential constraints in providing access to care facilities or housing opportunities.

# 8. Development Fees

Residential developers are subject to a variety of fees and exactions to process permits and provide necessary services and facilities as allowed by State law; these fees include, but are not limited to, development impact fees, permit

issuance, subdivision processing fees, and engineering and public works fees. Development impact and permit issuance fees are used to support a variety of functions including checking submitted plans, paying local facilities management fees, special road assessments, and public service-related fees for other agencies such as school districts, water districts, and utility providers. Subdivision processing fees are used to cover the City's administrative costs incurred through the processing of subdivision applications and plans. Engineering and public works fees perform a similar function.

In general, fees and exactions can impact the cost and feasibility of developing the housing as well as its affordability. They can be a constraint to the maintenance, improvement, and development of housing because the additional cost borne by developers contributes to overall increased housing unit cost. However, the fees are necessary to maintain adequate planning services and other public services and facilities in the City. According to the City's 2020-2021 adopted budget, in addition to development and impact fees, Solana Beach receives primary funds through the following top six General Fund revenues:

- Property Tax
- Sales Tax
- Motor Vehicle In-lieu
- Transient Occupancy Tax
- Franchise Fees
- Fire Benefit Fees

The City's revenues, listed above, help to fund public facilities, park maintenance, public arts, and public services, additionally in-lieu housing fees provide revenue supplementary to the listed fees.

The current fee schedule became effective 2020, is summarized in **Table 3-9**, and is publicly available on the city's website. Under the fee schedule, the City recovers a portion but not all of the City's administrative costs for processing development applications. The City's Engineering fees and Development Impact fees, also effective 2020, are summarized in **Tables 3-10** and **3-11**. Based on the City's 2020-2021 Budget, service charges, which include planning and zoning fees, building/plan check fees, public facilities fees, engineering fees, fire plan check fees, and park fees, account for about 3.5 percent of the City's total general fund revenue.

Table 3-9: Community Development Services Fees					
Description of Service	Fee/Deposit	Description of Service	Fee/Deposit		
Conditional Use Permit	\$8,877	Major Subdivision - Tentative Map	\$14,350		
Bluff Retention Device CUPs & Wireless Communication Facility CUPs	Require addt'l deposit for third- party reviews at Cost + 15%	Major Subdivision - Final Map	\$4,976		
Community Development Directors Use Permit	\$2,665 Per application	Minor Subdivision - Tentative Map	\$10,993		
Zoning Letter	\$159	Minor Subdivision - Parcel Map	\$4,033		
Variance - Processing	\$6,719	Environmental Impact Report	Deposit for third-party review at Cost + 15% Admin Fee		
General Plan Amendment		Structure Develop. Permit - Processing	\$3,680		
Rezoning Review/Specific Plan	\$10,000 Deposit or a deposit determined by staff with charges at the fully allocated	Structure Develop. Permit - Processing	\$1,104  If in conjunction with a  Development Review Permit, fee will be \$1,077 per application		
Zoning Text Amendment	hourly rates for all personnel involved plus any outside costs as determined	Structure Develop. Permit - Processing	\$3,128  If in conjunction with multiple entitlements, a 15% discount is applied to lower cost entitlements, and fee will be \$3,052 per application		
Development Review Permit - Processing - Level I Resident	\$5,228	Landscape Plan Review/Inspection	Deposit for third-party review at Cost + 15% Admin Fee		
Development Review Permit - Processing - Level I Non-Resident	\$10,470	Planning Public Noticing	\$548 per notice plus mailing and Newspaper		
Development Review Permit - Processing - Level II  Source: City of Solana Beach, Sc.	\$17,543	Multi-Permit discount of 15%	A multi-Permit discount of 15% is available for each add'l Planning Department permit filed on the same project at the same time as the first permit service.		

Table 3-10: Engineering Review Fees					
Description of Service	Fee	Description of Service	Fee		
Lot Line Adj./Cert. Of Compliance Review	\$1,881 per application	Grading Plan check/ Public Improvement Permit/Inspection - \$200,001+	\$3,100 + \$10 for each \$1000 or fraction thereof of the construction value over \$200,000		
Grading Plan check/ Public Improvement Plan Check - \$0-\$10,000	\$1,025 Min. fee	Grading Deposits	Based on an Engineer's Estimate of the work performed under the permit.		
Grading Plan check/ Public Improvement Plan Check – \$10,001- \$20,000	\$1,025 + \$10.25 for each additional \$100 or fraction thereof of the construction value over \$10,000	Geotechnical Plan Review/Inspection	Deposit for third-party review at Cost + 15% Admin Fee		
Grading Plan check/ Public Improvement Plan Check – \$20,001- \$80,000	\$2,050 + \$3.08 for each additional \$100 or fraction thereof of the construction value over \$20,000	Encroachment Permit	Street Cut - \$774 Standard - \$543		
Grading Plan check/ Public Improvement Plan Check – \$80,001- \$200,000	\$3,898 + \$10.25 for each additional \$1000 or fraction thereof of the construction value over \$80,000	Miscellaneous Engineering Permit/Inspection	\$226		
Grading Plan check/ Public Improvement Plan Check – \$200,001+	\$5,128 + \$10.25 for each \$1000 or fraction thereof of the construction value over \$200,000	Easement Abandon/Street Vacation	\$1,758 per application or a deposit determined by staff with charges at the fully allocated hourly rate for all personnel involved plus any outside costs.		
Grading Plan check/ Public Improvement Permit/Inspection – \$0-\$20,000	\$1,025 Min. fee	Easement/R.O.W Dedication	\$487		
Grading Plan check/ Public Improvement Permit/Inspection - \$20,001-\$80,000	\$1,025 + \$15.38 for each additional \$1,000 or fraction thereof of the construction value over \$20,000	Subdivision Monuments	security deposit is based on estimate provided by surveyor to set the monuments.		
Grading Plan check/ Public Improvement Permit/Inspection - \$80,001-\$200,000	\$1,948 + \$10.25 for each additional \$1,000 or fraction thereof of the construction value over \$80,000	Sewer Connection Fees	Future Capacity = 50% Ocean Outfall = 27% Existing Facility = 23% Per total of \$4,500 per 1.0 EDU		
Source: City of Solana Beach,	Schedule of Fees effective January 1, 2	2020.			

# **Development Impact Fees**

In addition to City fees charged at the time Building Permits are issued, developers are required to pay a number of impact fees (shown in **Table 3-11**). Additionally, school impact fees are required and collected by the San Dieguito School district. Considering the high cost of land in Solana Beach, the fees charged by the City and school district do not create a constraint to the construction of market rate housing. The fees only comprise a very small percentage of the entire cost to construct a residence in Solana Beach. All the development fees listed in **Table 3-11** are posted on the City's website and available to the public.

Although there are no specific establishments for a right to receive any additional incentive from the City or any other party or agency to enable the developer to meet the obligations of the City's Code, the city council at its sole discretion may discount city fees, expedite the application process, or provide other assistance when it finds that provision of such assistance is needed to meet housing needs. Furthermore, the city manager is authorized to reduce city development impact fees by 75 percent for accessory dwelling units (ADU) processed consistent with the City's code, provided that a deed restriction for state law affordability provisions is recorded for the term of 99 years. The City does currently reduce development impact fees for affordable projects.

	Table 3-11: Developm	nent Impact Fees			
Description of Service	Fee	Description of Service			
Regional Transportation Congestion Program RTCIP	Single family \$3,623 per du	du			
Fee	Multi-family \$2,899 per du	Third Party Review			
Public Facilities Fee	1% of project valuation	Landscape Review	+ 15% of Third-Party Review Cost		
Master Art Policy Fee	0.5% of project valuation	Wireless Review	+ 15% of Third-Party Review Cost		
Affordable Housing Impact Fee	\$25.28 per sf	Geotechnical Review	+ 15% of Third-Party Review Cost		
Transportation Impact Fee - Single Family	\$ 15,714.00 per unit	Biological Review	+ 15% of Third-Party Review Cost		
Transportation Impact Fee - Condo & Multi-Family	\$ 11,206.00 per unit	Counsel Review	+ 15% of Third-Party Review Cost		
Transportation Impact Fee- Accessory Living (units)	\$ 3,929.00 per unit	Stormwater Review	+ 15% of Third-Party Review Cost		
Fire Mitigation Impact Fee - Detached Dwelling (units)	\$ 1,759.00	Traffic Review	+ 15% of Third-Party Review Cost		
Fire Mitigation Impact Fee - Attached Dwelling (units)	\$ 248.00	Environmental Review	+ 15% of Third-Party Review Cost		
Park Development Impact Fee - Detached Dwelling (units)	\$ 6,913.00	Shoreline Development Noise	+ 15% of Third-Party Review Cost		
Park Development Impact Fee - Attached Dwelling (units)	\$ 5,002.00	Review Cultural Resources	+ 15% of Third-Party Review Cost		
Public Use Facilities Impact Fee - Detached Dwelling (units)	\$ 640.00	Review Bluff Retention	+ 15% of Third-Party Review Cost		
Public Use Facilities Impact Fee - Attached Dwelling (units)	\$ 463.00	Third Party Review Admin Fee	15% of Third Part Review Cost		
Source: City of Solana Beach, Scho	edule of Fees effective January 1,	2020.	-		

### **Estimated Fees and Direct Costs**

Estimated total development fees and impact fees for a typical single-family residential project, assuming it is not part of a subdivision and is consistent with existing city policies and regulations are about \$122,500 for a 3,000 square foot home, assuming all related impact fees. Estimated total development and Impact fees for a typical multi-family residential project with thirteen units, assuming it is consistent with existing city policies is about \$1,143,800. The City of Solana Beach is committed to encouraging and increasing affordable housing, assuming a developer choose to include affordable units and the affordable housing impact fee is waived, total fees for the same single-family unit total about \$46,700 and for the same multifamily development total about \$334,900.

These estimates are illustrative in nature and that actual costs are contingent upon unique circumstance inherent in individual development project applications. Considering the cost of land in Solana Beach, and the International Code Council (ICC) estimates for cost of labor and materials, the combined costs of permits and fees range from approximately 3.6 percent to 9.4 percent of the direct cost of development for a single-family residential project and 4.1 percent to 13.9 percent for a multi-family residential project. Direct costs do not include, landscaping, off-site improvements, shell construction or amenities, therefore the percentage of development and impact fees charged by the City may be smaller if all direct and indirect costs are included.

#### Affordable Housing In-lieu Fees

Payment of Affordable Housing Impact Fees

As an alternative to the construction of affordable units on site, a developer may propose to pay affordable housing impact fees adopted by City Council resolution to mitigate the residential project's impact on the need for affordable housing in the City, if the city council makes both of the following findings:

- The affordable housing impact fees will be used to provide financial assistance to an identified city or city sponsored affordable housing project that: (a) is proposed by an affordable housing developer; (b) has received all discretionary approvals from the city and the Coastal Commission; and (c) requires additional funds to commence construction.
- Provision of the affordable housing impact fee will create more affordable units than would be created by on-site provision of the affordable units.

Any approved affordable housing impact fees shall be paid prior to the first issuance of a Building Permit for the residential development. At the time of adoption of the Housing Element, the cost for In lieu fees were \$25.26 per square feet. The City's preference is for units to be built on site as part of projects and to date, there has been limited interest in paying in lieu fees as opposed to providing units.

### Affordable Housing Impact Fees

Any affordable housing impact fees are set by city fee resolution or other action of the city council. Fees may be based on a fee per dwelling unit, fee per square foot, or any other reasonable basis. The city council may review the fees from time to time at its sole discretion and may, based on that review, adjust the fee amount. Affordable housing impact fees may not exceed the cost of mitigating the impact of residential projects on the need for affordable housing in the City. Based on the City's most recent2020 adopted fee schedule, the current affordable housing impact fee is \$25.28.91 per square foot. The current affordable impact fees are posted on the City's website and available to the public

In addition, all affordable housing impact fees shall be deposited into the City of Solana Beach designated housing fund. The fees collected and all earnings from investment of the fees shall be expended exclusively to provide or

assure continued provision of affordable housing in the City through acquisition, construction, development assistance, rehabilitation, financing, rent or other subsidies, provision of supportive services, or other methods, and for costs of administering programs which serve those ends. The housing assisted shall be of a type, or made affordable at a cost or rent, for which there is a need in the City and which is not adequately supplied in the City by private housing development in the absence of public assistance and to the extent feasible shall be utilized to provide for low and very low-income housing.

# 9. Inclusionary Housing and Provisions for Affordable Housing

Due to the High cost of land and housing in Solana Beach, the City has established and implemented different programs and fees to provide housing access to all community members. Title 17, Chapter 70 of Solana Beach's Municipal Code establishes regulations and standards regarding the provision of affordable housing. The code states that new housing contributes to the demand for goods and services in the City, increasing local employment at wage levels which often do not permit employees to afford housing in the city. Further, new housing construction which does not include affordable units aggravates the existing shortage of affordable housing by absorbing the supply of available residential land. Providing affordable units or impact fees as required by chapter 70 of the code will ensure that part of the City's remaining developable land is used to provide affordable housing. The requirements, programs, and fees, detailed below, coincide with the City's housing goals, as expressed in the Housing Element component of the Solana Beach General Plan.

For the purposes of this section, a unit is affordable if it meets the requirements for affordable housing costs for very low- or low-income households established by Health and Safety Code Section 50052.5 and regulations adopted by the California Department of Housing and Community Development (California Code of Regulations Title 25, Sections 6910 through 6924) determining affordability of residential housing units based upon household size and income levels. The following discussion identifies Affordable Housing requirements and includes an analysis of potential constraints:

### Affordable Housing Required - For-sale and Rental residential projects

Developers of for-sale residential projects providing five or more dwelling units, or five or more lots for sale for residential purposes, shall construct and set aside 15 percent of all units or lots for sale to very low or low income households at sales prices affordable to such persons or households. The required affordable units shall remain affordable for 99 years from the date of final inspection, as shown on the inspection record card for the affordable unit.

Developers of rental residential projects providing five or more dwelling units shall construct and set aside 15 percent of all units for rent to very low or low income households at rents affordable to such persons or households. Additionally, the required rental affordable units shall remain affordable for 99 years from the date of final inspection, as shown on the inspection record card for the affordable unit.

As defined by the City's code, when the calculation of the number of affordable units required for a residential project results in a fraction of one-half or more, one additional affordable unit must be provided. When the calculation results in a fraction of less than one-half, the developer must either provide an additional affordable unit or pay an affordable housing impact fee calculated by multiplying the area (in square feet) of the average market-rate unit in the project by the fraction and multiplying that number by the impact fee per square foot. For example, based on the City's current fee schedule, if the average market-rate unit has 2,500 square feet, and there is a fraction of 0.2, the impact fee would total 500 multiplied \$25.28, generating a total \$12,640.

### Affordable Housing Plan and Affordable Housing Agreement

An affordable housing plan shall be submitted as part of the first submittal of any residential project and will be processed, reviewed, and approved, conditionally approved, or denied concurrently with all other applications required for the residential project. The affordable housing plan may indicate that the developer intends to pay affordable housing impact fees. However, if affordable units are proposed to be provided, the affordable housing plan shall include the following, as applicable:

- Number, affordability level, unit type, tenure (for-sale or for-rent), number of bedrooms, location, unit size (square feet), and design of all affordable units.
- Construction schedule and phasing of affordable units in relation to market-rate units.
- Any requested alternative to the provision of affordable units including information as required by the City and reasonably required by the community development director to demonstrate compliance with the Solana Beach Municipal Code.
- Such additional information as may be required by the community development director to ensure conformance of the project with this chapter or the general plan or any specific plan.

Additionally, Prior to final or parcel map approval for the residential project, or, if a tentative or parcel map is not requested for the residential development, prior to issuance of any Building Permit within the residential development, an affordable housing agreement between the developer and the City shall be recorded against the property included in the residential project. The affordable housing agreement shall be binding on all future owners and successors in interest. After approval of the affordable housing plan, the city manager is authorized to approve the affordable housing agreement and any additional documents necessary to implement this section.

The affordable housing agreement shall be consistent with the affordable housing plan and shall include, but not be limited to, the following:

- Number, affordability level, unit type, tenure, number of bedrooms, location, unit size, and design of all affordable units.
- A description of the household income groups to be accommodated by the housing development, and the standards for determining the corresponding affordable rent or affordable sales price and housing cost.
- A description of provisions for income certification and screening of potential purchasers or renters of affordable units, resale control mechanisms (in for-sale units), and ongoing monitoring and administration.
- Terms of affordability.
- A schedule for completion of affordable units and phasing of development in relation to construction of market-rate units.
- A description of remedies for breach of the agreement by either party.
- For for-sale affordable units, conditions governing the initial sale and resale of affordable units to eligible households to ensure continued compliance with the restrictions of this chapter; and a condition requiring disclosure by the developer to the buyer of affordable units of the existence of the deed restrictions affecting the resale of the property.
- For rental affordable units, conditions establishing rules and procedures for qualifying tenants, setting rental rates, filling vacancies, operating and maintaining rental affordable units, and annually monitoring affordable units. A rent regulatory agreement acceptable to the City will be recorded against the residential project prior to issuance of a Building Permit for any dwelling unit in the residential project. The rent regulatory agreement shall include the developer's agreement to the limitations on rents required by the City.
- If an alternative to affordable units is approved (alternatives detailed below), provisions to ensure that the affordable housing is provided and that the requirements applied to the alternative have been complied

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- with. Where off-site property is proposed for affordable housing, additional restrictions or agreements may be required to be recorded against the off-site property.
- Other provisions needed to ensure implementation and compliance with this chapter, to ensure continued
  affordability of the units, or to comply with state or federal law.

#### Alternatives for Provision of Affordable Units

The City of Solana Beach has a number of alternatives for the provision of affordable units. The alternatives are broken down by the following categories and detailed below.

### Rental Units in a For-Sale Residential Project

- A developer of a for-sale residential project may propose to provide rental affordable units rather than for-sale affordable units.
- If the developer elects to provide rental affordable units, at least 15 percent of the units in the residential project shall be rented to very low- or low-income households at affordable rents.
- The rent regulatory agreement will include provisions for sale of the affordable units and relocation benefits for tenants of the rental affordable units if the owner of the residential project later determines to offer any rental affordable units in the residential project for sale.
- The owner must also provide all notices to prospective tenants of the residential project required by state law and, at the time sale of the units is proposed, provide all tenants of the rental affordable units with the same notices, rights, and relocation benefits as provided by state law and the Municipal Code for tenants in condominium conversions.
- The owner shall provide written notice to the City at least 90 days before offering any rental affordable unit for sale. The owner shall provide as many for-sale affordable units at affordable housing cost as are required.
- At the time of sale, documents acceptable to the community development director, all consistent with the requirements of this chapter, shall be recorded against the for-sale affordable units for a term of 99 years from the date of sale.

### Construction of Off-Site Affordable Housing

As an alternative to the construction of affordable units on-site, a developer may propose to construct an affordable housing development on other property within the City. The affordable housing plan must provide evidence of and contain the following:

- Financing or a viable financing plan, which may include public funding, shall be in place for the off-site affordable units.
- The off-site location must be suitable for the proposed affordable housing, consistent with any adopted affordable housing guidelines and the housing element, will not tend to cause residential segregation, and be located within the city of Solana Beach boundaries with appropriate infrastructure and services. Any off-site alternative must comply with the density, intensity and development standards that are permitted under the zone for the site.
- Prior to issuance of a Building Permit for any unit in the residential development, the off-site development shall have all discretionary permits and approvals necessary for the construction of the affordable housing, and the developer approved by the city shall have purchased the site for the off-site affordable housing.
- Prior to occupancy of any unit in the residential development, occupancy shall have been authorized for all units in the affordable housing development.

#### Preservation or Conversion of Existing Unit

As an alternative to the construction of affordable units on-site, a developer may propose to preserve existing affordable units at risk of loss or convert market-rate units to affordable units, if the preservation or conversion of

these units is consistent with requirements of the City's Code allows the City to substitute the preservation or conversion of these units for the obligation to identify sites.

### Legalization of Existing Unpermitted Dwelling Units

As an alternative to the construction of affordable units on-site, a developer may acquire and place deed restrictions upon existing housing units within the City constructed without Building Permits, for occupancy by very low- or low-income households at prices or rents affordable to such households subject to the following standards and conditions:

- The developer must demonstrate ownership of the unpermitted dwelling units or an executed agreement with the owner of the dwelling units agreeing to record an affordable housing agreement against the property and to grant the developer access to perform any required rehabilitation or improvements.
- The existing unpermitted housing units must not have a separate address that was included in the most recent United States Census.
- The units must be ready for occupancy by an eligible household prior to final inspection, as shown on the inspection record card, for any market-rate units in the residential project.
- A Building Permit shall be obtained for each unpermitted dwelling unit. Any substandard unit shall be rehabilitated in conformance with applicable local ordinances and state statutes.
- If the units will be for-sale or rental affordable units, the number, affordability, and term of affordability of the affordable units shall conform with the provisions of the City's Code requirements.

### Affordable Housing Design and Standards

When an affordable unit is the unit may be constructed as a separate single-family dwelling unit or may be combined with other dwelling units. Affordable units must be designed to be integrated into the residential style of the residential project, and shall have the same general bulk, scale, average square footage, same mix, and height as market-rate units in the development. Subject to approval of the community development director or designee, affordable units may have different interior finishes and features than market-rate units in the same residential development project, so long as the finishes and features are durable, of good quality and consistent with contemporary standards for new housing.

Additionally, affordable units must be comparable to market-rate units in overall number of bedrooms and the proportion of units in each bedroom category. For multifamily residential projects, the affordable units shall be integrated into the project and located so as not to create a geographic concentration of affordable units within the residential project, unless required to provide housing for senior citizens or to obtain financial assistance from state or federal agencies.

Finally, all affordable units must be constructed and occupied concurrently with or prior to the construction and final inspection of market-rate units. In phased residential projects, affordable units shall be constructed and occupied in proportion to the number of units in each phase of the residential project.

#### Waivers of Affordable Housing Requirements

As part of an application for the first approval of a residential project, a developer may request that the requirements of this chapter be waived or modified, based upon a showing that applying the requirements of this chapter would result in an unconstitutional taking of property or would result in any other unconstitutional result. Any request for a waiver or modification shall be submitted concurrently with the project application. The developer shall set forth in detail the factual and legal basis for the claim, including all supporting technical documentation, and shall bear the burden of presenting the requisite evidence to demonstrate the alleged unconstitutional result. Any request for a waiver or modification based on this section shall be reviewed and considered at the same time as the project

application. In deciding whether to grant the waiver or modification, the city council shall assume each of the following when it is applicable to the project:

- The developer will provide the most economical inclusionary units feasible in terms of construction, design, location and tenure.
- The developer is likely to obtain housing subsidies when such funds are reasonably available.

The waiver or modification may be approved only to the extent necessary to avoid an unconstitutional result, based upon legal advice provided by or at the behest of the city attorney, after adoption of written findings, based on legal analysis and the evidence. If a waiver or modification is granted, any change in the project shall invalidate the waiver or modification, and a new application shall be required for a waiver or modification.

# 10.On-/Off-Site Improvements

Site improvements in the City consist of development for on-site improvements (fronting streets, curbs, gutters, sewer/water, and sidewalks), and off-site improvements (drainage, parks, traffic, schools, and sewer/water). Thus, these are costs that will be added to the sale or rental price of housing. Because residential development cannot take place without the addition of adequate infrastructure, site improvement requirements are not seen as a constraint to the development of housing within the City.

The infrastructure in Solana Beach is fully developed and well maintained. As a result, only minimal on or off-site improvements are required for most new development. Typical on-site improvements consist of curbs, gutters, sewers/water, and sidewalks. Required off-site improvements are also minimal and directly relate to project impacts. For example, a project approval may be accompanied by conditions for localized street and intersection improvements. But again, because the City's infrastructure is largely in place and because there is minimal land available for subdivisions, requirements for construction of new public streets or other significant infrastructure is very rare. The required public improvement standards are used primarily to ensure that the existing roadways adjacent to new residential construction maintain or provide the appropriate right-of-way. In conclusion, given the completely developed nature of the City's infrastructure, the cost to developers of providing public facilities is relatively low when compared to other parts of the region where the infrastructure is not already available or is inadequate to serve new development.

# 11. Building Codes and Enforcement

The City of Solana Beach's construction codes are based upon the California Code of Regulations, Title 24 (Building, Plumbing, Mechanical, Electrical and Housing Codes) and are considered to be the minimum necessary to protect the public health, safety and welfare of the City's residents. Code enforcement is conducted by the City and is based on systematic enforcement in areas of concern and on a complaint basis throughout the City. The Code Enforcement Division works with property owners and renters to assist in meeting state health and safety codes. The Code Compliance Department investigates complaints regarding violations of the Solana Beach Municipal Codes, Uniform Building Codes, Fire Codes, and Parking regulations. The intention and goal is to work together with the community to help resolve issues through voluntary compliance.

# 12.Local Processing and Permit Procedures

The processing time for permits varies in Solana Beach based upon the scope and type of project and the applicant's compliance with the City's ordinances and completeness of applications. Certain types of applications/permits are discretionary and require a public hearing, while others are processed administratively. Projects needing discretionary review typically involve significant grading activity or buildings over 500 square feet in size. On average, permit

processing for discretionary projects takes between six and eight months. Administrative approval takes between several days to two or three weeks. A significant portion of the permit processing in the City is associated with single-family remodels.

Projects that take a longer time to secure final approval generally have significant environmental impacts or involve general plan amendments or rezoning. The developers may be responsible for delays by failing to provide information or requesting continuances. Permit approval under these circumstances requires more time for public notice, public hearings, and negotiation of design modification to resolve problems.

For a discretionary Development Review Permit, the City automatically proceeds with a development proposal hearing at the next scheduled City Council meeting once the following findings are met: (1) the proposed development is consistent with the General Plan and all applicable requirements, including special regulations, overlay zones, and specific plans; (2) the proposed development complies with the development criteria; (3) environmental review as required by CEQA is completed; and (4) all required permits and approvals, including Variances, Conditional Use Permits, Comprehensive Sign Plans, etc., are processed concurrently with the Development Review Permit.

Once the criteria are met, the City continues to apply the State of California Streamlining Act requirements to ensure continued timely and predictable permit processing. The process is further expedited in the City of Solana Beach because the City has no Planning Commission; the Council acts as the Planning Commission and; thereby, reduces the steps in the process and removes uncertainty of Planning Commission-City Council policy interpretations. An application for a Development Review Permit shall be required for any structure or site development which meets, but is not limited to, the following criteria:

- New construction (including structural additions to existing development) totaling 30,000 gross square feet or more, except greenhouses in the (A) zone and structures in residential zones.
- Any residential projects of 20 or more units.
- Any site development, including grading, or construction including any structural additions to existing development, that involves an aggregate of more than 100 cubic yards of cut and/or fill, excluding:
  - o Residential swimming pools/spas
  - o City of Solana Beach approved public works projects in the existing right of way
- Any new residential structure or structural addition in the MHR or HR zones which exceeds 25 feet in height and any new nonresidential structure or structural addition which exceeds 30 feet in height.
- Any developments located in the Hillside, Scenic, or Floodplain Overlay Zones.
- Any development on a coastal bluff top property or on the face or toe of a bluff for which a Coastal Development Permit issued by the California Coastal Commission is presently required.
- Any new construction, including replacement of an existing structure or structural additions to existing
  development in residential zones, shall require a Development Review Permit if either or both of the
  following development criteria are satisfied:
  - o The total of existing square footage plus proposed new square footage of the structure exceeds 60 percent of the maximum floor area allowable under the applicable floor area ratio.
  - o If new square footage is proposed for an existing or new second story, the total of the existing square footage plus proposed new square footage of only the second story of the structure exceeds 40 percent of the floor area of the first story existing floor area for residential lots of 6,000 square feet or less, or 35 percent of the floor area of the first story existing floor area for residential lots of greater than 6,000 square feet.

No Building Permit or Grading Permit shall be issued relating to a project for which a Development Review Permit is required by this title until a Development Review Permit is obtained. Additionally, Solana Beach is located entirely within the state's coastal zone and all Coastal Development Permits must be heard by the State Coastal Commission.

The general process for obtaining an Administrative Building Permit in Solana Beach is as follows:

- One set (1) of building plans are initially reviewed by the Planning Department. Once the planning department has reviewed and noted required revisions or comments, the plans are marked to proceed with plan check. The applicant is advised to submit four (4) additional sets to the Building Department, which is managed by Esgil, an independent firm that provides plan check services to the City of Solana Beach. The Engineering, Environmental and Fire Departments conduct their reviews at the same time. The plans are reviewed for compliance with both the City's Municipal Code and applicable State laws.
- The Building Department plan check process may require plan revisions and subsequent rechecks until the plans are determined to meet all California Building Codes.
- The final set of plans must then be resubmitted to the City of Solana Beach for a "Re-Stamp." This Re-Stamp is required to allow each department the opportunity to review the final plan to confirm that required revisions were made, and to evaluate whether changes required by a different department did not create additional comments. Once the building permit plans have been placed in stamp out, the City sets no longer than ten days to sign off. Generally, the Re-Stamp proceeds more quickly than the initial review.

The City reviewed entitled projects over the past three years to determine how many applied for and received building permits and how long that took approximately. **Table 3-12** below shows how many projects received a building permit within one year of their entitlement approval. Not every project that received entitlement approvals applied for building permits in a timely fashion or at all. Entitlement approvals remain in place for a period of two years and may receive extensions from the City if desired by the applicant. The City continues to work with applicants that receive entitlement approvals to determine next steps and assist applicants with navigating the permitting process.

	Tab	le 3-12: Project Timing from Entitlements to Buildin	g Permits
Year	No. Projects Entitled	Entitled Projects that did not Apply for Building Permits	Projects that Received Building Permits within One Year of Entitlement Approval
		• 3 projects have not submitted for permits yet	9
2018	15	• 2 projects were revised by the applicant and	1 additional project received a
		are currently in the permit process	permit within 2 years
2019	18	<ul> <li>4 projects have not submitted for permits yet</li> <li>2 projects were revised by the applicant and are currently in the permit process</li> <li>1 project changed owners and has re-applied for permits</li> </ul>	11
2020	14	<ul> <li>5 projects have not submitted for permits yet</li> <li>2 projects are in process to receive building permits</li> </ul>	7

The City operates a permit and processing counter with daily hours and provides extensive technical assistance to project proponents to ensure that their applications are complete and correct. In this manner, the City is able to provide a high degree of certainty and process proposals within seven to eight weeks.

The majority of these entitlements were for single-family residences and were entitled at the maximum density. As shown in **Table 3-18**, the City receives applications to develop below the maximum density on projects that propose a mixed-use-type development. In these instances, the projects were determined to have the physical capacity to develop at the maximum density but chose to include a commercial or office component.

# 13. State Policies and Regulations

State policies and regulations, which are regularly updated to include new standards for development, requirements to improve accessibility, and updated environmental standards, may also serve to constrain housing development in local communities.

#### California Code of Regulations, Title 24

The state of California regularly updates and adopts new standards for construction which are known as the California Building Standards Code is a compilation of three types of building standards from three different origins, listed as follows:

- Building standards that have been adopted by state agencies without change from building standards contained in national model codes;
- Building standards that have been adopted and adapted from national model codes to address California's ever-changing conditions; and
- Building standards, authorized by the California legislature, that constitute amendments not covered by national model codes, that have been created and adopted to address particular California concerns.

Regulations for residential use, maintenance, and occupancy for existing buildings are found in the California Code of Regulations, Title 24 Part 2.5. The most recent Code was published July 1, 2019 and went into effect January 1,2020. The City of Solana Beach has adopted the 2019 Code as the City's building standards, and the regulations and requirements provided by the California Code are not considered a constraint to development of accessible and affordable housing being they are required by law and developed to implement safe and well design standards.

### **Environmental Protection**

State regulations require environmental review of proposed discretionary projects (e.g., subdivision maps, use permits, etc.). Costs resulting from fees charged by local government and private consultants needed to complete the environmental analysis, and from delays caused by the mandated public review periods, are also added to the cost of housing. However, the presence of these regulations helps preserve the environment and ensure environmental safety to Solana Beach residents.

### C. Infrastructure Constraints

Another factor that could constrain new residential construction is the requirement and cost to provide adequate infrastructure (major and local streets; water and sewer lines; and street lighting) needed to serve new residential development. In most cases, where new infrastructure is required, it is funded by the developer and then dedicated to the City, which is then responsible for its maintenance. Because the cost of these facilities is generally borne by developers, it increases the cost of new construction, with much of that increased cost often "passed on" in as part of home rental or sales rates. However, such infrastructure costs do not represent a barrier in Solana Beach because

as a built-out community, Solana Beach's infrastructure is, likewise, built out and in place. Therefore, the high development costs often associated with installing infrastructure systems in other communities are not found in Solana Beach.

# 1. Water Supply and Wastewater Capacity

Among the municipal services that the City of Solana Beach provides are the functions of wastewater, and clean water (storm water pollution prevention). These utility services are funded exclusively from fees and rates charged to the City's utility customers related to their use. Water supply is provided by the Santa Fe Irrigation District.

The City of Solana Beach has evaluated the availability of infrastructure from a Citywide and site-specific standpoint. In determining the feasibility of sites to accommodate the City's RHNA needs, infrastructure provision was a determining factor. Based on the site inventory analysis contained in Appendix B of this Housing Element, deficiencies in infrastructure adjacent to, or on the parcels within the inventory of sites, do not pose a constraint to development. All of the lower income sites are adjacent to existing public roads that contain utilities and other infrastructure. The City's current General Plan EIR evaluated the infrastructure capacity for all sites within the City as identified in the current Land Use Element. The City is not rezoning or adding additional capacity beyond what is currently permitted and what has previously been evaluated. Therefore, the current EIR analysis which states there is adequate infrastructure in place to accommodate future anticipated development is accurate. Additionally, the City's draft MND for the Housing Element Update was conducted to evaluate any potential impacts to the environment.

### Water Supply

The Santa Fe Irrigation District provides reliable water to the Rancho Santa Fe, Fairbanks Ranch and City of Solana Beach area, and has been for almost a century. The Mission of the Santa Fe irrigation District is to efficiently provide its customers with safe and reliable water. The Santa Fe Irrigation District was originally formed by landowners under the California Irrigation District Act to provide water service to the area. The District serves approximately 19,400 customers on 10,200 acres of land in three communities: Rancho Santa Fe, Fairbanks Ranch and the City of Solana Beach.

The Santa Fe Irrigation District has 100% ownership of 151 miles of pipelines and a six million-gallon filtered water reservoir in Solana Beach known as Larrick Reservoir. It shares ownership with the San Dieguito Water District (SDWD) of a 40 million-gallon-per day (mgd) water treatment and filtration plant (R.E. Badger Filtration Plant). The San Dieguito Reservoir was constructed in 1918 and has the capacity to hold 550-acre feet of raw water.

#### Wastewater Capacity

In compliance with the Federal Clean Water Act requirements, the City maintains the sanitary sewer system. A private contractor, under contract with the City of Solana Beach, provides routine cleaning of the public sewer mains. All public sewers are cleaned at least once a year using high pressure jetting and/or mechanical rodding. Problem sewers are cleaned up to four times annually. Root intrusion and grease buildup are the primary culprits of sewer backups.

The City's sewage is pumped to the San Elijo Water Reclamation Facility in Cardiff for treatment and disposal. The treatment facility supplies reclaimed water for landscape irrigation and industrial applications. The City Council appoints representatives to sit as voting members on the San Elijo Joint Powers Authority Board.

Sewer service charges are billed annually on the County property tax bill. The charge is determined based upon a user classification or category. Sewer service is not determined by water usage. The City Council, upon review of operating expenses and staff recommendations, determines the annual sewer fees each year.

Based on current service, routine care of the City's system, and the fact that the City of Solana Beach is built-out and well connected, additional housing will not pose a significant impact on the City's water services or ability to provide such services to new units. Additionally, cooperation with local service providers will support the prioritization of water and sewer services for future residential development, including units affordable to lower-income households. The City will submit the adopted Housing Element to local water and sewer providers for their review and consideration when reviewing new residential projects

# 2. Stormwater Management

Solana Beach is located within the Carlsbad and San Dieguito River Watershed Management Areas (WMAs). Major surface water bodies in the Carlsbad WMA that receive urban runoff discharges from areas within the City include the San Elijo Lagoon and the Pacific Ocean. Major surface water bodies in the San Dieguito WMA that receive urban runoff discharges from areas within the City are the San Dieguito River/Estuary and the Pacific Ocean. The City of Solana Beach Public Works Department has and is responsible for maintaining the storm drain infrastructure through comprehensive programmatic efforts.

As mandated by the National Pollutant Discharge Elimination System Permit Order No. R9-2013-0001 (NPDES Permit) issued by the Regional Water Quality Control Board (RWQCB), the City is required to prevent and eliminate non-storm water discharges into the City's storm drain system. Non-compliance with the NPDES Permit can result in heavy fines to the City, up to \$10,000 per day per violation. In order to stay in compliance, the City has a comprehensive program to reduce the amount of pollutants that are allowed to enter the storm drain system. This is important because storm drains are NOT connected to wastewater treatment facilities, so the water that enters them flows directly to creeks, lagoons, and oceans untreated. The City of Solana Beach prohibits all non-storm water discharges unless a discharge is authorized by a separate NPDES permit. Typical non-storm water discharges include, but are not limited to:

- Oil from vehicles
- Excess pesticides and fertilizer from landscaping
- Bacteria from pet waste
- Sediment from construction and landscaping projects
- Soap from car washing
- Litter
- Lawn and garden debris

- Improperly disposed home improvement debris
- Irrigation runoff
- Water from residential and commercial street, sidewalk, and parking lot washing
- Air conditioning condensation
- Chlorinated swimming pool discharges
- Sanitary sewer and septic system overflows

#### Jurisdictional Runoff Management Program

The City has a Jurisdictional Runoff Management Program (JRMP) that governs the activities and programs implemented to comply with the NPDES Permit. The purpose of the City's JRMP is to implement strategies that effectively prohibit non-storm water discharges to the MS4 and reduce the discharge of pollutants in storm water to the maximum extent practicable (MEP). Improving the quality of the discharge from the MS4 should have beneficial effects on the local receiving water bodies.

While the primary responsibility of managing the JRMP lies with the Department of Public Works, other City departments participate in the implementation of the program. Each Department and associated Division has an established role in implementing the components of the JRMP. The JRMP is broken up into the following sections,

each with their own set of guidelines and requirements that City staff must adhere to and implement to stay in compliance with the NPDES Permit:

- Development Planning
- Construction
- Municipal
- Industrial and Commercial
- Residential

- Illicit Discharge Detection and Elimination
- Education
- Public Participation
- Fiscal Analysis
- Effectiveness Assessment

The City also has responsibilities above and beyond the requirements of the JURMP. The NPDES Permit requires the City to participate with neighboring jurisdictions and the entire region to develop and implement Watershed programs and a Regional Program. The City is in two separate watersheds, the Carlsbad Watershed and the San Dieguito Watershed, which each have pollution prevention programs called Watershed Urban Runoff Management Programs (WURMPs). City staff must develop and implement programs with staff from neighboring jurisdictions and the region to address water pollution on a much larger scale.

# 3. Fire and Emergency Services

Management of the fire department is handled through a Management Services Agreement with the City of Encinitas. Through this agreement the department is staffed with a Fire Chief, Deputy Fire Chief, 4 Battalion Chiefs, Fire Marshal, 6 Fire Captains, 6 Fire Engineers, 4 Firefighter/Paramedics, 2 Probationary Firefighters, a Management Analyst, and a Fire Prevention Specialist. In addition, the fire station is home to 6 Paramedics operating an ambulance owned by American Medical Response.

### Responsibilities

Duties include supervising fire suppression operations and emergency medical services; emergency management; fire prevention activities; purchasing of materials, supplies, and fire equipment; management of service contracts; and administrative functions. In addition to Del Mar and Encinitas, the Solana Beach Fire Department has automatic aid agreements with the City of San Diego and the Rancho Santa Fe Fire District. The Solana Beach Fire Department provides mutual aid to the Northern San Diego Zone, San Diego County and as needed throughout the State of California

### **Emergency Response**

Emergency response is handled according to the nature of the emergency with a combination of vehicles and equipment housed at the Solana Beach station and from surrounding agencies through mutual aid and automatic aid agreements. For example, a call for a structure fire would bring an engine, truck and paramedic unit from Solana Beach as well as engines from Rancho Santa Fe, Del Mar, Encinitas, and San Diego. An increase to a second or third alarm would bring vehicles from as far as Carlsbad, Oceanside, Vista, San Marcos, and Escondido.

The City of Solana Beach contracts with Trauma Intervention Programs of San Diego County, Inc. (TIP), a non-profit organization of specially trained citizen volunteers, to provide immediate emotional and practical support to victims and their families in the first few hours following a tragedy.

It is not anticipated that any new fire or emergency facilities would be required as a result of development on the housing sites. Therefore, this does not place a constraint on development.

### 4. Police Services

The City of Solana Beach is contracted for law enforcement services from the San Diego County Sheriff's Department. Through contract with the Sheriff's Department, the City of Solana Beach receives routine patrol of streets by patrol and traffic deputies, crime prevention services, and a wide array of other law enforcement services. The North Coastal Station serves nearly 60 square miles which includes the cities of Solana Beach, Encinitas and Del Mar, and the unincorporated communities of Rancho Santa Fe, Del Dios, Camp Pendleton, and San Onofre.

### **Patrol Division**

Patrol deputies respond to crimes or emergencies in progress and calls for service. They conduct routine patrols with their primary focus on the protection and preservation of life. They conduct preliminary investigations and apprehend law violators.

### **Traffic Division**

Traffic deputies focus on vehicle code enforcement, traffic collision investigations and traffic control. The California Highway Patrol is the agency responsible for traffic enforcement in the unincorporated areas throughout the state of California.

It is not anticipated that any new police facilities would be required as a result of development on the housing sites. Therefore, this does not place a constraint on development.

### D. Environmental Constraints

This section contains environmental constraints commonly found in the southern California region that may apply to future development within the City of Solana Beach. Most of these, while present within Solana Beach, do not reduce the development capacity of individual sites, nor do they alter the City's ability to develop housing within the planning period.

As demonstrated in the Overlay and Sites Analysis sections, the City has conducted a careful site analysis that takes into consideration the various environmental factors that may apply to future housing development within the City. As part of this analysis, the City mapped known environmentally sensitive areas using SANGIS data as well as available very high fire severity zone data. The City did not include any sites located within either of these areas. The City also addressed geologic, seismic, and liquefaction hazards by not identifying sites within the Coastal Bluff Overlay zone, where the majority of these hazards are present. Lastly, the City did not identify sites within the Floodplain Overlay zone.

The City has made diligent efforts to identify sites that are not impacted by known environmental constraints based on available data. The majority of the identified housing sites are in infill areas which are either currently developed or previously disturbed, which generally limits the environmental factors present on site. Further analysis of environmental factors is included within the environmental clearance document for the housing element.

# 1. Geologic and Seismic Hazards

Southern California is considered as one of the most seismically active regions in the United States because the faulting is dominated by the compression regime associated with the "big bend" of the San Andreas Fault Zone. The San Diego region is transected by several sub-parallel, pervasive fault zones, as well as smaller faults. Historically, earthquakes less than magnitude 4 have been common to the San Diego region.

Solana Beach is located on the western edge of the Peninsular Range geologic province. The Peninsular Range province is a physiographic feature which includes the Laguna Mountains, the Agua Tibia Mountains, the Santa Rosa Mountains, the San Jacinto Mountains, and the Santa Ana Mountains. The formation of this province's mountain ranges and other features is due to the relative movement of the Pacific and North American continental plates along the San Andreas fault system. The province is located immediately west of the San Andreas fault and is affected by a number of other faults.

Therefore, Solana Beach, like much of southern California, is located in a region of high seismic activity. An offshore extension of the Rose Canyon fault lies approximately two miles to the west of Solana Beach and is considered to be potentially active. Events are much less likely to occur on potentially active faults as compared to active faults. However, given the close proximity of the Rose Canyon fault to Solana Beach, a strong earthquake on this fault could produce severe ground shaking in the city. In addition, recent offshore seismic activity has demonstrated that small magnitude earthquakes (less than 4.5 magnitude) can be generated on offshore faults, located approximately five miles offshore, and known as the South Coast Offshore Zone of Deformation. Below is an analysis of geologist and seismic constraints to development in Solana Beach per the City's Safety Element and Climate Action Plan.

#### Geologic and Seismic Constraints to Development

The suitability of land for development is influenced strongly by the presence of certain geologic and seismic hazards. These hazards range from the direct and indirect effects associated with earthquakes to problems associated with slope stability and soil conditions that are not conducive to development.

### Seismic Shaking

The energy released by movement along a fault travels through the earth's crust as shock waves which cause the ground motion associated with earthquakes. The severity of ground motion at any given location is related to the total amount of energy released, the distance from the earthquake's origin, and the character of surface and subsurface geologic conditions.

Virtually all of Solana Beach consists of well-consolidated geologic materials rather than poorly consolidated soils such as alluvial deposits. Nevertheless, it should be noted that ground shaking in hillside areas could induce the slumping of geologic structures or landslides in areas of slope instability. According to the California Division of Mines and Geology, Solana Beach is within an area where the intensity of maximum expectable earthquakes would likely be moderate.

#### Liquefication

Liquefaction is the substantial loss of strength of poorly consolidated and saturated soils due to the effects of seismic shaking. The passage of seismic waves through such soils can cause soil particles to be suspended temporarily in water, creating conditions very similar to quicksand. The resultant loss of strength can cause significant damage to structures as they settle, tilt, or collapse.

The potential for liquefaction in a given area is dependent upon soil characteristics, groundwater conditions, and the intensity of seismic shaking. In the Solana Beach area, the potential for liquefaction is greatest in the area located generally between Stevens Avenue and Valley Avenue, and in the area north of Via de la Valle between Del Mar Downs and Stevens Avenue. These are the only areas in the City which are underlain by poorly consolidated alluvium and slope wash which could liquefy during an earthquake depending upon groundwater conditions.

#### Seiches

Seiches are the oscillation of water in bodies of water sometimes caused by earthquakes. A common example is the "sloshing" of water in a swimming pool during an earthquake. Seiches are potentially hazardous when the wave action created in lakes or bays is strong enough to threaten human beings and structures nearby the body of water. The only area near Solana Beach where this is a potential concern is San Elijo Lagoon. However, this is a very minor concern since urban development in the City is not in close enough proximity to the lagoon to be exposed to seiches.

### <u>Landslides</u>

Landslides are the downslope movement of geologic materials. Typically, such movement occurs as block glide or as a slump. In addition to landslides, other slope stability problems found in hillside areas must be considered in planning future land uses. These problems include soil creep, earthflows, and mudflows.

- Soil creep is the slow downslope movement of individual soil particles at varying rates.
- Earthflows involve the downslope movement of soils that have been saturated and form a viscous flow of material.
- Mudflows involve the rapid downslope flow of mud and debris.

In Solana Beach, the principal area of concern regarding slope stability is along the City's coastal bluffs.

#### Bluff/Slope Stability

Slope stability is a significant concern along Solana Beach's entire coastal bluff area. The steep bluffs have experienced losses resulting from the combined effect of natural and man-made activities. Urban development on the blufftops has placed increased loads upon the geologic structure of the area. All coastal blufftop areas are of concern to the City.

The City has recognized the challenges that come with managing the actively eroding shoreline. Multiple factors, such as wave action, winter storms, sea-level rise, and the lack of sand replenishment contribute to an unstable geologic environment. Seacliff erosion poses a threat to the public recreational use of the beach and to the homes located at the top of the bluffs. Shoreline protective devices along the coast include seawalls, revetments, shotcrete walls/cave infills, notch and dripline infills, and mid- and upper-bluff retention systems

Although future development constructed under the Housing Element may involve the construction of new residential structures in a seismically active area, the potential hazards would be less than significant because of the existing regulatory framework related to seismic safety. Additionally, development standards, updated building codes, and design requirements are in place in Solana Beach to mitigate potential hazards from natural disasters as well as developments.

# 2. Flooding

Flooding problems in Solana Beach have historically involved coastal flooding and San Dieguito River flooding in the area of Stevens Avenue and Valley Avenue. With respect to coastal flooding, the occurrence of storm events in combination with high astronomical tides and strong winds can cause a significant wave runup and allow storm waves to attack higher than normal elevations along the coastline. When this occurs, shoreline erosion and coastal flooding frequently result in damage to inadequately protected structures and facilities located along low-lying portions of the shoreline.

Floodplains are relatively flat land areas subject to periodic inundation by nearby drainage courses. These areas have historically attracted human settlement by virtue of their flat terrain, proximity to water, and soil characteristics that are often very fertile. Flooding represents a hazard only after human settlement on the floodplain exposes people and property to risks associated with the inevitable flood flows. Flood hazard areas in the Solana Beach area have been mapped through the National Flood Insurance Program administered by the U.S. Department of Housing and Urban Development (HUD) and the Federal Emergency Management Agency (FEMA). According to the City's Climate action Plan, a total of 9,300 people are vulnerable to a 100-year flood along the San Diego coast.

The relationship between land use and flood hazards has two key aspects. First, the potential for flooding is a major constraint to land development in that the hazards posed by flooding severely restrict the types of land uses within the floodplain. Second, urban land use development could result in adverse effects on downstream areas by increasing the potential for flooding. Urban development can result in adverse effects upon downstream areas involving increased flooding and/or erosion and sedimentation problems. Through the development of buildings, roads, sidewalks, and accompanying infrastructure, the amount of impermeable surfaces increases reducing the amount of land area capable of absorbing precipitation. Consequently, stormwater runoff conveyed to the San Dieguito River and the San Elijo Lagoon will increase in both volume of flow and flow velocity. While the effect of individual projects themselves may be relatively minor, the cumulative effect of increased impermeable surfaces and storm drain construction throughout upstream portions of Solana Beach could result in greater frequency and magnitude of flooding in downstream areas. However, given the extent of existing urbanization in Solana Beach, additional effects upon downstream areas are expected to be very minor.

However, the City recognizes the potential hazards which accompany flooding and has developed the following measures to prepare:

- As data and coastal science progress, conduct sea-level rise studies in addition to the study prepared as a
  part of the U.S. Army Corps of Engineers (USACE) Solana Beach & City of Encinitas Coastal Storm Damage
  Reduction Project to better understand the risks and cost/benefits of development within flooding hazard
  zones and potential long-term mitigation recommendations;
- Protect existing, and construct new buffers to protect the coastline from flooding;
- Implement and expand upon the short- and long-term sediment management programs identified in the Solana Beach & City of Encinitas Coastal Storm Damage Reduction Project to preserve shorelines through beach replenishment and nourishment to address impacts of sea-level rise on shorelines;
- Incorporate sea-level rise effects into capital improvement plans;
- Install "green infrastructure," using vegetation and soils to restore natural processes required to manage stormwater, around buildings and other parcel areas;
- Expand upon living shoreline-related projects similar to the Southern California Reef Technology Project to create shoreline habitat, enhance recreation, and improve sand retention; and
- Encourage the use of native landscaping with deep roots that can provide a sponge-effect by absorbing urban runoff.
- Join with other coastal cities in the region to share information and collaborate on adaptation measures.

Using the measures listed above, in addition to the requirements and standards outlined in the Floodplain Overlay Zone, it can be deduced that the impacts of potential flooding in Solana Beach will not pose a serious threat or constraint to the development and maintenance of safe and affordable housing within the City.

# E. Housing Resources

# 1. Residential Sites Inventory

**Appendix B** of the Housing Element includes the required site analysis tables and site information for the vacant and non-vacant properties to meet the City's RHNA need through the 2021-2029 planning period. The following discussions summarize the City's site inventory and discuss the City's past experience in redeveloping non-vacant sites and sites within non-residential zones.

### 2. Above Moderate and Moderate Income Sites

For the 2021-2029 planning period, the City's RHNA allocation is 160 for moderate income site and 240 for above moderate-income sites. The City anticipates growth to meet the moderate and above moderate income need to come in existing residentially and commercially zoned areas (that presently permit residential development as a primary use) through the development of new units and through the development of accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs).

84 moderate income and above moderate-income units can be accommodated on residentially zoned sites. The City has also identified commercially zoned sites within the City that permit residential as a primary use with the capacity to accommodate 182 above moderate-income units. The City contains the required descriptive information for these sites within **Appendix B**.

An additional 128 units can be accommodated through the development of ADUs/JADUs throughout the community. This is based on the methodology described within this section and incorporates guidance from HCD's Housing Element Site Inventory Guidebook.

#### Analysis Of The City's Existing Capacity And Zoning

The Housing Element must demonstrate the City's ability to accommodate the RHNA either through production or the availability of properly zoned land that can accommodate additional growth. The City of Solana Beach is able to accommodate all of its moderate and above moderate income RHNA need through available land with existing zoning classifications that permit residential as a primary use, as well as through the anticipated development of accessory dwelling units. **Appendix B** in this document contains a list and description of the sites designated to meet the City's moderate and above-moderate need. **Table 3-13** below summarizes the capacity of the sites by current zoning classification which can accommodate 44 moderate income and 40 above moderate-income dwelling units. In conjunction with ADU development, these amounts exceed the City's 2021-2029 RHNA allocation as shown in **Table 3-17**.

Table 3-13: Residential Capacity for Moderate and Above Moderate-Income Sites									
	Max Density (DU/AC)	Realistic Density (Used for Potential Yield Calculations)	Number of Parcels	Acreage	Potential Units				
Above Moderate-Income Sites									
LRc	3	3	<del>15</del> 9	<del>15.01</del> 10.03	<del>26</del> 20				
<del>LRd</del>	3	3	2	<del>1.48</del>	2				
<del>LMRc</del>	4	4	4	<del>2.87</del>	4				
<del>LMRd</del>	4	4	2	1.38	2				
С	20	20	6	11.84	182				
Subtotal			<del>29</del> 15	<del>32.58</del> 21.87	<del>216</del> 202				
Moderate Incom	e Sites								
MRd	7	5	<u>3</u> 7	<u>2.05</u> 3.86	<del>13</del> 9				
MHRd	12	8	<del>15</del> 7	<del>5.84</del> <u>3.37</u>	<del>31</del> 23				
Subtotal			<del>22</del> 10	<del>9.70</del> <u>5.42</u>	44 <u>32</u>				
Total			<del>51</del> 25	<del>42.28</del> 27.29	<del>260</del> 234				

#### Reasonable Capacity Assumptions

This section describes the methodology developed to determine the site capacity for the moderate and above moderate-income sites. Reasonable capacity for sites identified to meet the City's above moderate need was calculated based on a number of factors, including site size, existing zoning requirements, and the maximum density achievable for projects within the LRc, LRd, LMRc, and LMRd zones. Reasonable capacity for sites identified to meet the City's moderate need was calculated based on the same methodology described above, however the methodology assumed development of sites at the minimum density achievable for projects within the MRd and MHRd zones.

Potential constraints, to the extent they are known, such as environmentally sensitive areas and steep slopes were considered and deductions made where those factors decreased the net buildable area of a parcel. Additionally, existing units non-vacant parcels were analyzed to determine the number of existing units currently on the parcel. Replacement of existing units was included as a factor to prevent no net loss of existing housing stock.

# 3. Sites Suitable for Lower Income Housing

The City of Solana Beach has a RHNA need of 316 very-low income units and 159 low-income units. The City of Solana Beach does not have a large amount of untouched, undeveloped land available for future development. As such, Solana Beach is reliant on infill development on non-vacant sites to meet its RHNA. The City does is not able to accommodate 50 percent of the RHNA on vacant sites. The City is able to take credit for 32 low-income units, reducing that low-income need to 127 units. The City has identified residentially and commercially zoned parcels that can accommodate 480 dwelling units. The City also anticipates the development of 15 affordable ADUs based on the methodology described in this section. This is in excess of the City's 443 low and very-low RHNA need by 62 units, or an additional 16 percent.

The very low and low-income sites inventory within **Appendix B** describes each of these sites, with information provided per the HCD required data tables. Dwelling unit yield for each of the parcels within this inventory were analyzed to determine a net parcel size based on the City's established definition of net acreage and known physical

and environmental constraints. Due to the nature of infill development opportunities, parcels with non-residentially zoned areas were analyzed differently as described in the following section.

As identified in **Appendix B**, the City is able to accommodate their lower income RHNA need, including a buffer, on sites currently zoned to permit residential as a primary use. Non-vacant sites designated to meet the very-low and low-income RHNA need that have been identified in a previous housing and vacant sites designated to meet the very-low and low-income RHNA need that have been identified in two previous housing elements will also allow 'by-right' approval for any project with 20 percent low-income housing that does not involve a subdivision per State law. This is described in **Program 1F** within the Housing Plan.

#### Development Of Non-Residentially Zoned Sites For Affordable Housing

In order to meet the City's very low- and low-income RHNA need, the City has identified parcels currently located on non-residentially zoned parcels that permit residential uses as a primary use. The City's existing zoning allows for the development of housing in a mixed-use setting at 20 dwelling units per acre in the General Commercial (C) and Special Commercial (SC) zones. In the past 20 years of development history, the City has seen numerous projects developed within these zones (see **Table 3-18** for recent development examples) and has not had a 100 percent commercial development project constructed. This trend supports the City's assumption of residential develop at an 80 percent development factor to account for non-residential uses, as discussed in this section.

Per the City of Solana Beach Municipal Code, "Residential dwellings shall be permitted only on the upper floors, basement, and rear 50 percent of the ground floor. Alternatively, residential dwellings may be permitted on any portion of the building (or buildings) pursuant to a Development Review Permit; provided, that total residential development does not exceed 50 percent of gross allowable floor area. Residential units must be a minimum of 650 square feet in size, however "efficiency units" are permitted in these zones pursuant to a Development Review Permit. These units may range in size between 220 and 650 square feet. The reduced unit size may result in the development of more affordable units.

It is anticipated that while all sites identified with the City's sites analysis have the potential to develop at 20 dwelling units per acre at the full net acreage, some sites located within non-residentially zoned areas may develop with commercial uses. To account for this, the City has reviewed past residential development within these areas and determined that an 80 percent factor is appropriate to realistically gauge the residential development potential on the identified sites. This factor is an adjustment to the potential dwelling unit yield to account for the potential development of commercial uses in a mixed-use setting and was derived from the analysis in **Table 3-18**. As shown in **Table 3-18** the City has a past history of developing residential uses within the general commercial and special commercial zones at approximately 80 percent of the maximum capacity.

Pursuant to HCD's Building Blocks, there are a number of additional methods available to the City to analyze the likelihood of future development within these areas. These methods include:

- Discussion of residential development trends (regionally or locally) in nonresidential zones.
- Description of any existing or planned policies, programs, or local guidance or efforts promoting residential development in nonresidential zones.
- Description of any existing, or planned, mixed-use or overlay zoning, performance standards, or incentives for promoting residential development in nonresidential zones.
- Demonstrate a surplus of non-residentially zoned sites relative to the regional housing need.

The following sections describe local and regional development trends promoting mixed-use development within established commercial corridors as well as Solana Beach's existing or planned policies, programs, zoning amendments, and incentives for promoting residential development in nonresidential zones.

#### EXISTING OR PLANNED POLICIES AND PROGRAMS

The City of Solana Beach currently allows residential development within three of its commercial zones. Two of these zones, General Commercial (C) and Special Commercial (SC) allow for development at 20 dwelling units per acre, a density which HCD deems appropriate for the development of low-income housing within a jurisdiction of Solana Beach's size.

In addition to existing zoning, the Highway 101 Corridor Specific Plan (amended July 2006) promotes the development of mixed-use residential and commercial uses along Highway 101 at a range of densities. The Specific Plan states that mixed-use development provides the opportunity to work toward the attainment of Housing Element objectives as well as provide an opportunity to enhance the pedestrian character of the Plaza and Transit Districts by introducing a residential component into the core of the Specific Plan area.

#### Regional Housing Needs Allocation

#### Future Housing Needs

Future housing need refers to the share of the regional housing need that has been allocated to the City. The State Department of Housing and Community Development (HCD) supplies a regional housing goal number to the San Diego Association of Governments (SANDAG). SANDAG is then mandated to allocate the housing goal to city and county jurisdictions in the region through a RHNA Plan. In allocating the region's future housing needs to jurisdictions, SANDAG is required to take the following factors into consideration pursuant to Section 65584 of the State Government Code:

- Market demand for housing;
- Employment opportunities;
- Availability of suitable sites and public facilities;
- Commuting patterns;
- Type and tenure of housing;
- Loss of units in assisted housing developments;
- Over-concentration of lower income households; and Geological and topographical constraints.

HCD, through a determination process, allocates units to each region across California. It is then up to each region to determine a methodology and process for allocating units to each jurisdiction within that region. SANDAG adopted its Regional Housing Needs Allocation (RHNA Plan) in July 2018. This RHNA covers an 8-year planning period (starting in 2021) and addresses housing issues that are related to future growth in the region. The RHNA allocates to each city and county a "fair share" of the region's projected housing needs by household income group. The major goal of the RHNA is to assure a fair distribution of housing among cities and counties within the San Diego region, so that every community provides an opportunity for a mix of housing for all economic segments.

Solana Beach's share of the SANDAG regional growth allocation is 875 new units for the current planning period (2021-2029). **Table 3-14, Housing Needs for 2021-2029,** indicates the City's RHNA need for the stated planning period.

Table 3-14: Housing Needs for 2021-2029								
Income Category (% of County AMI)	Number of Units	Percent						
Extremely Low (30% or less) <sup>1</sup>	158							
Very Low (31 to 50%)	316	36.1%						
Low (51 to 80%)	159	18.2%						
Moderate (81% to 120%)	160	18.3%						
Above Moderate (Over 120%)	240	27.4%						
Total	875	100.0%						

Note 1: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low income households (0-30% AMI). In estimating the number of extremely low income households, a jurisdiction can use 50% of the very low income allocation or apportion the very low income figure based on Census data. This number is not additive to the total allocation.

Source: Final Regional Housing Needs Allocation, SANDAG, 2019.

### Credits Toward The 2021-2029 RHNA

The current 5<sup>th</sup> Housing Element cycle covers the reporting period from January 1, 2013, to December 31, 2020. The projection period for 6<sup>th</sup> cycle Housing Elements, which is the period in which cities within the SANDAG region are permitted to begin attributing development of housing units towards meeting their RHNA need, begins on June 30, 2020. The City is permitted by State law to count any units developed within the projection period prior to adoption of the 2021-2029 housing element towards meeting their RHNA need for the 6<sup>th</sup> Cycle.

Since June 30, 2020, the City has approved entitlements for 103 total units. **Table 3-15** shows a summary of these units.

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA								
				,	Affo	rdability	Level	
Description	Permit Issued	<del>Very</del> <del>Low</del>		Lov	₩	Modera te	Above Moderat e	Total
Solana Highlands Multi-family	To be issued			32			<del>30</del>	<del>62</del>
Solana 101 Multi-family	To be issued						<del>25</del>	<del>25</del>
895 Genevieve – ADU Garage Conversion	To be issued					1		1
515 Ford Avenue – New Single- family	To be issued						<del>1</del>	1
521 S. Rios Avenue – New Single- family and ADU	To be issued					1	<del>1</del>	2
984 Avocado Place – New Single- family and ADU	Issued – Date N/A				1	1	2	
986 Avocado Place – New Single- family	Issued – Date N/A					1	1	
431 Marview Lane — New Single- family	Issued – Date N/A						1	1
970 Avocado Place – New Single- family	Issued – Date N/A						1	1
752 Sonrisa Street — ADU Garage Conversion	Issued – Date N/A				1		1	
166 S Nardo Avenue – New ADU	7/30/2020			1		1		
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020					1		1
739 N Rios Avenue – New ADU	7/7/2020					1		1
564 N Rios Avenue – New ADU	<del>10/1/2020</del>					1		4
336 S Nardo Avenue – New ADU	9/29/2020					1		1
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>					1		1
<del>Total</del>		0		32	ļ	<del>10</del>	61	<del>103</del>
Table 3-15: Approved	Entitlements Co	unted as (	Credi	it Tov	vard	s <b>2021-2</b> (	029 RHNA	
_	_			<u> </u>	Affor	dability I	<u>-evel</u>	
<u>Description</u>	Permit Issued	<u>Very</u> <u>Low</u>	Lo			oderate	Above Moderate	<u>Total</u>
Solana Highlands Multi-family	Feb-23	1	3	32		_	<u>30</u>	<u>62</u>
Solana 101 Multi-family	12/20/2021	_		_ +		_	<u>25</u>	<u>25</u>
895 Genevieve – ADU Garage Conversion	4/7/2021	-		-		1	-	1
516 Ford Avenue – New Single- family	1/12/2021	-		_		-	1	1
521 S Rios Avenue – New Single- family and ADU	9/23/2021	-		_		<u>1</u>	<u>1</u>	<u>2</u>

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA								
				Affor	dability	Level		
<del>Description</del>	Permit Issued	<del>Very</del> <del>Low</del>	Le	₩	Modera te	Above Moderat e	Total	
Solana Highlands Multi-family	To be issued		3	2		<del>30</del>	<del>62</del>	
Solana 101 Multi-family	To be issued					<del>25</del>	<del>25</del>	
895 Genevieve – ADU Garage Conversion	To be issued				1		1	
515 Ford Avenue – New Single- family	To be issued					1	1	
521 S. Rios Avenue — New Single- family and ADU	To be issued				1	1	2	
984 Avocado Place — New Single- family and ADU	Issued – Date N/A				1	1	2	
986 Avocado Place — New Single- family	Issued – Date N/A					1	1	
431 Marview Lane — New Single- family	Issued – Date N/A					1	1	
970 Avocado Place – New Single- family	Issued – Date N/A					1	1	
752 Sonrisa Street – ADU Garage Conversion	Issued – Date N/A				1		1	
166 S Nardo Avenue – New ADU	7/30/2020				1		1	
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020				1		1	
739 N Rios Avenue – New ADU	7/7/2020				4		1	
564 N Rios Avenue – New ADU	<del>10/1/2020</del>				1		4	
336 S Nardo Avenue – New ADU	9/29/2020				1		1	
1103 Santa Rufina Court – ADU Garage Conversion	11/12/2020				1		1	
Total		9	3	2	10	61	<del>103</del>	
Table 3-15: Approved	Entitlements Co	unted as (	Credit To	wards	2021-20	029 RHNA		
-	_				dability I			
Description	Permit Issued	<u>Very</u> <u>Low</u>	Low	Mo	<u>derate</u>	Above Moderate	<u>Total</u>	
984 Avocado Place – New Single- family and ADU	4/2/2020	-	-		1	<u>1</u>	<u>2</u>	
986 Avocado Place – New Single- family	10/19/2021	ı	-		-	<u>1</u>	<u>1</u>	
431 Marview Lane – New Single- family	8/17/2020	ı	-		_	<u>1</u>	<u>1</u>	
970 Avocado Place – New Single- family	11/5/2020	-	-		-	<u>1</u>	<u>1</u>	
752 Sonrisa Street – ADU Garage Conversion	1/20/2021	-	-		<u>1</u>	-	<u>1</u>	

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA								
		Affordability Level						
<del>Description</del>	Permit-Issued	<del>Very</del> <del>Low</del>		Lov	₩	Modera te	Above Moderat e	<del>Total</del>
Solana Highlands Multi-family	To be issued						<del>30</del>	<del>62</del>
Solana 101 Multi-family	To be issued						<del>25</del>	<del>25</del>
895 Genevieve – ADU Garage Conversion	To be issued					1		1
515 Ford Avenue – New Single- family	To be issued						1	<del>1</del>
521 S. Rios Avenue – New Single- family and ADU	To be issued					1	<del>1</del>	2
984 Avocado Place – New Single- family and ADU	Issued — Date N/A					1	<del>1</del>	2
986 Avocado Place — New Single- family	Issued – Date N/A						1	1
431 Marview Lane – New Single- family	Issued – Date N/A						<del>1</del>	1
970 Avocado Place – New Single- family	Issued – Date N/A						1	1
752 Sonrisa Street – ADU Garage Conversion	Issued — Date N/A					1		1
166 S Nardo Avenue – New ADU	<del>7/30/2020</del>					1		1
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020					1		<del>1</del>
739 N Rios Avenue – New ADU	<del>7/7/2020</del>					1		1
564 N Rios Avenue – New ADU	<del>10/1/2020</del>					1		1
336 S Nardo Avenue – New ADU	9/29/2020					1		1
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>					1		1
<del>Total</del>		9		32	<u>!</u>	<del>10</del>	<del>61</del>	<del>103</del>
Table 3-15: Approved	<b>Entitlements Co</b>	unted as (	Cre	dit Tov	vard	s 2021-20	029 RHNA	
_	_			<u> </u>	Affor	dability I	<u>-evel</u>	
<u>Description</u>	<u>Permit</u> <u>Issued</u>	<u>Very</u> <u>Low</u>	<u>_</u>	<u>Low</u>	Mo	<u>derate</u>	Above Moderate	<u>Total</u>
166 S Nardo Avenue – New ADU	7/30/2020	_				<u>1</u>	_	<u>1</u>
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020	-				1	-	1
739 N Rios Avenue – New ADU	7/7/2020	_				<u>1</u>	_	<u>1</u>
336 S Nardo Avenue – New ADU	9/29/2020					1		<u>1</u>
564 N Rios Avenue – New ADU	10/1/2020		f			<u>1</u>	-	<u>1</u>
1103 Santa Rufina Court – ADU Garage Conversion	11/12/2020	-		_		1		1

Solana Highlands Multi-family Solana 101 Multi-family  895 Genevieve — ADU Garage Conversion  515 Ford Avenue — New Single-family  521 S. Rios Avenue — New Single-family and ADU	To be issued  To be issued  Issued — Date N/A Issued — Date N/A Issued — Date	Very		A Low	ffordability  Moder te  1  1		1 1 2 2
Solana Highlands Multi-family Solana 101 Multi-family 895 Genevieve — ADU Garage Conversion 515 Ford Avenue — New Single-family 521 S. Rios Avenue — New Single-family and ADU	To be issued  To be issued  Issued — Date N/A Issued — Date N/A Issued — Date	•			1 1	Moderat	62 25 1 1
Solana 101 Multi-family  895 Genevieve — ADU Garage Conversion  515 Ford Avenue — New Single-family  521 S. Rios Avenue — New Single-family and ADU	To be issued  To be issued  To be issued  To be issued  Issued — Date N/A  Issued — Date N/A  Issued — Date			32	1	25 4 4	25 1 1 2
895 Genevieve – ADU Garage Conversion  515 Ford Avenue – New Single- family  521 S. Rios Avenue – New Single- family and ADU	To be issued  To be issued  To be issued  Issued — Date N/A  Issued — Date N/A  Issued — Date				1	1 1	1 2
Conversion  515 Ford Avenue – New Single- family  521 S. Rios Avenue – New Single- family and ADU	To be issued  To be issued  Issued — Date N/A  Issued — Date N/A  Issued — Date				1	1	1 2
family  521 S. Rios Avenue – New Single-family and ADU	Issued — Date N/A Issued — Date N/A Issued — Date N/A Issued — Date					1	2
family and ADU	Issued — Date N/A Issued — Date N/A Issued — Date						_
984 Avocado Place – New Single	N/A Issued — Date N/A Issued — Date				1	1	2
family and ADU	N/A Issued – Date						_
986 Avocado Place – New Single- family	issaca bate					1	1
431 Marview Lane — New Single- family	N/A					1	1
970 Avocado Place – New Single- family	Issued – Date N/A					1	1
752 Sonrisa Street – ADU Garage Conversion	Issued – Date N/A				1		1
166 S Nardo Avenue – New ADU	7/30/2020				1		1
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020				1		1
739 N Rios Avenue – New ADU	7/7/2020				1		1
564 N Rios Avenue – New ADU	10/1/2020				1		4
336 S Nardo Avenue – New ADU	9/29/2020				1		1
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>				4		1
Total		9		32	10	<del>61</del>	<del>103</del>
Table 3-15: Approved E	ntitlements Co	unted as C	redit	Tow	ards 2021-2	029 RHNA	
-	_			A	ffordability	Level	
Description	Permit Issued	<u>Very</u> <u>Low</u>	Lov	<u>N</u>	Moderate	Above Moderate	<u>Total</u>
241 S Granados	12/22/2020	_	_		<u>1</u>	_	<u>1</u>
248 N Sierra	11/18/2020	1	_		<u>1</u>	_	<u>1</u>
840 Avocado	9/23/2021	_	_		_	<u>1</u>	<u>1</u>
318 S Nardo	10/25/2021	_	_	7	<u>1</u>	_	<u>1</u>
262 Barbara	8/24/2021	_		1	<u>1</u>	_	1
529 N Granados	10/19/2021			1	<u> </u>		1
218 S Granados	2/24/2021		_		<u>1</u>	_	1
645 N Rios	3/16/2021				<u>1</u>	-	1

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA							
				Afford	ability I	<u>evel</u>	
<del>Description</del>	Permit Issued	<del>Very</del> <del>Low</del>	Lo		Modera te	Above Moderat e	Total
Solana Highlands Multi-family	To be issued		3:	2		<del>30</del>	<del>62</del>
Solana 101 Multi-family	To be issued					<del>25</del>	25
895 Genevieve – ADU Garage Conversion	To be issued				<del>1</del>		1
515 Ford Avenue – New Single- family	To be issued					1	1
521 S. Rios Avenue – New Single- family and ADU	To be issued				4	1	겥
984 Avocado Place – New Single- family and ADU	Issued – Date N/A				1	1	겉
986 Avocado Place – New Single- family	Issued – Date N/A					1	1
431 Marview Lane — New Single- family	Issued – Date N/A					1	1
970 Avocado Place – New Single- family	<del>Issued – Date</del> <del>N/A</del>					1	4
752 Sonrisa Street – ADU Garage Conversion	Issued – Date N/A				1		1
166 S Nardo Avenue – New ADU	7/30/2020				1		1
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020				1		4
739 N Rios Avenue – New ADU	7/7/2020				1		1
<del>564 N Rios Avenue – New ADU</del>	<del>10/1/2020</del>				1		4
336 S Nardo Avenue – New ADU	9/29/2020				1		1
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>				<del>1</del>		4
<del>Total</del>		0	3	2	<del>10</del>	<del>61</del>	<del>103</del>
Table 3-15: Approved	Entitlements Co	unted as (	Credit To	wards	2021-20	)29 RHNA	
_	_	Affordability Level					
<u>Description</u>	<u>Permit</u> <u>Issued</u>	<u>Very</u> <u>Low</u>	Low	Mod	lerate	Above Moderate	<u>Total</u>
617 Barbara	<u>6/1/2021</u>	_	_		<u>1</u>	<u>-</u>	<u>1</u>
934 Avocado Pl	4/14/2021	_	_		<u>1</u>	_	<u>1</u>
143 N. Granados	2/17/2021	i	_		<u>1</u>	_	<u>1</u>
127-129 N Granados	9/14/2021	_	_		_	4	4
603 Seabright Ln	1/6/2021			1	_	1	<u>1</u>
1103 Santa Rufina	11/12/2020			1	<u>1</u>		<u>1</u>
418 Seabright Ln	10/21/2021		_		<u>2</u>		<u>2</u>
331 S Granados	12/13/2021	-	_		<u> </u>		<u>1</u>

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA								
				Affor	dability	<u>evel</u>		
<del>Description</del>	Permit Issued	<del>Very</del> <del>Low</del>	Lo	w	Modera te	Above Moderat e	Total	
Solana Highlands Multi-family	To be issued		3	2		<del>30</del>	<del>62</del>	
Solana 101 Multi-family	To be issued					<del>25</del>	25	
895 Genevieve – ADU Garage Conversion	To be issued				1		1	
515 Ford Avenue – New Single- family	To be issued					1	1	
521 S. Rios Avenue — New Single- family and ADU	To be issued				1	1	2	
984 Avocado Place — New Single- family and ADU	Issued – Date N/A				1	1	2	
986 Avocado Place — New Single- family	Issued – Date N/A					1	1	
431 Marview Lane — New Single- family	Issued – Date N/A					1	1	
970 Avocado Place – New Single- family	Issued – Date N/A					1	1	
752 Sonrisa Street – ADU Garage Conversion	Issued – Date N/A				1		1	
166 S Nardo Avenue – New ADU	7/30/2020				4		1	
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020				4		1	
739 N Rios Avenue – New ADU	7/7/2020				1		1	
<del>564 N Rios Avenue – New ADU</del>	<del>10/1/2020</del>				1		1	
336 S Nardo Avenue – New ADU	9/29/2020				1		1	
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>				1		1	
Total		9	3:	2	<del>10</del>	61	103	
Table 3-15: Approved	<b>Entitlements Co</b>	unted as (	Credit To	wards	2021-20	029 RHNA		
_	_			Affor	dability l	<u>.evel</u>		
Description	Permit Issued	Very Low	Low	Mo	<u>derate</u>	Above Moderate	<u>Total</u>	
630 W Circle Dr	6/3/2021	_	_		<u>1</u>	_	<u>1</u>	
1512 Uno Verde Ct	9/22/2021	_	_		<u>1</u>	_	<u>1</u>	
338 Punta Baja	7/29/2021	_	_		<u>1</u>	_	1	
508 S Nardo Ave	7/13/2021	_	_	1	<u>1</u>	_	<u>1</u>	
460 Palmitas St	11/19/2021	_	_		<u>1</u>	_	1	
521 Canyon Dr	8/8/2022				_	<u>1</u>	1	
542 S Granados	2/9/2022		_	T	<u>1</u>		1	
842 Vera St	5/6/2022	_	_		<u>1</u>	<u>1</u>	2	

Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA							
				Affor	dability I	Level	
<del>Description</del>	Permit Issued	<del>Very</del> <del>Low</del>	Le	₩	Modera te	Above Moderat e	Total
Solana Highlands Multi-family	To be issued		3	2		30	<del>62</del>
Solana 101 Multi-family	To be issued					<del>25</del>	25
895 Genevieve – ADU Garage Conversion	To be issued				1		1
515 Ford Avenue – New Single- family	To be issued					<del>1</del>	1
521 S. Rios Avenue — New Single- family and ADU	To be issued				1	<del>1</del>	2
984 Avocado Place – New Single- family and ADU	Issued – Date N/A				1	1	2
986-Avocado Place – New Single- family	Issued – Date N/A					1	1
431 Marview Lane — New Single- family	Issued – Date N/A					1	1
970 Avocado Place – New Single- family	Issued – Date N/A					1	1
752 Sonrisa Street – ADU Garage Conversion	Issued – Date N/A				1		1
166 S Nardo Avenue – New ADU	7/30/2020				1		1
200 Marine View Avenue – ADU Guest House Conversion	9/29/2020				1		1
739 N Rios Avenue – New ADU	7/7/2020				1		1
<del>564 N Rios Avenue – New ADU</del>	<del>10/1/2020</del>				1		1
336 S Nardo Avenue – New ADU	9/29/2020				1		1
1103 Santa Rufina Court – ADU Garage Conversion	<del>11/12/2020</del>				1		1
Total		0	3	2	<del>10</del>	<del>61</del>	<del>103</del>
Table 3-15: Approved	Entitlements Co	unted as (	Credit To	ward	s 2021-20	029 RHNA	
_	_	Affordability Level					
Description	Permit Issued	<u>Very</u> <u>Low</u>	<u>Low</u>	Mo	<u>derate</u>	Above Moderate	<u>Total</u>
537 N Granados	3/14/2022	_	_		<u>1</u>		<u>1</u>
721 Castro	12/7/2022	_	_		<u>1</u>	_	<u>1</u>
119 S Rios Ave	10/5/2022	i	_		<u>1</u>	_	<u>1</u>
545 San Mario Dr	5/10/2022	_	_		<u>1</u>	_	<u>1</u>
1402 Highland Dr	10/12/2022		_		1	_	1
441 Dell Ct	10/13/2022		_		<u>1</u>		1
465 Rosa St	5/29/2022		_		<u>1</u>		1
607 N Cedros	7/1/2022	-				<u>1</u>	<u>1</u>

Solana Highlands Multi-family Solana 101 Multi-family Fo be issued Solana 101 Multi-family Fo be issued Solana 101 Multi-family Fo be issued Seps Genevieve — ADU Garage Conversion S15 Ford Avenue — New Single-family S21 S. Rios Avenue — New Single-family S21 S. Rios Avenue — New Single-family and ADU S86 Avocado Place — New Single-family S86 Avocado Place — New Single-family S31 Marview Lane — New Single-family S23 S. Rios Avenue — New Single-family S34 Avocado Place — New Single-family S35 Sonrisa Street — ADU Garage Sonrisa Street — ADU Garage Conversion S15 Ford Avenue — New ADU S166 S. Nardo Avenue — New ADU S26 Avocado Place — New Single-family S27 Avocado Place — New Single-family S28 Avocado Place — New Single-family S29 Avocado Place — New ADU	Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA							
Solana Highlands Multi-family Solana 101 Multi-family To be issued Solana 101 Multi-family To be issued To be issued To be issued Sp5 Genevieve — ADU Garage Conversion S15 Ford Avenue — New Single-family S21 S. Rios Avenue — New Single-family and ADU S84 Avocado Place — New Single-family and ADU S86 Avocado Place — New Single-family S97 Avocado Place — New Single-family S98 Avocado Place — New Single-family Sued — Date N/A S131 Marview Lane — New Single-family Sued — Date N/A S52 Sonrias Street — ADU Garage Conversion S15 Ford Avenue — New Single-family Sued — Date N/A S52 Sonrias Street — ADU Garage Conversion S16 S Nardo Avenue — New ADU S1730/2020 S174 Sued — Date N/A S175 Sonrias Street — ADU Garage Conversion S18 Nardo Avenue — New ADU S199/2020 S19 Narios Avenue — New ADU S199/2020 S19 Narios Avenue — New ADU S109/2020 S109 Shardo Avenue — New ADU S199/2020 S109 Shardo Avenue — New ADU S199/2020 S1103 Santa Rufina Court — ADU Garage Conversion S199/2020 S1103 Santa Rufina Court — ADU S199/2020 S1103		evel	rdability L	Affor	1			
Solana 101 Multi-family	<del>Total</del>	Above Moderat e		w	Lov		Permit-Issued	<del>Description</del>
1   1   1   1   1   1   1   1   1   1	<del>62</del>	<del>30</del>		<u>2</u>	32		To be issued	Solana Highlands Multi-family
S15 Ford Avenue New Single-family	25	<del>25</del>					To be issued	Solana 101 Multi-family
Family   S21 S. Rios Avenue - New Single family and ADU   Ssued - Date family   Ssued - Da	1		1				To be issued	9
Samily and ADU   See	1	1					To be issued	_
Samily and ADU	2	1	1				To be issued	
family         N/A         Image: New Single family         Ima	2	<del>1</del>	4					9
Samily	1	1						_
Superscription   N/A	1	1						9
Conversion         N/A         166 S Nardo Avenue — New ADU         7/30/2020         1           200 Marine View Avenue — ADU Guest House Conversion         9/29/2020         1         1           739 N Rios Avenue — New ADU         7/7/2020         1         1           564 N Rios Avenue — New ADU         10/1/2020         1         1           336 S Nardo Avenue — New ADU         9/29/2020         1         1           1103 Santa Rufina Court — ADU Garage Conversion         11/12/2020         1         61           Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA           —         Affordability Level           Description         Permit Issued         Low         Moderate         Above Moderate           601 N Cedros         12/21/2022 (Pending)         -         -         1         1	1	1						
200 Marine View Avenue — ADU Guest House Conversion       9/29/2020       1         739 N Rios Avenue — New ADU 564 N Rios Avenue — New ADU 336 S Nardo Avenue — New ADU 10/1/2020       1       1         336 S Nardo Avenue — New ADU 11/12/2020       1       1         1103 Santa Rufina Court — ADU Garage Conversion       11/12/2020       1       1         Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA       1       61         Description       Permit Issued       Very Low Moderate       Above Moderate         601 N Cedros       12/21/2022 (Pending)       -       -       1       1         5/20/2022       1       1       1       1	1		4					•
Guest House Conversion         739 N Rios Avenue − New ADU         7/7/2020         1           564 N Rios Avenue − New ADU         10/1/2020         1           336 S Nardo Avenue − New ADU         9/29/2020         1           1103 Santa Rufina Court − ADU Garage Conversion         11/12/2020         1           Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA	1		1				<del>7/30/2020</del>	166 S Nardo Avenue – New ADU
10/1/2020   1   1	1		4				9/29/2020	
336 S Nardo Avenue - New ADU   9/29/2020   1   1   11/13/2020   1   1   11/12/2020   1   1   1   1   1   1   1   1   1	1		1				<del>7/7/2020</del>	739 N Rios Avenue – New ADU
1103 Santa Rufina Court − ADU Garage Conversion         11/12/2020         1         1         4         4         61           Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA           Description         Permit Issued         Very Low Low Moderate         Moderate         Above Moderate           601 N Cedros         12/21/2022 (Pending)         -         -         1         1           5/20/2022         1         -         -         1         1	4		1				<del>10/1/2020</del>	<del>564 N Rios Avenue – New ADU</del>
Garage Conversion         Total         0         32         10         61           Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA           Description         Permit Issued         Very Low Low Moderate         Moderate         Above Moderate           601 N Cedros         12/21/2022 (Pending)         -         -         1         1         1	1		1				9/29/2020	336 S Nardo Avenue – New ADU
Table 3-15: Approved Entitlements Counted as Credit Towards 2021-2029 RHNA  - Affordability Level  Description Permit Issued Low Low Moderate Moderate  601 N Cedros 12/21/2022 (Pending) - 1 1 1  5/20/2022	1		1				11/12/2020	
Description     Permit Issued     Very Low     Low     Moderate     Above Moderate       601 N Cedros     12/21/2022 (Pending)     -     -     1     1	<del>103</del>	<del>61</del>	<del>10</del>	2	32	9		<del>Total</del>
Description         Permit Issued         Very Low         Low         Moderate         Above Moderate           601 N Cedros         12/21/2022 (Pending)         -         -         1         1           5/20/2022         1         -         -         1         1		29 RHNA	s 2021-20	ward	edit Tov	unted as Ci	Entitlements Co	Table 3-15: Approved
Sued   Low   Moderate   Moderate		evel	dability Lo	Affor			_	_
(Pending) <u>1</u> <u>1</u> <u>1</u> <u>5/20/2022</u>	<u>Total</u>	Above Moderate	oderate	Mo	Low			<u>Description</u>
5/20/2022	<u>2</u>	1	1		_	-		601 N Cedros
1221 Via Mil Cumbres (Pending) 1	<u>1</u>		1		_		5/20/2022 (Pending)	1221 Via Mil Cumbres
742 Ida Ave 2/9/2022	1		1			_		742 Ida Ave
<u>0 Ida Ave</u> <u>9/27/2022</u>	<u>8</u>	<u>8</u>	-		-	-		<u>0 Ida Ave</u>
<u>Total</u> <u>0</u> <u>32</u> <u>41</u> <u>79</u>	<u>152</u>	<u>79</u>	<u>41</u>		<u>32</u>	<u>0</u>	_	<u>Total</u>

The Solana Highlands Multi-family project, which includes 32 units available at the low-income level, includes and Affordable Housing Agreement which was approved by the Solana Beach City Council in 2018. That agreement ensures these units are deed-restricted at the low-income level beyond the duration of the planning period.

### Adequacy Of Sites For RHNA

Solana Beach has identified sites with a capacity to accommodate 531 lower income dwelling units, which is in excess of its 475-unit lower income housing need. Sites designated are on parcels that permit residential development as a primary use up to 20 dwelling units per acre.

Due to the nature of parcels within the general commercial and special commercial zones, some sites may be smaller in nature. Sites that are smaller than 0.5 acres are shown in the table below and were analyzed to determine their viability to redevelop for residential uses within the planning period. That analysis is described further in **Appendix C** and summarized here. **Table 3-16** shows the sites identified to meet the City of Solana Beach's lower income RHNA need that are smaller than 0.5 acres and the analysis findings that support their likelihood to redevelop. Additional sites are identified as likely to be consolidated within the City's Sites Analysis, as shown in **Appendix C**. Those sites are not listed here as they are individually over the 0.5 acres and may likely develop individually as well.

	Table 3-1	6: Adequ	acy of Small Sites to	Meet RHNA
APN	Address	Parcel Size	Consolidated Site (Shown in HCD Site Inventory Template	Analysis Findings/Description
2982118100	S Sierra Avenue	0.33	A	This parcel is currently a city-owned parking lot with no existing structures. The Sites Analysis shows this parcel as consolidated with 511 S Highway 101 (APN 2982114000), a fit athletic club for which it currently serves as overflow parking. These parcels are directly adjacent, share an ingress/egress point and the parking is not used for any other adjacent use. As the parcel is City-owned, the City has added control over the future use of this parcel and is interested in developing it for residential uses as indicated in the Housing Element.
2980103200	201 S Highway 101	0.35	С	This parcel as well as the parcel directly adjacent to it (APN 2980103100) are both vacant parcels within the City's downtown core. Both parcels have a common ownership under the Kornberg Family Trust and have no existing structures or developed sections. The properties are in close proximity to a number of multifamily developments which have developed on parcels within similar size, shape, and location.
2980103100	204 S Sierra Avenue	0.43	С	See above description. Parcels are anticipated to be developed together and have been identified as consolidated sites in the City's Sites Inventory.

The City of Solana Beach has a total 2021-2029 RHNA allocation of 875 units. As demonstrated previously, the City is able to take credit for 89 units currently within the projection period, lowering the total RHNA obligation to 772 units as show in **Table 3-17**. The Housing Element update lists sites, including accessory dwelling units, that can accommodate approximately 884 additional units, in excess of the required 772 units. As described in this section, the City believes that due recent State legislation and local efforts to promote accessory dwelling unit production, the City can realistically anticipate the development of 128 ADUs within the 8-year planning period. Overall, the City has adequate capacity to accommodate its 2021-2029 RHNA with a 15 percent buffer in excess of the City's lower income RHNA need.

Table 3-17: Summary of RHNA Status and Sites Inventory								
	Extremely Low/ Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total			
2021-2029 RHNA	316	159	160	240	875			
RHNA Credit (Units Built)		32	<u>41</u> <del>10</del>	<u>79</u> 61	1 <u>52</u> 03			
Total RHNA Obligations	316	127	<u>119</u> 150	<u>161</u> 179	7 <u>23</u> 72			
Sites Available								
Existing Residentially Zoned Properties	10		<u>32</u> 44	<u>2040</u>	<u>62</u> 94			
Existing Commercially Zoned Properties	480			182	662			
Total Potential Capacity Based on Existing GP and Zoning	49 <u>0</u> 6		<u>32</u> 44	<u>202<del>222</del></u>	7 <u>24</u> 56			
Accessory Dwelling Unit Production	15		113		128			
Total Sites Available	50.	5	1 <u>45</u> 57	<u>202</u> 222	8 <u>52</u> 84			
Sites Surplus 62			<u>26</u> 7	<u>41</u> 43	<u>129</u> 112			

# 4. Development of Non-Vacant Sites and Converting to Residential Uses

The City has designated non-vacant sites, both residentially and non-residentially zoned, to meet their 6<sup>th</sup> Cycle RHNA need. The Housing Element considers only parcels that are residentially zoned currently to meet their moderate and above moderate RHNA need. Parcels designated to meet the two remaining categories (very low and low-income) are on both residentially and non-residentially zoned parcels. The majority of these parcels have existing single-family residential uses on the parcel but have lot sizes and development standards that provide the opportunity for these parcels to subdivide and accommodate additional units while still meeting all of the applicable development standards for that zone.

State law requires that the City analyze:

- The extent to which existing uses may constitute an impediment to the future residential development within the planning period,
- The city's past experience with converting existing uses to higher density residential uses,
- Current market demand for the existing use,
- Analysis of leases that would prevent redevelopment of the site,
- Development trends,
- Market conditions, and
- Regulatory or incentives to encourage redevelopment.

### Past Experience Developing Non-Vacant Sites for Residential Uses

The following approved projects illustrate the viability of developing non-vacant, non-residentially zoned sites within Solana Beach. These projects are all zoned either General Commercial (C) or Special Commercial (SC). These zones permit residential development at up to 20 dwelling units per acre. The projects below were developed with a mixture of uses and the square footage of non-residential uses has been provided where available. In all instances, development did not occur at the maximum density due to the presence of other uses, but development was at or near the lowered capacity factor that the City assumed in the sites analysis process. Additionally, it was found that all

projects could have achieved the maximum allowable density with the application of current development standards, but instead chose to include non-residential uses.

Table 3-18: Example Development of Non-Vacant Sites for Residential Uses					
Project Address/ APN	Dwelling Units	Zoning	Use Prior to Redevelopment	Project Analysis	
636 Valley Avenue/ 2981333900	3	С	Small single-family residence on a large lot, mostly undeveloped lot.	Project developed 3 residential units and a small commercial component. At 20 du/ac, the project could accommodate 4 dwelling units but opted to only do 3 to incorporate the commercial component. This justifies the City's adjustment factor shown in Table B-4 in Appendix B. Similar to the inventory, this project developed at 3 new units to 1 existing unit (3:1) ratio, with two new additional units. This project completely removed the existing structures and redeveloped the site to include the uses listed above.	
625 Valley Avenue/ 2981310800	2	С	Commercial dentist offices on a large lot.	Project redeveloped the lot to keep the dentistry office uses and add two residential units at the rear part of the parcel. The parcel. This project had the potential to include additional residential but chose to keep over half of the lot for dentist offices and related parking. Similar to the inventory, this project created two additional residential units on a site that previously had none. This project completely removed the existing structures and redeveloped the site to include the uses listed above.	
330 S. Cedros Avenue/ 2980761300	8	SC	Commercial nursery with outdoors sales/display areas and a small commercial store structure.	Project developed 8 residential units in addition to ground floor commercial space along Cedros Avenue and additional creative office space for lease within the two story structure. This development could have met the maximum number of residential units but chose to include additional commercial/office space. This project created 8 residential units on a site that previously had none and was a complete redevelopment of an existing commercial site, removing existing structures, to develop the uses described above.	
343 S. Highway 101/ 2980521400	25	С	Five adjacent parcels consisting of a commercial car repair/autobody	This 1.95 acre project site consists of 5 parcels in the General Commercial (C) zone that were directly adjacent and consolidated to develop this mixed-use project. The	

Table 3-18: Example Development of Non-Vacant Sites for Residential Uses					
Project Address/ APN	Dwelling Units	Zoning	Use Prior to Redevelopment	Project Analysis	
			shop, vacant mobile home park, vacant residence, and homes converted to office uses.	project consists of approximately 52,000 square feet of commercial office, restaurant and dining, and retail space in addition to 25 multi-family residential units. This development could have met the maximum number of residential units permitted within the current zoning but chose to include additional commercial/office space. This project completely removed the existing structures and redeveloped the site to include the uses listed above.	

### Existing Uses on Candidate Sites

Table B-4 shows the existing uses on each of the candidate sites identified to meet Solana Beach's low and very-low income RHNA need. These sites are largely commercial in nature currently though a broad level analysis shows that a number of the existing retail, restaurant, and gym facilities are either temporarily or permanently closed, likely due to recent economic conditions relating to the impacts of COVID-19. Where known, this has been indicated within the individual parcel analysis. A December 2020 publication in SanDiegoVille listed 115 San Diego restaurants and bars alone that closed in 2020, approximately 15 of which were in Solana Beach and the surrounding coastal cities of Del Mar, Encinitas, and Carlsbad.

Three of the four development examples in **Table 3-18** above were existing commercial uses and all were on parcels zoned commercially. These recent examples demonstrate an uptick in residential development where previously commercial uses existed in Solana Beach.

The City is continuing to outreach to property owners of the identified candidate sites and the development community to collect letters of interest in residential development. Letters received are included within **Appendix A**.

### Lease Analysis

Existing lease agreements on infill and non-vacant properties present a potential impediment that may prevent residential development within the planning period. State law requires the City to consider lease terms in evaluating the use of non-vacant sites, however the City does not have access to private party lease agreements or other contractual agreements amongst private parties. As part of the sites analysis for very low and low-income sites, the City conducted discussions with those property owners who came forward as interested in developing their properties for affordable housing through the planning period.

### Regulatory Incentives

Many development projects in infill areas like the Solana Beach commercial corridor utilize density bonus provisions to construct affordable units. The City understands that existing land use policy may not necessarily contribute to the development of housing. Therefore, regulatory incentives can be helpful in bringing housing units to the market.

The Housing Element looks at the ability to sub-divide existing residential parcels into multiple lots as one method to meet the RHNA need. Creating lots by subdividing one lot from another creates the regulatory structure land resources for additional housing development activity.

The City has created programs expressly written to address the potential development of additional regulatory incentives to incentivize the creation of affordable housing.

### **Current Market Demand for Existing Uses**

Social and demographic trends within Solana Beach and the San Diego region as a whole have changed since the adoption of the 5<sup>th</sup> cycle Housing Element. With those changes come changes in the types of housing needed to serve the existing and future populations. According to draft population forecasts developed by SANDAG (Series 13), the region's population will rise to 4,068,759 million in 2050, from 3,095,313 million in 2010 (31 percemt increase). Current SANDAG modeling anticipates that Senior Citizens (ages 65+) will drastically outpace other age demographic categories. An increasing elderly population presents cities within the San Diego region with a range of potential scenarios in regard to how to adequately house and accommodate for a large portion of the population with potentially limited mobility increased community care needs. These age demographics also typically have fixed or decreasing incomes and may look for senior care facilities or easily walkable communities that decrease dependence on automobiles. During outreach workshops across the region, many senior citizens express the desire to age in place and stay within the communities they have invested in and are comfortable with. This often requires moving to smaller units or other types of senior communities where services and help are readily available.

Another subsect of the population to consider is Generation Y, often referred to as millennials. As millennials enter into their late 20s to mid-30s, many show the desire to purchase housing in some form. A 2014 ULI study stated that "fully 70 percent of Gen Yers expect to be homeowners by 2020, despite the fact that only 26 own today (2014)". (ULI, Gen Y and Housing, 2014). The study goes on to show that 35 percent of respondents lived in other city neighborhoods (neighborhoods outside of main downtown areas) and 28 percent lived in suburbs, while only 13 percent lived within or near downtown areas. This indicates an increasing desire for millennials to live in outlying city neighborhoods or suburbs where housing is still relatively cheaper and there is more opportunity to have larger lots and more space. Solana Beach is largely classified as a suburban community situated between the major downtown areas of San Diego and Los Angeles. If trends continue, millennials will continue to seek out opportunities to live in communities like Solana Beach, though the current high cost of housing and land values may deter some to less expensive areas.

#### **Development Trends**

As a coastal community with high land values and limited land resources, Solana Beach has developed into a mostly built-out community with little available developable land. This trend is seen in many of the neighboring North San Diego County cities like Encinitas and Del Mar. Solana Beach's comparatively small size in terms of physical land further constrains the ability to rely on undeveloped or underutilized parcels to meet their RHNA need.

State, regional, and local policy direction promoting the development of housing at all levels to meet existing housing shortages, especially for low-income families, has further driven up the demand for housing. The redevelopment of existing non-vacant land, both in residential and non-residential zones, for multi-family rental and for sale housing provides a realistic opportunity to create affordable housing using the resources available within communities such as Solana Beach. As a result, much of Solana Beach's future growth will be on infill opportunities within the City. To facilitate this, the City has two commercial zones (General Commercial and Special Commercial) which allow

residential development up to 20 dwelling units per acre. This increases the developable area within the City where residential development can occur and promotes development at densities which may support affordable housing.

Many of the proposed sites within the housing element sites inventory involve the redevelopment and revitalization of non-vacant parcels. This development is anticipated to occur in existing commercial corridors where commercial uses may be both supplemented or replaced by needed housing units as traditional retail uses shift to focuses of smaller physical footprints and a larger online presence. This follows a statewide shift in development trends towards infill properties and creating walkable hubs that rely on alternative methods of transportation such as walking, biking, and mass transit. The following recently constructed projects are regional examples within San Diego of infill projects with a residential component:

- Solana 101 (Solana Beach, CA) Mixed-use project containing approximately 45,500 square feet of office space, 10,500 square feet of restaurant uses, 4,100 square feet of retail space, and 25 one- and twobedroom apartments. Building permits are currently in the process of being issued.
- 801 Pearl St. (La Jolla, CA) Two-story mixed-use project on 0.48 acres with 26 residential units (2 affordable), and two retail units on the ground floor. Building permits are currently in the process of being issued.
- The Point @ Ingraham (San Diego, CA) 21-unit property with 2,300 square feet of commercial space on the ground floor. Residential units range from 400 900 square feet. Completed in 2014.
- The Lofts at Moonlight Beach (Encinitas, CA) 18 residential units above 15 retail spaces which range in size from 550 sf to 1,200 sf. The project is a mixture of two- and three stories along Highway 101 in Encinitas. Completed in 2008.

These projects are a small sample size of mixed-use projects completed in the San Diego region, many of which are along Highway 101 in various cities. City's like Solana Beach are uniquely positioned to foster infill development by permitting residential uses within their main commercial zones.

Development on non-vacant parcels was analyzed to determine a reasonable development capacity based on known constraints and historic development patterns within each of the different zones. Development is anticipated to occur in the General Commercial (C) and Special Commercial (SC) zones. **Table B-4** in **Appendix B** contains a detailed description of each existing use. Many of the existing uses were found to be similar with recent redevelopment examples in Solana Beach (shown in **Table 3-18**) as well as the regional development trend analysis in this section. **Appendix A** also includes outreach to property owners and letters of owner support/developer interest for specific parcels identified in the Housing Element.

### Accessory Dwelling Unit Production

One of the proposed methods for meeting the City's RHNA at all income levels is through the production of accessory dwelling units (ADUs). A number of State Assembly and Senate Bills were passed in 2018 and 2019 that promote development of ADUs and remove barriers that may inhibit their development within communities. The following is a summary of those bills:

- AB 68 and 881
  - o Prohibit minimum lot size requirements
  - o Cap setback requirements at 4', increasing the size and location opportunities for ADUs
  - o Prohibit the application of lot coverage, FAR, or open space requirements that would prevent an 800 square foot from being developed on a lot
  - o Remove the need for replacement parking when converting an existing garage to an ADU
  - o Limit local discretion in establishing min and max unit size requirements

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- o Mandate a 60 day review period for ADU applications through a non-discretionary process
- SB 13
  - o Prohibit owner-occupancy requirements for 5 years
  - o Reduce impact fees applicable to ADUs
  - o Provide a program for homeowners to delay compliance with certain building code requirements that do not relate to health and safety
- AB 670
  - o Prohibits Homeowner's Associations (HOAs) from barring ADUs

These bills, as well as other significant legislation relating to ADUs creates a development environment that is likely to increase the number of ADUs developed within Solana Beach over the 2021-2029 planning period. Solana Beach, with a large proportion of single-family residential properties (many on larger lots), is well-oriented for the development of ADUs.

As a result of this legislation and an increased effort by the City to promote ADUs, the City saw an increase in approvals in 2020. The City had 12 ADUs approved for development between January 1, 2020, and December 31, 2020, 2 of which are affordable. HCD guidance states that ADUs may be calculated based on the City's production since January 1, 2018. In 2018 and 2019, the City of Solana Beach approved 6 and 10 ADUs respectively. The City of Solana Beach has determined based on past performance and HCDs approved methodology that it is appropriate to anticipate the development of 16 accessory dwelling units per year from 2021 to 2029 for a total of 128 ADUs.

Additionally, the City received 24 applications for ADUs in 2020. The City is still processing some of these applications, which will likely receive permits early in 2021. In accordance with State law, ADUs are allowed in all zones that allow single dwelling unit or multiple dwelling unit development. Junior Accessory dwelling Units (JADUs) are permitted only in single dwelling unit zones.

Through the Housing Element, Solana Beach commits to creating an ADU tracking program and performing a mid-cycle assessment of their ADU development performance. As stated in HCD guidance, the City may use other justifiable analysis to calculate anticipated ADU performance.

As part of the sites analysis found within **Appendix B**, the City has accounted for future ADU and JADU production using the City's 2018, 2019, and 2020 performance to date. This City anticipates ADU development of 128 ADUs over the next 8 years, 15 of which are anticipated to be affordable. The ADUs not designated to meet the City's lower income RHNA need are anticipated to be affordable at the moderate-income levels.

### F. Financial Resources

Providing an adequate supply of decent and affordable housing requires funding from various sources, the City may have access to the following finding sources.

# 1. Section 8 Housing Choice Voucher

The Section 8 Housing Choice Voucher program is a Federal government program to assist very low-income families, the elderly, and the disabled with rent subsidy payments in privately owned rental housing units. Section 8 participants are able to choose any housing that meets the requirements of the program and are not limited to units located within subsidized housing projects. They typically pay 30 to 40 percent of their income for rent and utilities. The County of San Diego administers Section 8 Housing Choice vouchers within the City of Solana Beach. The County

makes the determination for the number of vouchers available within Solana Beach based on available funding from year to year. This is not determined by the City of Solana Beach.

# 2. Community Development Block Grants (CDBG)

The Community Development Block Grant (CDBG) program provides annual grants on a formula basis to cities to develop viable urban communities by providing a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons (up to 80 percent AMI).

CDBG funds can be used for a wide array of activities, including:

- Housing rehabilitation;
- Lead-based paint screening and abatement;
- Acquisition of buildings and land;
- Construction or rehabilitation of public facilities and infrastructure, and:
- Public services for low income households and those with special needs.

# 3. HOME Investment Partnership Program (HOME)

The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for households with incomes not exceeding 80 percent of area median income. The program gives local governments the flexibility to fund a wide range of affordable housing activities through housing partnerships with private industry and non-profit organizations. HOME funds can be used for activities that promote affordable rental housing and homeownership by low income households.

#### 4. Infrastructure and Facilities

As a highly urbanized community, infrastructure facilities are available to serve development throughout Solana Beach. Access to required infrastructure was a consideration in determining the draft candidate sites to meet the City's RHNA need.

#### <u>Safety Considerations for Development Near Railroad Tracks</u>

The City of Solana Beach follows the guidelines for train safety published by Operation Lifesaver. There are no considerable constraints to development due to the hazards or safety concern caused by the train in Solana Beach. Additional train safety information and guidelines for visitors and residents can be found on the Solana Beach website.

# 5. Energy Conservation

The primary uses of energy in urban areas are for transportation lighting, water heating, and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban energy consumption. Energy conservation is important in preserving non-renewable fuels to ensure that these resources are available for use by future generations. There are also a number of benefits associated with energy conservation including improved air quality and lower energy costs. The City of Solana Beach has many opportunities to directly affect energy use within its jurisdiction.

#### 6. Title 24 and Solana Beach Climate Action Plan

Title 24 of the California Administrative Code is a set of requirements for energy conservation, green design, construction maintenance, safety, and accessibility. Title 24 was published by the California Building Standards Code and applies to all buildings in California, not just state-owned buildings. Title 24 regulations and requirements are enforced when an applicant pulls a Building Permit for a proposed project and have plans reviewed or building inspected.

In 2019, the City adopted the Solana Beach Climate Action Plan which sets targets for reducing greenhouse gas, identifies strategies to meet the targets, formulates and implementation plan, and discusses adaptation methods for the City. Green House gas emissions reduction targets for the CAP were established consistent with State guidance as follows, 15 percent below 2010 levels by 2020 and 50 percent below 2010 levels by 2035. The Program also includes strategies to reduce water consumption and waste generation, promote energy efficiency and encourage sustainable transportation alternatives.

### 7. Solana Energy Alliance

In 2002, Community Choice Aggregation (CCA) (AB 117) was signed into law. This legislation removed a significant organizational hurdle for local governments interested in providing electricity to their communities. Unlike AB 1890, which required each customer to specifically choose non-IOU service ("opt-in" to the new service), formation of a CCA assumes that all utility customers within the CCA's boundaries will become CCA customers. However, customers within the CCA's boundaries may choose to continue their utility service, to "opt-out" of the CCA program. Customers will have, at a minimum, four opportunities to opt-out of the CCA and remain with the CCA at no additional cost during the CCA formation process. Customers that remain in the CCA can switch back to SDG&E at any time in the future.

Unlike a municipal utility, such as the Los Angeles Department of Water and Power or the Sacramento Municipal Utility District, a CCA does not own the transmission and delivery systems (i.e., the poles and wires). Instead, a CCA is responsible for providing the energy commodity (i.e., the electrons themselves) to its constituents—which may or may not entail ownership of electric generating resources. The Investor Owned Utility (IOU), SDG&E, still provides transmission and delivery, maintains the infrastructure, and provides billing services (the customer will see no changes in the billing process) in a CCA.

#### The Value of Forming a CCA

Many communities want to increase the amount of non-polluting, renewable energy they use, and are looking at Community Choice Aggregation as a mechanism for doing so. CCAs have shown to be one of the most significant mitigation measures necessary for communities to reach greenhouse gas reduction targets established by the State.

Local control over retail electric rates is another important motivation for initiating CCA. Investor-owned utilities currently propose service rates for electric generation, transmission and distribution, and the California Public Utilities Commission either approves or rejects these proposals. Under CCA, decisions about rates, generating resources and public benefit programs will be made locally and be accountable to local customers.

#### The Benefits of CCA

A community will need to present strong incentives for choosing CCA to its potential customers. Many California cities and counties have agreed to reduce greenhouse gas emissions or have other, similar environmental goals. CCAs can help by increasing local consumption of renewable energy.

Local control of electric rates can also allow a community to attract new businesses and retain existing ones by offering targeted incentives to these customers. Other communities may want to develop generation projects that increase

local employment. Some may focus on creating income to offset municipal expenditure. And perhaps most importantly, preliminary feasibility studies indicate that CCAs, through the use of local government financing, should be able to reduce electric rates compared with IOUs. This reduction is because private financing costs are more than twice those of a CCA. Based on a pilot project funded by the California Energy Commission, CCA capital costs were about 5.5 percent, compared to 12.9 percent for IOUs.

This capital financing advantage is especially important for high capital, low-operating-cost facilities like renewable energy generation.

#### The Risks of CCA

The biggest risk is that CCA rates may be higher than utility rates. Well-managed power purchasing and development should mitigate this risk. A well-balanced portfolio of resources that includes short and long-term contracts and CCA financed new generation projects should result in competitive rates.

One way to hedge against volatile energy prices is to create a rate stabilization fund, which many municipal utilities do. This will allow a CCA to hold prices steady, even when fuel prices rise. And there is no fuel cost to generate electricity from wind and solar sources.

Future regulatory decisions could result in cost increases for CCA programs. Most of the decisions about CCA programs have already been made by the CPUC, however. Local governments participated in that process, and their concerns were favorably reflected in those decisions.

# G. Affirmatively Furthering Fair Housing (AFFH) Analysis

Beginning January 1, 2019, AB 686 established new requirements for all California jurisdictions to ensure that local laws, programs, and activities affirmatively further fair housing. All Housing Elements due on or after January 1, 2021, must contain an Assessment of Fair Housing (AFH) consistent with the core elements of the analysis required by the federal Affirmatively Further Fair Housing Final Rule of July 16, 2015.

Under State law, affirmatively further fair housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. These characteristics can include, but are not limited to race, religion, sec, marital status, ancestry, national origin, color, familiar status, or disability.

In May 2015, San Diego County and the San Diego Regional Alliance for Fair Housing completed the Regional Analysis of Impediments (AI) to Far Housing Choice for FY 2015-2020. The City of Solana Beach is one of thirteen jurisdictional members of the San Diego Regional Alliance for Fair Housing (SDRAFFH). The Regional Alliance for Fair housing is a coalition of fair housing organizations, community-based groups, concerned citizens, representatives of the housing industry, and government agencies working toward the goal of affirmatively furthering fair housing.

The AI identifies impediments that may prevent equal housing access and develops solutions to mitigate or remove such impediments. Solana Beach's 6<sup>th</sup> Cycle Housing Element references analysis from the AI in order to identify potential impediments to housing that are specific to the City.

#### 1. Needs Assessment

The Al contains a Countywide analysis of demographic, housing, and specifically fair housing issues for all cities in San Diego County, including Del Mar. The City's demographic and income profile, household and housing characteristics, housing cost and availability, and special needs populations are discussed in the Community Profile Section of the Housing Element.

#### Fair Housing Assessment

The AI identifies impediments to fair housing within jurisdictions in San Diego County. Within the AI, there are several potential constraints that are either directly related to the coastal jurisdictions within San Diego County or to Solana Beach specifically. The following potential constraints are related to analysis within the regional AI:

- High housing cost and affordability of housing in coastal areas
- Low number of loan applications due to the built-out character of the community
- Lack of racial diversity
- Residential density constraints
- Low concentration of rent-restricted units
- Existing growth management policies
- Lack of education and outreach

As part of the AI, the County of San Diego surveyed residents to learn more about fair housing issues in each jurisdiction. The County received approximately 1,100 total individual responses, with only 1 response by a resident within Solana Beach. The respondent stated that they believed they were discriminated on the basis of their source of income (e.g. welfare, unemployment insurance, Housing Choice Voucher/Section 8 Voucher). The respondent did not report the incident as they did not know where to report it. There were zero fair housing complaints within Solana Beach filed with the State Department of Fair Employment and Housing (DFEH) between 2009-2014 and one fair housing within Solana Beach filed with the State Department of Housing and Urban Development (HUD).

The Regional AI (2015-2020) provided the following recommendations for the City of Solana Beach. Some of these are in the form of actions that may have been taken by the City since the adoption of the AI.

- 1. The City should evaluate its definition of family and revise the definition to ensure that it does not constrain the development of housing for persons with disabilities or residential care facilities.
- 2. Amend the Zoning Ordinance to permit emergency shelters by right in at least one zone to comply with State law
- 3. Amend its Zoning Ordinance to include provisions for transitional housing, transitional housing, and SRO pursuant to State law.

#### Fair Housing Enforcement And Outreach Capacity

The Regional AI identifies six workshops that were hosted throughout the County in October and November 2019 to gather input regarding fair housing issues in the region. The locations and dates of the workshops were as follows:

- Central Region: LISC San Diego, San Diego, CA October 30, 2019
- Eastern Region: El Cajon Police Department, El Cajon, CA November 6, 2019
- Northern Region: Escondido City Hall, Escondido, CA November 7, 2019
- Central Region: Valencia Park/Malcolm X Library November 13, 2019

- Southern Region: Chula Vista City Hall, Chula Vista, CA November 20, 2019
- Southern Region: MLK Jr. Community Center, National City, CA November 21, 2019

In addition to the input given by representatives from local organizations in attendance at the community workshops, key stakeholders were contacted for one-on-one interviews about the Al. Participants represented organizations that provide fair housing services and/or complementary and related support services. Additionally, a fair Housing Survey was released throughout the County, available in multiple languages. One survey respondent reported being from Solana Beach; the respondent noted that he/she was discriminated against based on source of income and did not file a report because he/she did not know where to file.

Currently, North County Lifeline (NCL) provides fair housing services within Solana Beach. Through Facilitative Mediation, NCL provides tools for dispute resolution in order to resolve conflicts outside of court. For those in need of additional assistance, North County Lifeline also provides a monthly legal clinic to provide legal advice to residents in need of counseling.

The U.S. Department of Housing and Urban Development (HUD) maintains a record of all housing discrimination complaints filed in local jurisdictions. These grievances can be filed on the basis of race, color, national origin, sex, disability, religion, familial status and retaliation. From FY 20114-18 there were a total of 5 fair housing complaints filed, 3 of which were related to discrimination bases on disability, 1 was related to discrimination based on national origin and 1 was related to discrimination based on retaliation. Of the 5 reports filed a total of 4 fair housing cases filed with HUD. Of the 4 cases, 3 concluded as no cause for determination and 1 was successfully settled. The complaints reported equate 1 percent of all complaints filed with HUD in the San Diego Region, as identified by the regional AI.

# 2. Analysis of Local, State, and Federal Data

#### Dissimilarity Index

The dissimilarity index is the most commonly used measure of segregation between two groups, reflecting their relative distributions across neighborhoods (as defined by census tracts). The index represents the percentage of the minority group that would have to move to new neighborhoods to achieve perfect integration of that group. An index score can range in value from 0 percent, indicating complete integration, to 100 percent, indicating complete segregation. The higher scores indicate higher levels of segregation among those race and ethnic group. An index number above 60 is considered to show high similarity and a segregated community.

It is important to note that segregation is a complex topic, difficult to generalize, and is influenced by many factors. Individual choices can be a cause of segregation, with some residents choosing to live among people of their own race or ethnic group. For instance, recent immigrants often depend on nearby relatives, friends, and ethnic institutions to help them adjust to a new country. Alternatively, when white residents leave neighborhoods that become more diverse, those neighborhoods can become segregated. Other factors, including housing market dynamics, availability of lending to different ethnic groups, availability of affordable housing, and discrimination can also cause residential segregation.

**Figure 3-3** shows the dissimilarity between each of the identified race and ethnic groups and Solan Beach's White population from 1980 to 2010. The White population within Solana Beach makes up the majority of the City's population at approximately 85.3 percent, where 76.2 percent are White (non-Hispanic or Latino) according to 2019 American Community Survey (ACS) estimates.

The race and ethnic groups with the highest scores in 2010 where Hispanic (36.4) and Black (14.6). These scores correlate directly with the percentage of people within that racial or ethnic group that would need to move into a predominately white census tract in order to achieve a more integrated community. For instance, 36.4 percent of the Hispanic population would need to move into predominately White census tract areas to achieve "perfect" integration and 14.6 percent of the Black population would need to move into predominately White census tract areas to achieve perfect integration. The data shows that the following:

- Segregation increased from 1980 to 1990 in Solana Beach for all race and ethnic groups identified
- From 2000 to 2005 segregation rates increased for both the Black and Asian population, but moderately decreased for the Hispanic population.
- Overall, the Asian population in Solana Bach experiences the lowest rates of segregation compared to the Black and Hispanic population.

As indicated above, a score of 60 or higher indicates a highly similar and segregated area. The City does not have any racial or ethnic groups with scores higher than 60. However, scores between 30 and 60 are considered moderate segregation. The population who identifies as Hispanic experiences moderate segregation.

In order to create inclusivity and ensure that access to information is equitable, the City will focus on providing outreach materials in both English and Spanish. Additionally, the City will consider targeted outreach with the Hispanics community to further understand if there are specific fair housing issues related to segregation.

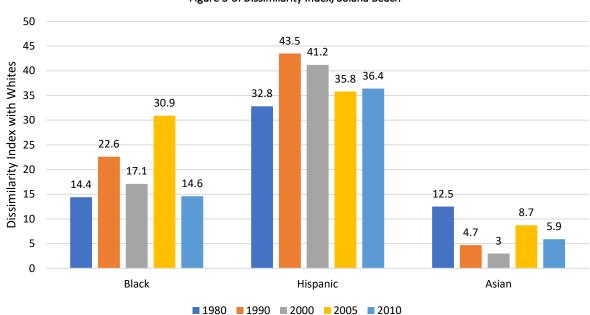


Figure 3-3: Dissimilarity Index, Solana Beach

Source: Diversity and Disparities, Brown university. Accessed August 9, 2021.

#### Racially or Ethnically Concentrated Areas of Poverty (R/ECAP)

To assist communities in identifying racially/ethnically-concentrated areas of poverty (R/ECAPs), HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-white population of 50 percent or more. Regarding the poverty threshold, Wilson (1980) defines neighborhoods of extreme poverty as

census tracts with 40 percent or more of individuals living at or below the poverty line. Because overall poverty levels are substantially lower in many parts of the country, HUD supplements this with an alternate criterion. Thus, a neighborhood can be a R/ECAP if it has a poverty rate that exceeds 40 percent or is three or more times the average tract poverty rate for the metropolitan/micropolitan area, whichever threshold is lower.

The 2015 Al performed an analysis of R/ECAPs within San Diego County and found small pockets within certain jurisdictions. None were located within the City of Solana Beach. Further analysis using the U.S. Department of Housing and Urban Developments R/ECAP GIS mapping tool confirms that all census tracts within Solana Beach have a R/ECAP value of 0, indicating that the census tracts within Solana Beach do not meet the defined parameters for a racially or ethnically concentrated area of poverty as defined by HUD. **Figure 3-4a** below displays the results for R/ECAPs within the Solana Beach Region. The map identifies one R/ECAP area to the south of Solana Beach near the University of California, San Diego. The region is 37.13 percent Asian Pacific Islander and 12.2 percent Hispanic Nonwhite. The proximity to the University may be a factor in the areas R/ECAP designation, Section 2.E.8 outlines the City of Solana Beach's student population; the City is committed to furthering housing options for all demographics.

Table 3-19 below identifies the racial and ethnic composition of the City of Solana Beach as compared to the County of San Diego and the State of California. The City of Solana Beach, the County of Sand Diego and the State of California all has a majority White population. Additionally, both the County and the State have a population over 30 percent Hispanic or Latino of any race, whereas Solana Beach has an 11 percent population of Hispanic or Latino persons of any race. All three geographies have under one percent population of Native Indian and Alaska Native persons and under one percent Native Hawaiian or Pacific Islander. The City of Solana Beach is comparatively less diverse than the County of San Diego, with an overall small percentage on non-white residents. Lack of diversity may be due to a number of factors, cost of housing, cost of living, access to economic opportunity or access to community and necessary resources. While there is no local data for the limited of diversity of the Solana Beach population, the City is committed to creating outreach avenues to continue to include residents who may be English second language and/or nonwhite.

Table 3-19: Population by Race				
D /Ed. 111	Solana Beach	County of San Diego	California	
Race/Ethnicity	2017	2017	2017	
White	83.4%	70.8%	60.6%	
Black or African American	0.6%	5.0%	5.8%	
American Indian and Alaska Native	0.9%	0.6%	0.7%	
Asian	5.1%	11.7%	14.1%	
Native Hawaiian and Other Pacific Islander	0.0%	0.4%	0.4%	
Some other race	4.6%	6.3%	13.7%	
Two or more races	5.3%	5.1%	4.7%	
Hispanic or Latino origin (of any race)	11.5%	33.4%	38.8%	

HUD Affirmatively Furthering Fair Housing Data and Mapping Tool Jurisdiction Demographics 2010 1 Dot = 75 White, Non-Hispanic Black, Non-Hispanic Native American, Non-Hispanic Asian/Pacific Islander, Non-🕶 Hispanic Hispanic . Other, Non-Hispanic Multi-racial, Non-Hispanic TRACT Date created: 3/8/2021 R/ECAP Name: Map 1 - Race/Ethnicity Description: Current race/ethnicity dot density map for Jurisdiction and Region with R/ECAPs Jurisdiction: San Diego County (CDBG, ESG) Region: San Diego-Carlsbad, CA **HUD-Provided Data Version:** AFFHT0006

Figure 3-4a: Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs), County of Sand Diego and Solana Beach

#### Homelessness and Housing Conditions Patterns

While the RTFH 2019 Homeless Survey Results reflect a total of 80 Persons Experiencing Homelessness (PEH) in the subregion which includes the City of Del Mar, Encinitas, Solana Beach and San Diego, the City of Solana Beach has very few PEH located within City limits. The actual number of PEH in Solana Beach has ranged over the years from two to four PEH. Most homeless in Solana Beach are typically seen and/or congregate in the City of San Diego areas near the Interstate 5 freeway and Via de la Valle just outside of the City's jurisdiction where goods and services, such as food and drinks are available. These groups of PEH range in size between one and four individuals, however, they rarely remain in the area for extended periods of time. While typically very low, the number of PEH does tend to increase during times when local emergency/temporary shelters open during winter months.

City staff has worked with Code Enforcement to determine if there are any areas of concentration relating to housing condition reports within the City and determined through discussion that there are no concentrations. The City's Code Enforcement team is active in the community in surveying conditions of existing housing stock and continues to engage with community members when cases are filed to work with them to address concerns. The City has made a target goal of twenty dwelling units for rehabilitation within **Program 4A**.

#### Racially Concentrated Areas of Affluence (RCAA)

Racially or Ethnically Concentrated Areas of Poverty have long been analyzed and reviewed as a contributing factor to segregation. However, patterns of segregation in the United States show that of all racial groups, Whites are the most severely segregated.<sup>2</sup> Research also identifies segregation of affluence to be greater than the segregation of poverty. Racial and economic segregation can have significant effects on respective communities, including but not limited to, socioeconomic disparities, educational experiences and benefits, exposure to environmental conditions and crime, and access to public goods and services.

Data used in the analysis of RCAA is from the 2012-2016 American Community Survey and are measured at the census track level. The definition for an RCAA is a census tract in which 80 percent or more of the population is White and has a median income of at least \$125,000. The nationwide RCAA analysis identifies the following:

- RCAA tracts have more than twice the median household income of the average tract in their metro area.
- Poverty rates in RCAAs are significantly lower and are, on average about 20 percent of a typical tract.
- RCAAs tracts are more income homogenous than R/ECAPs.
- The average RCAA is about 57 percent affluent, whereas the average R\_ECAP had a poverty rate of 48 percent.
- The typical RCAA tract has a rate of affluence 3.2 times that of a typical tract, whereas RECAPs on average had a poverty rate 3.2 times that of a typical tract

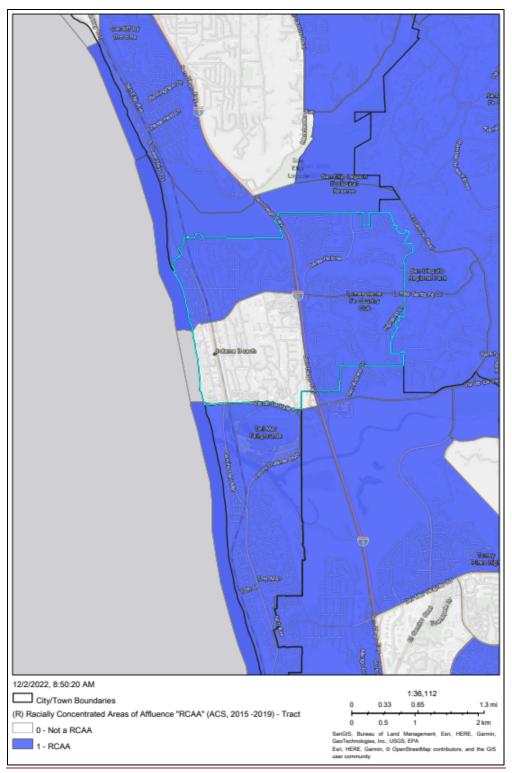
Overall, RCAAs s may represent a public policy issue to the extent that they have been created and maintained through exclusionary and discriminatory land use and development practices. Postwar patterns of suburbanization in many metropolitan areas were characterized by White communities erecting barriers to affordable housing and engaging in racially exclusionary practices.<sup>3</sup> Figure 3-4b identifies three RCAAs in Solana Beach, and with a population that is at least 50 percent white and a median income over \$100,000. Table 3-20 below displays the RCAA-block group-level data\_for the . Additionally, Table 3-21 below shows local (Solana Beach) and regional (San Diego County) context for the median household incomes of white residents. The City as a whole has an 81.5 percent White population. The

<sup>&</sup>lt;sup>2</sup> Racially Concentrated Areas of Affluence: A Preliminary Investigation. University of Minnesota. Edwards Goets, Damiano, Williams. 2019.

<sup>&</sup>lt;sup>3</sup> Ibid.

RCAAs identified show percentages of White population between 84 and 86 percent – which is not a great difference, but points towards a City-wide lack of diversity. As it relates to income, the entire Solana Beach population reports a median income of \$108,118 – which is greater than the median income in RCAA census tracts 173.06 and 173.04.

Figure 3-4b: Racially and Ethnically Concentrated Areas of Affluence (RCAA)



Source: HCD AFFH Data Viewer, Accessed December 2022

Table 3-20: Median Household Income by Race, Solana Beach				
Census Tract Percent Population White Median Income				
Block Group 1, Census Tract 173.05 85.62% \$126,367.00				

Block Group 3, Census Tract 173.05	85.62%	\$108,088.00	
Block Group 1, Census Tract 173.06	85.70%	\$104,429.00	
Block Group 1, Census Tract 173.03	84.72%	\$133,750.00	
Block Group 3, Census Tract 173.03 84.72% \$192,679.00			
Source: HCD, AFFH Data Viewer, Predominant White Population and Median Income (SCA 2010-2014), Accessed October 2021.			

Table 3-21: Median Household Income by Race				
Race	County of San Diego			
Nace	Median Income Population		Median Income	Population
White	\$ 109,820	<del>%-</del> 81.5 <u>%</u>	\$ 80,225	<del>%</del> -70.7 <u>%</u>
All Households	\$ 108,118		\$ 78,980	

Source: American Community Survey, 5-Year estimates, 2019.

Table S1903 Median Income In The Past 12 Months (In 2019 Inflation-Adjusted Dollars) 5-Year Estimate 2015-2019 (for all households and for White Alone)

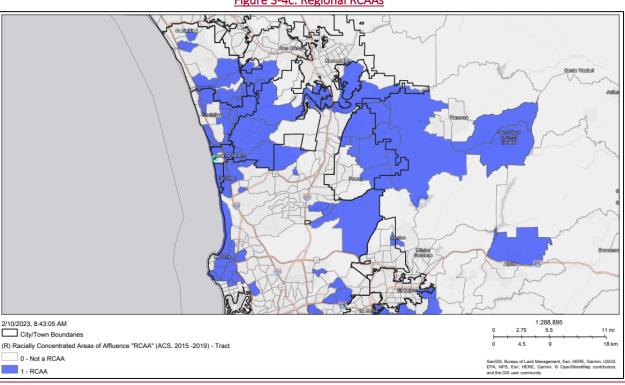


Figure 3-4c: Regional RCAAs

Source: HCD AFFH Data Viewer, Accessed February 2023

Table 3-21 and Figure 3-4c provide regional context for RCAAs. In relation to the County, Solana Beach has a much greater median income (approximately \$30,000 more) and about ten percent greater White population. Solana Beach is mostly made up of RCAAs, but this is fairly on trend with the surrounding region. To the east of the City are larger areas of RCAA, as well as to the north and the south along the coast. The area located between Interstate 15 and 5 -Miramar, Sorrento Valley, and Mira Mesa – southeast of Solana Beach does not include RCAAs; however, these areas include an airstrip, undeveloped land, industrial uses and commercial parks. Residential uses are mostly located within Mira Mesa. In comparison, Solana Beach is largely made up of residential, single-family neighborhoods – similarly to Del Mar, Encinitas, Rancho Santa Fe, and Fairbanks Ranch.

Housing Program 4A is included in the Housing Plan to address RCAAs and to improve future opportunities for all income levels and races/ethnicities. As part of the program and the selection of candidate sites, the City is committed to establishing affordable housing opportunity in areas that are near transit, community resources, commercial needs, and employment opportunities. The City anticipates the development of these sites throughout the planning period, and as such, median income and racial concentrations will fluctuate and adjust as opportunities are created.

#### **Disparities in Access to Opportunity**

The UC Davis Center for Regional Change and Rabobank partnered to develop the Regional Opportunity Index (ROI) intended to help communities understand local social and economic opportunities. The goal of the ROI is to help target resources and policies toward people and places with the greatest need to foster thriving communities. The ROI incorporates both "people" and "place components, integrating economic, infrastructure, environmental, and social indicators into a comprehensive assessment of the factors driving opportunity. The ROI: People is a relative measure of people's assets in education, the economy, housing, mobility/transportation, health/environment, and civic life as follows:

- **Education Opportunity**: Assesses people's relative success in gaining educational assets, in the form of a higher education, elementary school achievement, and regular elementary school attendance.
- **Economic Opportunity**: Measures the relative economic well-being of the people in a community, in the form of employment and income level.
- Housing Opportunity: Measures the relative residential stability of a community, in the form of homeownership and housing costs.
- **Mobility/Transportation Opportunity**: Contains indicators that assess a community's relative opportunities for overcoming rural isolation.
- **Health/Environment Opportunity**: Measures the relative health outcomes of the people within a community, in the form of infant and teen health and general health.
- Civic Life Opportunity: A relative social and political engagement of an area, in the form of households that speak English and voter turnout.

The ROI: Place is a relative measure of an area's assets in education, the economy, housing, mobility/transportation, health/environment, and civic life.

- Education Opportunity: Assesses a census tract's relative ability to provide educational opportunity, in the form of high-quality schools that meet the basic educational and social needs of the population.
- **Economic Opportunity**: Measures the relative economic climate of a community, in the form of access to employment and business climate.
- Housing Opportunity: Measures relative availability of housing in a community, in the form of housing sufficiency and housing affordability.
- Health/Environment Opportunity: A relative measure of how well communities meet the health needs of their constituents, in the form of access to health care and other health-related environments.
- Civic Life Opportunity: Measures the relative social and political stability of an area, in the form of neighborhood stability (living in same residence for one year) and US citizenship.

As shown in Figures 3-5 (a and b) below, the majority of the City of Solana Beach is classified as a high opportunity zone. This indicates a high level of relative opportunities that people are able to achieve as well as a high level of relative opportunities that Solana Beach provides. As such, the analysis indicates that access to opportunity is not a substantial issue within Solana Beach. However, Figure 3-5 (b) identifies two regions directly to the southeast of Solana Beach considered low and very low resource areas. The data shows low access to housing in both regions as well as low health and environmental opportunities as primary factors in the low/very low resource designation.

Regional Opportunity Index: People, 2014 Description The Regional Opportunity Index (ROI): People is a relative measure of people's assets in education, the economy, housing, mobility/transportation, health/environment, and civic life. Legend Regional Opportunity Index: People Some data not available Lowest Opportunity Highest Opportunity Date: 3/8/2021 1.5 https://interact.regionalchange.ucdavis.edu/roi/

Figure 3-5a: Regional Opportunity Index, People (2014)

Regional Opportunity Index: Place, 2014 Regional Opportunity Index:  $\equiv$  Place Description The Regional Opportunity Index (ROI): Place is a relative measure of an area's assets in education, the economy, housing, mobility/transportation, health/environment, and civic life. Overall Mean Legend Regional Opportunity Index: Place Some data not available Lowest Opportunity Regional Opportunity Index: Highest Opportunity Date: 3/8/2021 1.5 https://interact.regionalchange.ucdavis.edu/roi/ Overall Mean

Figure 3-5b: Regional Opportunity Index, Place (2014)

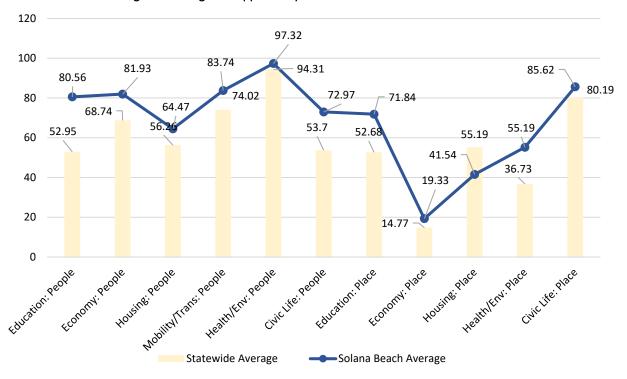
Additionally, **Table 3-22** and **Figure 3-6** below display the data for Regional Opportunity index in Solana Beach overall compared to the State of California. The data shows the following key findings:

- The City has higher rates of college educated adults, high school graduation rates and higher levels of UC and CSU eligibility. Additionally, the City has higher levels of Math and English proficiency and lower levels of truancy and discipline rates.
- Solana Beach residents experience higher basic income levels and higher employment rates. While the City
  has a higher job availability rate, overall, both City and State job quality and growth are similar. Solana Beach
  residents have higher rates of bank accessibility.
- Solana Beach and the State have the same rate of home ownership, but residents of Solana Beach experience
  higher rates of cost burden. Housing adequacy and affordability are similar in both the City and State, where
  California has a slightly higher rate of affordability.
- Mobility and transportation access are moderate in both Solana Beach and the State; Solana Beach residents have slightly higher commute times than the State's median.
- Overall health and environmental opportunities are comparable to the State. Solana Beach has a slightly lower average of supermarket availability, however a much higher rate of healthcare availability.
- Solana Beach has higher rates of US citizenship and English speakers, as well as a higher percentage of voters compared to the State. However, Solana Beach has a slightly lower rate of neighborhood stability
- In summary, Solana Beach is a high opportunity area with quality educations, high rates of resident achievement, access to local and regional economic and employment opportunities, and high rates of home ownership. However, the data shows that there are high rates of cost burden in the City and slightly lower access to supermarkets and healthy foods. The City should focus on increasing access to affordable housing options to reduce cost burden and aim to increase affordable healthy food access.

Table 3-22: Opportunity Indicators, Solana Beach and California			
	ROI Indicator	Solana Beach	California
	People		<u> </u>
	College Educated Adults	64%	38%
	Math Proficiency	89%	70%
Ę	English Proficiency	90%	65%
atic	Elementary Truancy	17%	24%
Education	Place		
B	High School Graduation Rate	97%	83%
	UC/CSU Eligibility	75%	41%
	Teacher Experience	45%	36%
	High School Discipline Rate	2%	6%
	People		
	Employment Rate	91%	89%
<u>:</u>	Minimum Basic Income	79%	64%
Economic	Place		
lo	Job Availability	835.69	701.75
Щ	Job Quality	42%	40%
	Job Growth	5%	3%
	Bank Accessibility	0.52	0.24
	People		
	Home Ownership	55%	55%
	Housing Cost Burden	56%	52%
Housing	Place		
ons	Housing Adequacy	95%	91%
	Housing Affordability	0.10	0.19
2	People		

Table 3-22: Opportunity Indicators, Solana Beach and California			
	ROI Indicator	Solana Beach	California
	Vehicle Availability	91%	86%
	Commute Time	68%	60%
	Internet Access	5	4
_	Place		
nta	Infant Health	96%	95%
me	Birth to Teens	3%	7%
.o.	Years of Life Lost	20.52	29.84
Health/Environmental	Place		
<u>-</u>	Air Quality	9.69	10.01
듩	Prenatal Care	89%	83%
Ř	Access to Supermarket	42%	53%
	Health Care Availability	5.19	1.76
	People		
بق.	Voting Rates	46%	31%
<u>;</u>	English Speakers	92%	88%
Civic Life	Place		
O	US Citizenship	88%	83%
	Neighborhood Stability	83%	85%

Figure 3-6: Regional Opportunity Index Solana Beach and California



Being that the City of Solana Beach is a high opportunity region, the City is committing to implementing policies and programs to encourage access to such opportunities to persons residing outside of the City. **Programs 1E, 4A and 4H** identify strategies the City will explore in order to provide opportunity and housing for persons within the Solana Beach/North County San Diego region.

#### TCAC Opportunity Areas

Additionally, the Department of Housing and Community Development together with the California Tax Credit Allocation Committee established the California Fair Housing Task Force to provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD). The Task force developed the TCAC/HCD opportunity Area Maps to understand how public and private resources are spatially distributed. The Task force defines opportunities as pathways to better lives, including health, education, and employment. Overall, opportunity maps are intended to display which areas, according to research, offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.

According to the Task Force's methodology, the tool allocates the 20 percent of the tracts in each region with the highest relative index scores to the "Highest Resource" designation and the next 20 percent to the "High Resource" designation. Each region then ends up with 40 percent of its total tracts as "Highest" or "High" resource. These two categories are intended to help state decision-makers identify tracts within each region that the research suggests low-income families are most likely to thrive, and where they typically do not have the option to live—but might, if given the choice. As shown in **Figure 3-7** below, all of Solana Beach and the surrounding regions are classified as high and highest resource.

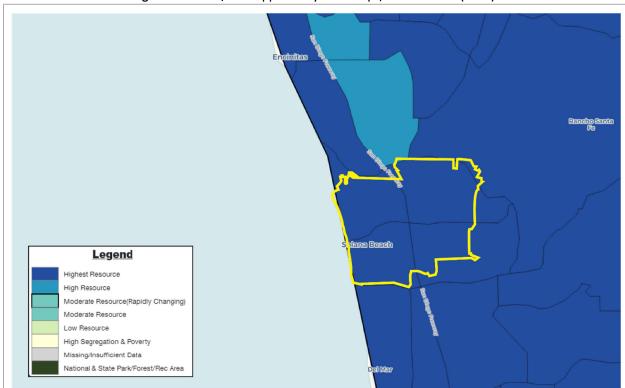


Figure 3-7: TCAC/HCD Opportunity Area Maps, Solana Beach (2020)

Opportunity indicators included in the AI also help inform communities about disparities in access to opportunity. HUD-provided index scores are based on nationally available data sources and assess residents' access to key opportunity assets in San Diego County. These indices are only available to Entitlement Jurisdictions (with population over 50,000 and receiving CDBG funds from HUD). For Urban County jurisdictions for which a HUD-provided index is not provided, a similar analysis as that provided by the indices was conducted using comparable information.

#### School Proficiency, Labor Market and Job Proximity

Table 3-23 below displays opportunity indicators based on school proficiency, labor market, and job proximity. The City of Solana Beach has 3 Title I school, which helps low-achieving children meet state standards in core academic subjects. These schools coordinate and integrate resources and services from federal, state, and local sources. To be considered for Title 1 school funds, at least 40 percent of the students must be considered low-income. Additionally, the AI showed that for the time period analyzed, the City had an annual unemployment rate of 1.4 percent, below the County average of 2.8 percent and lower than the nearby city of Del Mar. Additionally, over 70 percent of jobs were within a 30-minute commute from Solana Beach residents. The City of Solana Beach provides a variety of educational and economic opportunities for current and future residents, in order to ensure that persons and households of low income are aware of the opportunities, the City will focus outreach to households who qualify for attendance at the three Title 1 schools.

Table 3-23: Opportunity Indicator – School Proficiency, Labor Market, Job Proximity			
Opportunity Indicator Solana Bea			
School Proficiency			
Total Title   Schools	3		
Total Schools	4		
% of Schools	75.0%		
Unemployment Rate			
Annual Rate	1.4%		
Job Proximity			
<29 mins.	70.5%		
30-59 mins.	24.6%		
60 mins. or more	4.9%		
Source: San Diego Regional Analysis of Impediments, American Community Survey 2013-2017, S1701.			

Figures 3-8 and 3-9 below display the geographic data for education and economic opportunity in Solana Beach.

San Elijo Lago Ecological Reserve San Dieguito Regional Park Solana Beach Del Mar Faligiounds Del Mar 1:36,112 0.65 10/28/2021, 10:43:07 AM 0.33 1.3 mi City/Town Boundaries (R) TCAC Opportunity Areas (2021) - Education Score -Tract 0.5 2 km > 0.75 (More Positive Education Outcomes) No Data

Figure 3-8: TCAC - Education Score

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

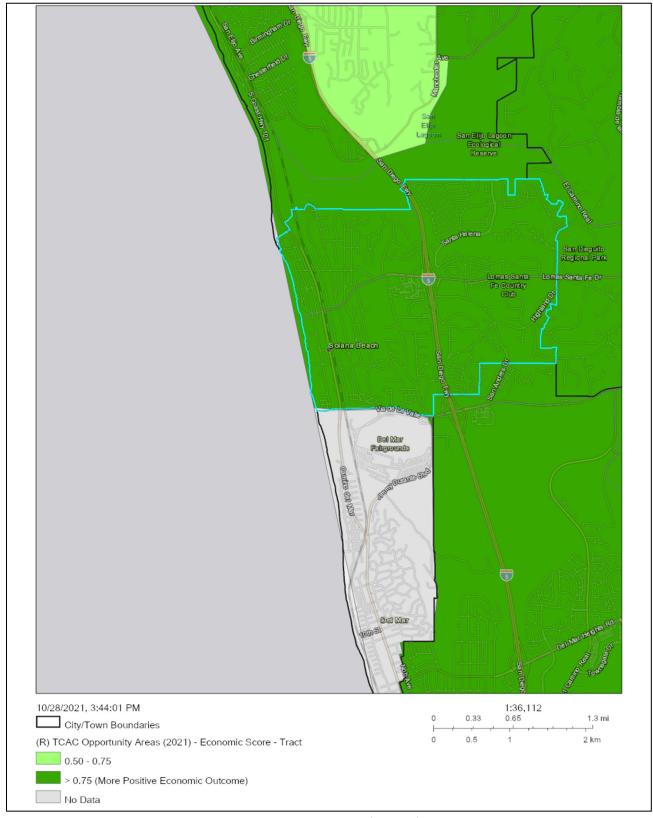


Figure 3-9: TCAC — Economic Score

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

#### Access to Transit

Access to transportation, specifically public transit provides households with affordable and environmentally friendly commuting options. It can also increase accessibility to essential retail such as grocers and markets as well as recreational activities and safe transit options for young adults and children.

AllTransit explores metrics that reveal the social and economic impact of transit, specifically looking at connectivity, access to jobs, and frequency of service. According to the data shown in **Table 3-24**, Solana Beach scored a 5.9 AllTransit performance score, illustrating a moderate combination of trips per week and number of jobs accessible that enable a moderate number of people to take transit to work. In total, 68,617 jobs are accessible within a 30-minute trip from Solana Beach, however just 2.2 percent of commuters use transit. Additionally, AllTransit identified the following transit related statistics for Solana Beach:

- 92.3 percent of all jobs in Solana Beach are located within ½ mile of transit
- There are 20,662 customer households within a 30-minute transit commute of local businesses
- 3.96 percent of workers in Solana Beach walk to work
- 2.64 percent of workers in Solana Beach bike to work
- 0 percent of low-income households live near transit

By comparison, Solana Beach scored of the highest alongside Lemon Grove (7.9), Imperial Beach (6.7), and Coronado (6.6), whereas Del Mar (5.1) and Poway (3.1) scored lowest. Overall, the City of Solana Beach has a higher AllTransit score than the County of San Diego (5.9 in Solana Bach and 5.3 in the County).

Table 3-24: Opportunity Indicator – Transit									
Jurisdiction	All Transit Performance Score	Transit Trips Per Week within 1/2 Mile	Jobs Accessible in 30-min trip	Commuters Who Use Transit	Transit Routes within 1/2 Mile				
Solana Beach	5.9	950	68,617	2.02%	3				
County of San Diego	5.3	1,358	82,735	3.28%	4				
Source: San Diego	Regional Analysis of Ir	npediments, Americai	n Community Survey 20	Source: San Diego Regional Analysis of Impediments, American Community Survey 2013-2017, S1701.					

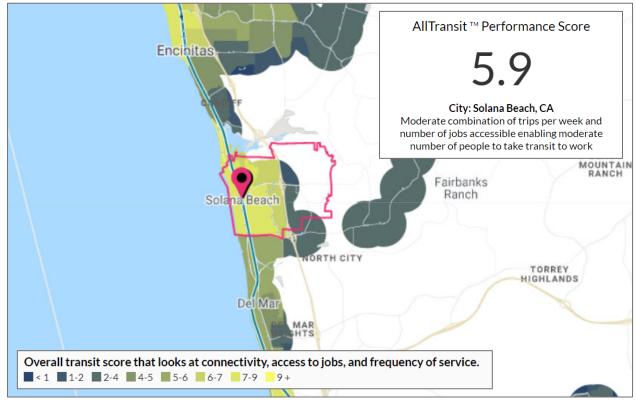


Figure 3-10: AllTransit Score, Solana Beach

Source: AllTransit, Online transit metric viewer. Accessed September 2021.

#### **Environmental Justice**

The California Office of Environmental Health Hazard Assessment (OEHHA) developed a screening methodology to help identify California communities disproportionately burdened by multiple sources of pollution called the California Communities Environmental Health Screening Tool (CalEnviro Screen). In addition to environmental factors (pollutant exposure, groundwater threats, toxic sites, and hazardous materials exposure) and sensitive receptors (seniors, children, persons with asthma, and low birth weight infants), CalEnviro Screen also takes into consideration socioeconomic factors. These factors include educational attainment, linguistic isolation, poverty, and unemployment. Research has shown a heightened vulnerability of people of certain ethnicities and lower socioeconomic status to environmental pollutants.

The CalEnviro Model Is made up of a suite of 20 statewide indicators of pollution burden and population characteristics associated with increased vulnerability to pollution's health effects. The model uses the follow analysis and calculation to identify areas of health risk:

- Uses a weighted scoring system to derive average pollution burden and population characteristics scores for each census tract.
- Calculates a final CalEnviroScreen score for a given census tract relative to the other tracts in the state by multiplying the pollution burden and population characteristics components together.
- The score measures the relative pollution burdens and vulnerabilities in one census tract compared to others and is not a measure of health risk.

**Table 3-25** and **Figure 3-11** below displays the results for the CalEnviro Screen in Solana Beach.

Table 3-25: CalEnviro Screen Score – City of Solana Beach					
Census Tract Total Population CalEnviro Screen Score					
6073017303	3,018	1.77			
6073017304	5,508	14.33			
6073017305	2,969	2.50			
6073017306	2,818	0.62			

The data shows that the City of Solana Beach is Low scoring, which is consistent with nearby jurisdictions of Encinitas and Del Mar. Overall, low scoring signifies low pollution burdens in the City, therefore, the City of Solana Beach shows low exposure to harmful pollutants.

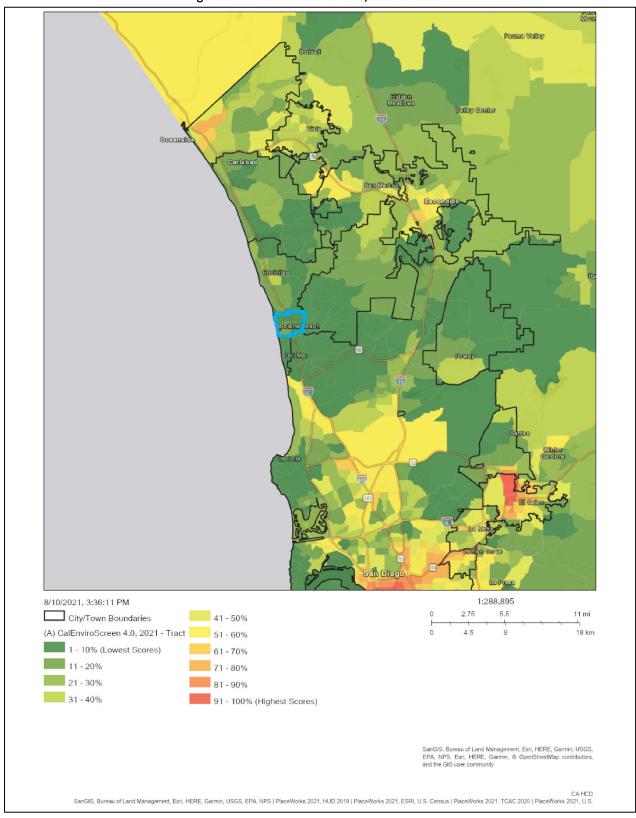


Figure 3-11: CalEnviro Screen 4.0, Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021 – CalEnviro Screen 4.0.

### 3. Discussion of Disproportionate Housing Needs

The analysis of disproportionate housing needs within Solana Beach evaluated existing housing need, need of the future housing population, and units within the community at-risk of converting to market-rate.

#### Housing Needs in Solana Beach

A variety of factors affect housing needs for different households. Most commonly, disability, household income and households' characteristics shape the type and size of housing units needed, as well as accessibility based on existing units in a City. **Tables 3-26 through 3-32** displayed data for demographic characteristics of Solana Beach, as compared to the County of San Diego and the State of California. Additional detailed analysis of the Solana Beach community demographics is outline in **Chapter 2: Community Profile of this Housing Element.** 

**Table 3-26** displays the data for persons with disabilities in the City, County and State. Overall, about 10 percent of the population in California reported having at least one listed disability. Similarly, in the county, nearly 10 percent of persons reported at least on disability. The City of Solana Bach reported a lower percent of the population to have a disability in the same year (6.5 percent). Of the 6.5 percent of the population in Solana Beach with a disability, majority were Independent Living and Hearing Difficulty, both could be tied to the City's older population. Ease of reasonable accommodation procedures and opportunity for accessible housing can provide increased housing security for the population with disabilities.

Table 3-26: Population by Disability Type, Compared by Geography				
Disability	City of Solana Beach	County of San Diego	California	
Total with a Disability	6.5%	9.8%	10.6%	
Hearing Difficulty	2.1%	2.7%	3.0%	
Vision Difficulty	0.4%	1.7%	2.0%	
Cognitive Difficulty	2.3%	4.2%	4.3%	
Ambulatory Difficulty	3.8%	5.4%	5.9%	
Self-care Difficulty	0.9%	2.3%	2.6%	
Independent Living	3.3%	5.1%	5.5%	
Source: American Community Survey, 5-Year Estimate	es.			

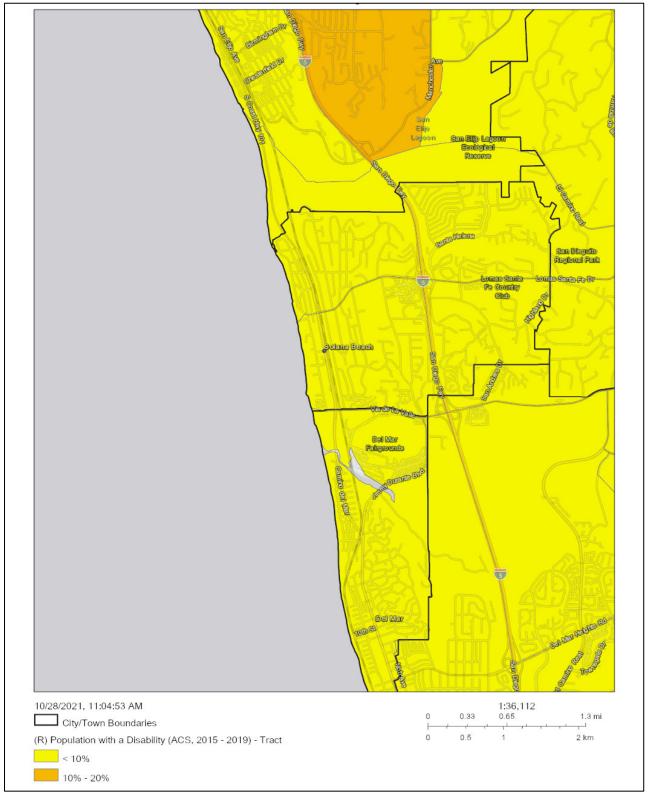


Figure 3-12: Persons with Disabilities, Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

Tables 3-27 displays ACS data for household type and income data for the State, County and City. Overall, household characteristics broken down by family, married couple, households with children and non-family households are similar in all three areas. Solana Beach had a slightly higher percentage of non-family households (44.6 percent, compared to about 30 and 31 percent in the County and State, respectively). Additionally, Solana Beach had a higher percentage of households with one or more persons over the age of 60.

Table 3-27: Population by Familial Status, Compared by Geography					
5 W 10 .	City of Solana Beach	City of Solana Beach County of San Diego			
Familial Status	2017 2017		2017		
Total Households	5,744	1,111,739	12,888,128		
Family Households	55.4%	67.2%	68.8%		
Married-Couple Family	45.4%	FO 10/	40 50/		
Households	45.4%	50.1%	49.5%		
With Children	20.3%	30.2%	31.0%		
Non-Family Households	44.6%	32.8%	31.2%		
Households with one or more	40.200/	25.700/	27 500/		
people 60 years+	48.30%	35.70%	37.50%		
Source: American Community Surve	Source: American Community Survey, 5-Year Estimates.				

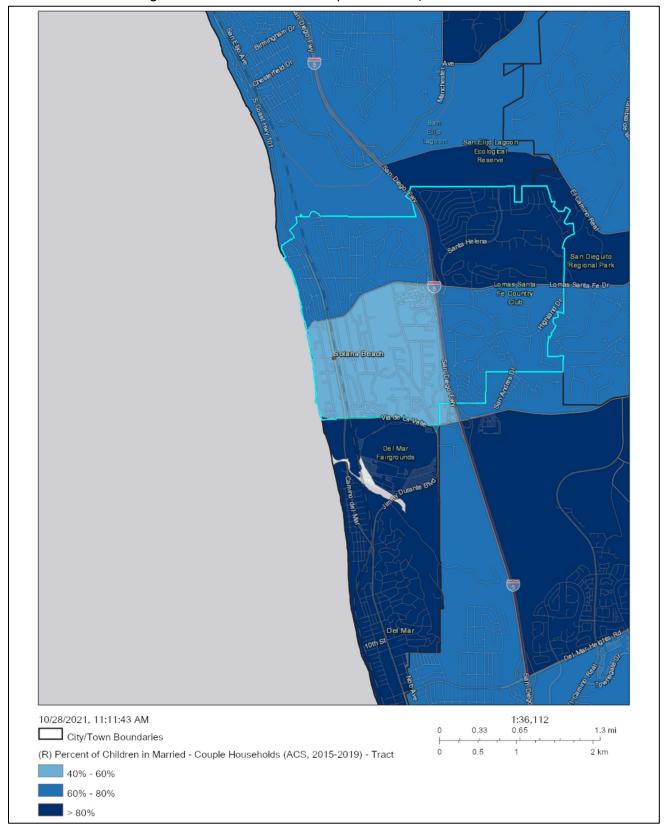
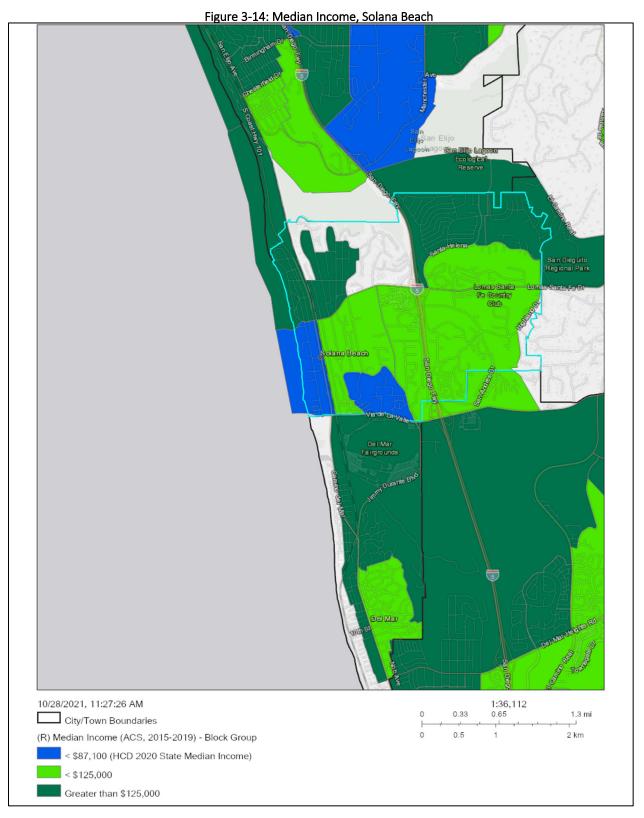


Figure 3-13: Children in Married Couple Households, Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

**Table 3-28** below displays median household income for the City of Solana Beach, the County of San Diego and the State of California. The City of Solana Beach had a higher median income than the County and the State (\$70,588 and \$67,169 respectively). The data in the table further confirms that Solana Beach is a high-income City with high opportunities. Overall, less that 25 percent of the Solana Beach population have a median annual income less than \$50,000, compared to over 30 percent in the County and State.

Table 3-28: Households by Income, Compared by Geography				
	City of Solana Beach	County of San Diego	California	
Households Income	2017	2017	2017	
Less than \$10,000	1.8%	5.1%	5.4%	
\$10,000-\$14,999	1.0%	3.8%	4.7%	
\$15,000-\$24,999	4.9%	7.6%	8.6%	
\$25,000-\$34,999	6.2%	8.0%	8.3%	
\$35,000-\$49,999	7.3%	11.4%	11.4%	
\$50,000-\$74,999	15.5%	16.8%	16.3%	
\$75,000-\$99,999	9.4%	12.9%	12.2%	
\$100,000-\$149,999	21.6%	17.0%	15.7%	
\$150,000-\$199,999	8.8%	8.2%	7.8%	
\$200,000 or More	23.7%	9.3%	9.7%	
Median Income	\$103,864	\$70,588	\$67,169	
Source: American Community Survey, 5-Year Estimates, 2017.				

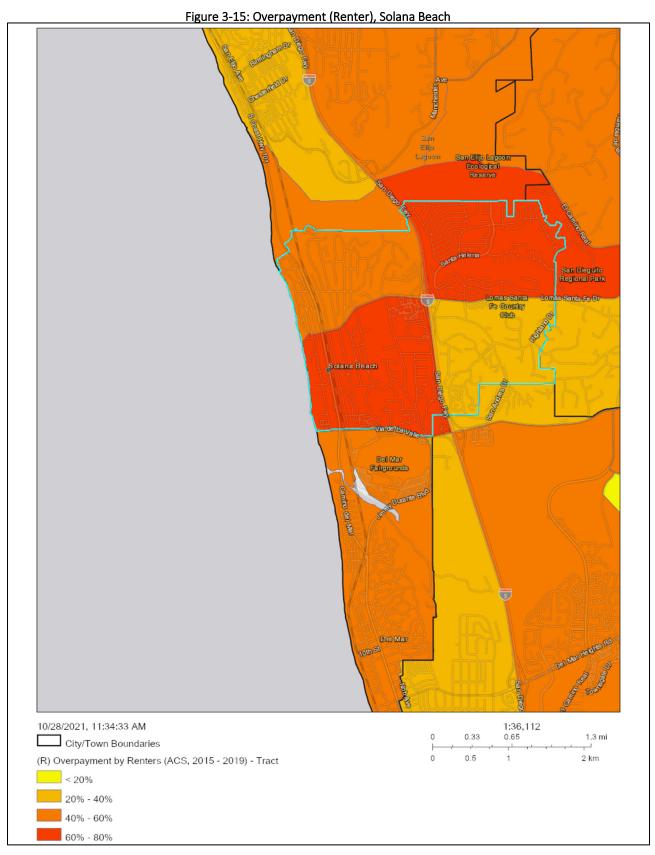


Source: HCD AFFH Data Viewer, Accessed September 10, 2021

Table 3-29 displays data for households experiencing overpayment or cost burden in the State, County and City. Overall, all three areas had a high percentage of cost burden greater than 30 percent of household's income (over 50 percent in each region) with Solana Beach's cost burden slightly higher at 62 percent. Additionally, both the State and Country had a higher percentage of cost burden greater than 50 percent of household income (19.4 percent) compared to 18.3 percent in Solana Beach. Housing Cost burden has a number of consequences for a household, mainly displacement from their existing living situation creating limited access essential goods and often employment by potentially increasing commute times. Increased opportunity for affordable housing and housing assistance funds help to prevent cost burden on households.

Additionally, the maps below display overpayment by tenure (owner and renter). The data in the maps show that renters are disproportionately burdened by housing overpayment with two census tracts showing 60-80 percent of all households overpay.

Table 3-29: Households by Overpayment, Compared by Geography					
Overpayment/Cost Burden	City of Solana Beach	County of San Diego	California		
	2017	2017	2017		
Cost Burden > 30%	62.1%	57.0%	58.5%		
Cost Burden > 50%	18.3%	19.4%	19.4%		
No Cost Burden	1.0%	1.7%	1.4%		
Source: Consolidated Planning/CHAS Data, 2013- 2017.					



Source: HCD AFFH Data Viewer, Accessed September 10, 2021

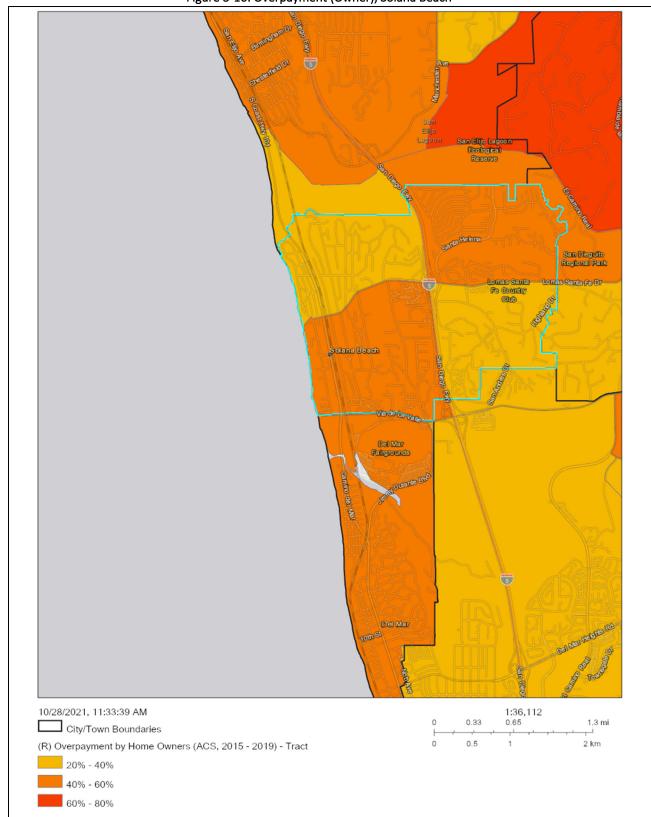


Figure 3-16: Overpayment (Owner), Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021.

**Table 3-30** displays data for household tenure (owner vs. renter) for the State, County and City. Homeownership is a crucial foundation for helping families with low incomes build strength, stability and independence. The opportunity for transition into the homebuyer's market is important for persons and households in different communities, homeownership allows for increased stability and opportunity to age in place. The County, State and City all had higher rates of homeownership, Solana Beach having the highest in 2017 at 58.6 percent.

Additionally, **Table 3-31** displays data for overcrowding in the State, County and City. Overcrowding is defined as between 1.01 and 1.5 persons per room in a household, and severe overcrowding is defined as more than 1.51 persons per room. Overcrowding often occurs when nonfamily members combine incomes to live in one household, such as college students and roommates, it also occurs when there is not enough size appropriate housing options for large or multigenerational families. The City of Solana Beach experienced low rates of overcrowding compared to the State and County, overcrowding in the City also primarily affected renters rather than owners. Providing opportunities for adequate housing stock can help reduce the burden on overcrowding for households in a community.

Table 3-30: Households by Tenure, Compared by Geography					
Household Tenure	City of Solana Beach	County of San Diego	California		
	2017	2017	2017		
Owner Households	58.6%	52.4%	54.5%		
Renter Households	41.4%	46.4%	45.5%		
Total Occupied Housing Units	5,744	1,125,286	12,888,128		
Source: American Community Survey, 5-Year Estimates, 2017.					

Table 3-31: Households by Overcrowding, Compared by Geography					
Overcrowding and Tenure	City of Solana Beach	County of San Diego	California		
	2017	2017	2017		
Owner Households					
Overcrowded	0.8%	2.1%	3.0%		
Severely Overcrowded	0.0%	0.7%	1.0%		
Renter Households					
Overcrowded	0.6%	7.1%	8.2%		
Severely Overcrowded	1.2%	3.7%	5.0%		
Source: American Community Survey, 5-Year Estimates, 2017.					

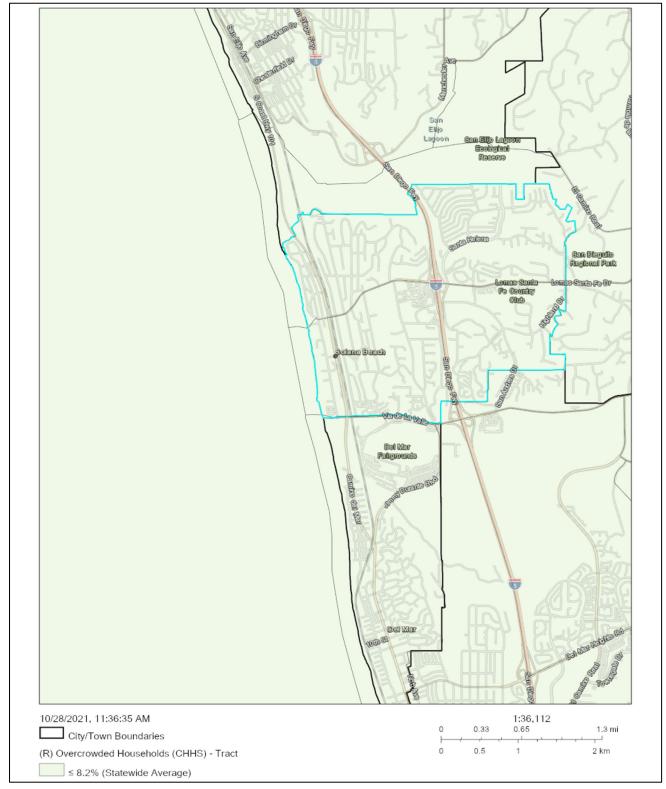


Figure 3-17: Overcrowded Households, Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

Table 3-32 display the data for female headed households with and without children and single parent households in Solana Beach, the County of San Diego and California. According to the data, the City of Solana Beach has a smaller percentage of female headed householders (with no spouse present) than the County and the State. Of the female headed householders (with no spouse present) in Solana Beach, 36 percent had children, compared to 50 [percent in the county and 49 percent in the state. Overall, Solana beach has the lowest percentage of single householders among the three regions. Single households, specifically single parent households live on one income and may be more susceptible to housing overpayment and cost burdens. Increased affordable housing options may alleviate these challenges for one income households.

Table 3-32: Female Headed Households with and without Children					
V Duille	City of Solana Beach County of San Diego		California		
Year Built	2017	2017	2017		
Total Female Headed	C0/	120/	120/		
Households	6%	12%	13%		
With children	36%	50%	49%		
Single Households 10% 17% 19%					
Source: American Community Survey, 5-Year Estimates, 2017.					

San Diagulio Regional Park Salana Besch Del Mar Del Mar 10/28/2021, 11:39:43 AM 1:36,112 0.33 City/Town Boundaries (R) Percent of Children in Female Householder, No Spouse/Partner Present Households (ACS, 2015-2019) - Tract 2 km 0.5 \_ ≤ 20% 20% - 40%

Figure 3-18: Female Headed Households, No Spouse Present with Children, Solana Beach

Source: HCD AFFH Data Viewer, Accessed September 10, 2021

#### Housing Stock in Solana Beach

Tables 3-33 and 3-34 display comparative housing stock data for the State, County and City. Table 3-27 below shows data for occupied housing units by type. A variety of housing stock provides increased opportunity in communities for different size and household types. Majority of the housing stock in Solana Beach is classified as one-unit detached housing, also known as single family housing. A total of 18 percent of all housing in the City is classified as 10 or more apartments, also known as multi-family or multi-unit housing. Comparatively, both the County and the State has higher percentages of single-family housing, (52.3 percent and 58.5 percent respectively).

Table 3-33: Occupied Housing Units by Type, Compared by Geography					
	City of Solana Beach	County of San Diego	California		
Housing Unit Type	2017	2017	2017		
1, detached	48.5%	52.3%	58.5%		
1, attached	16.3%	9.5%	7.0%		
2 apartments	1.5%	1.8%	2.4%		
3 or 4 apartments	6.7%	5.0%	5.5%		
5 to 9 apartments	8.1%	8.0%	6.1%		
10 or more apartments	18.4%	19.9%	16.9%		
Mobile home or other type	0.50/	2.50/	2.60/		
of housing	0.5%	3.5%	3.6%		
Source: American Community Surv	vey, 5-Year Estimates, 2017.				

**Table 3-30** below displays housing stock by year built or the City, County, and State. Older housing generally requires more upkeep, regular maintenance and can cause a cost burden on both renters and homeowners. Majority of Solana Beach's housing units were built between 1970 and 1990 whereas the distribution of development was more dispersed from 1960 to 2000 in the County and the State. Overall, increased numbers of older housing can lead to displacement, cost burden, and substandard living conditions. An analysis of the housing stock is provided above in **Section 3.G.1 Local Contributing Factors.** 

Table 3-34: Housing Unit by Type, Compared by Geography					
V Delle	City of Solana Beach	County of San Diego	California		
Year Built	2017	2017	2017		
Built 2014 or later	1.62%	0.65%	0.60%		
Built 2010 to 2013	0.11%	1.59%	1.46%		
Built 2000 to 2009	2.73%	12.16%	11.54%		
Built 1990 to 1999	5.34%	12.52%	10.91%		
Built 1980 to 1989	20.63%	19.55%	15.27%		
Built 1970 to 1979	46.21%	22.81%	17.84%		
Built 1960 to 1969	8.40%	12.04%	13.41%		
Built 1950 to 1959	10.58%	10.81%	13.62%		
Built 1940 to 1949	1.85%	3.48%	6.09%		
Built 1939 or earlier	2.54%	4.39%	9.26%		
Source: American Community Sur	vey, 5-Year Estimates, 2017.				

#### Future Growth Need

The City's future growth need is based on the RHNA production of 316 very low and 159 low-income units within the 2021-2029 planning period. Figure 3-7 shows that both existing and proposed affordable units are well dispersed throughout the community and do not present a geographic barrier to obtaining affordable housing. The Sites Inventory of this Housing Element shows the City's ability to meet their 2021-2029 RHNA need at all income levels. Appendix B of this Housing Element demonstrates the City's ability to meet its 2021-2029 RHNA need at all income levels. This demonstrates the City's ability to accommodate the anticipated future affordable housing needs of the community.

# 4. Displacement Risk

The potential for economic displacement risk can result from a variety of factors, including large-scale development activity, neighborhood reinvestment, infrastructure investments, and changes in local and regional employment opportunity. Economic displacement can be an inadvertent result of public and private investment, where individuals and families may not be able to keep pace with increased property values and market rental rates.

#### **UC Berkeley Urban Displacement**

The UC Berkeley Urban Displacement projects provides a database for Los Angeles, Orange and San Diego Counties displaying gentrifications and socioeconomic indicators based on 2015 ACS data. The final (2018) version of the database shows whether each Census tract comprising these three Southern California counties gentrified between 1990 and 2000; gentrified between 2000 and 2015; gentrified during both of these periods; or exhibited characteristics of a "disadvantaged" tract that did not gentrify between 1990 and 2015. The outcome of the data is a map which displays displacement typology by census tract (outlined below).

Table 35: Displacement Typology			
Displacement Typology	Description		
Low Income/Susceptible to Displacement:	■ Low or mixed low-income tract in 2018		
Ongoing Displacement of Low-Income Households:	<ul> <li>Low or mixed low-income tract in 2018</li> <li>Absolute loss of low-income households, 2000-2018</li> </ul>		
At Risk of Gentrification:	<ul> <li>Low-income or mixed low-income tract in 2018</li> <li>Housing affordable to low or mixed low-income households in 2018</li> <li>Didn't gentrify 1990-2000 OR 2000-2018</li> <li>Marginal change in housing costs OR Zillow home or rental value increases in the 90th percentile between 2012-2018</li> <li>Local and nearby increases in rent were greater than the regional median between 2012-2018 OR the 2018 rent gap is greater than the regional median rent gap</li> </ul>		
Early/Ongoing Gentrification:	<ul> <li>Low-income or mixed low-income tract in 2018</li> <li>Housing affordable to moderate or mixed moderate-income households in 2018</li> <li>Increase or rapid increase in housing costs OR above regional median change in Zillow home or rental values between 2012-2018</li> <li>Gentrified in 1990-2000 or 2000-2018</li> </ul>		
Advanced Gentrification	<ul> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> </ul>		

Table 35: Displacement Typology			
Displacement Typology	Description		
	<ul> <li>Housing affordable to middle, high, mixed moderate, and mixed high • income households in 2018</li> <li>Marginal change, increase, or rapid increase in housing costs</li> <li>Gentrified in 1990-2000 or 2000-2018</li> </ul>		
Stable Moderate/Mixed Income:	<ul> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> </ul>		
Risk of Becoming Exclusive:	<ul> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high income households in 2018</li> <li>Marginal change or increase in housing costs</li> </ul>		
Becoming Exclusive:	<ul> <li>Moderate, mixed moderate, mixed high, or high-income tract in 2018</li> <li>Housing affordable to middle, high, mixed moderate, and mixed high • income households in 2018</li> <li>Rapid increase in housing costs</li> <li>Absolute loss of low-income households, 2000-2018</li> <li>Declining low-income in-migration rate, 2012-2018</li> <li>Median income higher in 2018 than in 2000</li> </ul>		
Stable/Advanced Exclusive:	<ul> <li>High-income tract in 2000 and 2018</li> <li>Affordable to high or mixed high-income households in 2018</li> <li>Marginal change, increase, or rapid increase in housing costs</li> </ul>		

**Figure 3-19** below displays the mapped displacement typology for Solana Beach. The data shows that nearly all of Solana Beach is considered Stable/Advanced Exclusive, furthering previous conclusions that the City is an overall high income and high-cost City to live in. There is one census tract that is identified as stable/moderate mixed income where rent gap and rent change are the highest contributing factors to potential displacement.

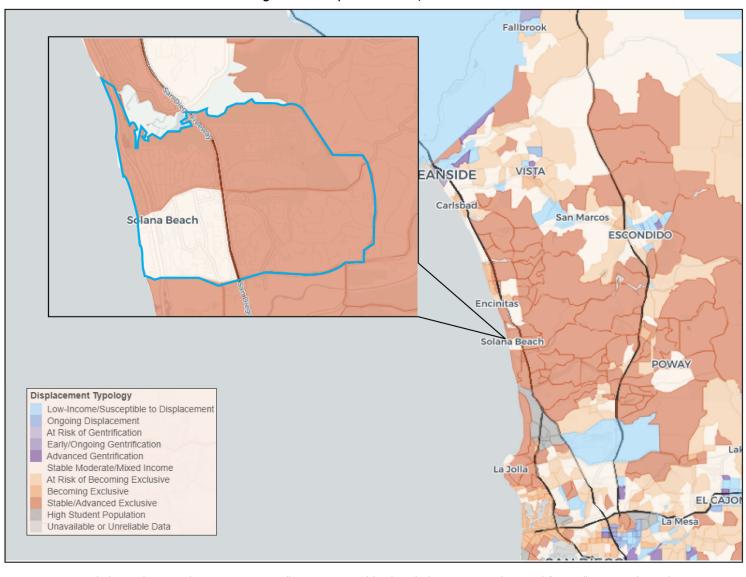


Figure 3-19: Displacement Risk, Solana Beach

Source: UC Berkeley, Urban Displacement Project, "Mapping Neighborhood Change in Southern California." Accessed October 28, 2021

## **Deed Restricted Units**

Affordable covenants help to ensure that certain housing units remain affordable for an extended period. Covenants help balance the housing market in a community and provide lasting affordable options to low and very low-income households. The City of Solana Beach has multiple housing projects which include units with affordability covenants, as shown below in **Table 3-36**.

Table 3-36: Affordable Housing in Solana Beach						
Address	Project Name	No./Type of Affordable Units	Deed Restricted	Type of Subsidy	Date of Covenant Expiration	Monitoring Agency
748 Fresca	Shannon	1 A.L.U./ Low	Yes	Code Incentive	Perpetuity	City of Solana Beach
624 Ridgeline Place	Prestera	1 A.L.U./ Low	Yes	Code Incentive	Perpetuity	City of Solana Beach
403, 405, 407 N. Cedros Ave.	Cedros Seaside	3 Owner/ Very Low	Yes	Inclusionary	2060	City of Solana Beach
313 San Lucas Drive	Short	1 A.L.U.	No	Code Incentive	N/A	City of Solana Beach
348 South Rios	Baniaga	1 A.L.U.	No	Code Incentive	N/A	City of Solana Beach
725 Seabright Lane	Dunn	1 A.L.U.	No	Code Incentive	N/A	City of Solana Beach
703 Seabright Lane	Oliver	1 A.L.U./ Low	Yes	Code Incentive	Perpetuity	City of Solana Beach
305 N. Rios Ave	North Rios Partners	1 Owner/ Very Low	Yes	Density Bonus	2059	City of Solana Beach
548 N. Rios Ave.	Kwasny	1 A.L.U./ Low	Yes	Code Incentive	Perpetuity	City of Solana Beach
930 Via Mil Cumbres and 435 Bay Meadows	North Rios Project	2 Owner/ Low	Yes	Inclusionary	2028	City of Solana Beach
726 N. Granados	Billington	1 A.L.U.	Yes	Code Incentive	Perpetuity	City of Solana Beach
805 Valley Avenue	Silverado Apartments	28 Rental/Senior	No	Section 8	N/A	County HCD
859-863 Vera St.	Las Casitas De Solana	3 Very Low	Yes	County Loan	Perpetuity	County HCD
222 Helix Ave.	Helix Ave.	1 Low	Yes	Inclusionary	2019	City of Solana Beach

#### Cost of Preservation

Jurisdictions are required by State Housing Element Law to analyze assisted housing that may convert from lower income to market rate housing over the next 10 years. State law identifies housing assistance as a rental subsidy, mortgage subsidy or mortgage insurance to an assisted housing development. Government assisted housing may convert to market rate housing for several reasons, including expiring subsidies, mortgage repayments, or expiration of affordability restrictions. This section will provide:

- An inventory of assisted housing units that are at risk of converting to market-rate housing,
- An analysis of the costs of preserving and/or replacing these units,
- Resources that could be used to preserve at-risk units,
- Program efforts for preservation of at-risk housing units, and
- Quantified objectives for the number of at-risk units to be preserved during the Housing Element planning period.

#### Inventory of Units at Risk

There are 15 deed-restricted units in the city, located on 10 properties. Six units are owner-occupied, and the rest are rentals. Of the 15 units, 3 are considered at-risk for conversion to market rate in the 2021-2029 planning period. Housing element law requires jurisdictions to provide an analysis and program for preserving affordability of assisted housing developments.

Table 3-37: Units "At-Risk" of Conversion (2021-2031)							
Project Name	Earliest Possible Date of Conversion						
Helix Ave	Units 1	Inclusionary	2019				
North Rios Project	2	Inclusionary	2028				
Total Units 3							
Source: City of Solana beach							

The City has provided policy programs in **Section 4: Housing Plan** that address the preservation of the units listed in the table above.

#### Cost of Preservation

There are many options for preserving units including providing financial incentives to project owners to extend lower-income use restrictions, purchasing of affordable housing units by a non-profit or public agency, or providing local subsidies to offset the difference between the affordable and market rate units. The strategy scenario considered below provides local rental subsidy to residents. The rent subsidy scenario would provide financial assistance to residents if their affordable units converted to market rate. To determine the subsidy needed, Fair Market Rents were compared to market rate rents.

Table 3-38: 2020 HUD Fair Market Rent				
Size of Unit	Fair Market Rent			
Efficiency	\$1,895			
1-Bedroom	\$2,095			
2-Bedroom	\$2,690			
3-Bedroom	\$3,735			

Source: HUD FY 2022 Fair Market Rent Documentation System – San Diego County – Solana Beach, average for Zip Codes 92075 and 92014.

Table 3-39: Estimated Monthly Subsidy to Preserve "At-Risk" Units						
	Monthly		Number of		Monthly	Annual
Unit Size	Fair Market Rents <sup>1</sup>	Market Rate <sup>2</sup>	Units At-Risk	Difference	Subsidy	Subsidy
Efficiency	\$1,895	NA	0	\$	\$	\$
1-Bedroom	\$2,095	\$2,432	3	\$337	\$1,011	\$4,044
2-Bedroom	\$2,690	\$ 3,476	0	\$786	\$	\$
3-Bedroom	\$3,735	\$ 5,922	0	\$2,187	\$	\$
					TOTAL	\$4,044

#### Source:

- 1. HUD FY 2022 Fair Market Rent Documentation System San Diego County Solana Beach, average for Zip Codes 92075 and 92014.
- 2. Kimley-Horn and Associate Analysis based on apartments listed for rent across 10-15 properties on September 10, 2021.

#### Cost of Replacement

The City of Solana Beach may also consider the cost of replacing the units with new construction. Construction cost estimates include all hard and soft costs associated with construction in addition to per unit land costs. The analysis assumes the replacement units are apartments with concrete block with steel frame buildings and parking provided on-site. Square footage estimates are based on estimated size of units to be replaced and assume housing units are developed on multi-family zoned properties. Land costs have been determined on a per unit basis.

Table 3-40: Replacement Cost by Unit Type						
Size of Unit Cost Per Square Foot <sup>1</sup> Average Square Foot/Unit <sup>2</sup> Replacement Cost/Unit <sup>3</sup>						
Efficiency	\$129	NA	\$			
1-Bedroom	\$129	715	\$92,235			
2-Bedroom	\$129	1,107	\$142,803			
3-Bedroom	\$129	1,759	\$226,911			

#### Source:

- 1. International Code Council February 2020 Report.
- 2. Kimley-Horn and Associate Analysis based on apartments listed for rent across nine properties on August 11, 2021.
- 3. Includes financing and land acquisition costs of \$30,000 per unit.

Table 3-41: Replacement Cost of "At-Risk" Units						
Size of Unit Replacement Cost/Unit Number of Units Total Replacement Co						
Efficiency	\$	0	\$			
1-Bedroom	\$92,235	3	\$276,705			
2-Bedroom	\$142,803	0	\$			
3-Bedroom	\$226,911	0	\$			
	\$ 276,705					

#### Resources to Preserve "At Risk" Units

A variety of programs exist to help cities acquire, replace, or subsidize at-risk affordable housing units. The following summarizes financial resources available:

- Community Development Block Grant (CDBG) CDBG funds are awarded to cities on a formula basis for housing activities. The primary objective of the CDBG program is the development of viable communities through the provision of decent housing, a suitable living environment and economic opportunity for principally low- and moderate-income persons. Eligible activities include administration, fair housing, energy conservation and renewable energy sources, assistance for economic development, public facilities and improvements and public services.
- HOME Investment Partnership Local jurisdiction can receive funds by formula from the Department of Housing and Urban Development (HUD) to increase the supply of decent, safe, sanitary, and affordable housing to lower income households. Eligible activities include housing acquisition, rehabilitation, and development, homebuyer assistance, and rental assistance.
- Section 8 Rental Assistance Program The Section 8 Rental Assistance Program provides rental assistance payments to owners of private, market rate units on behalf of very low-income tenants, senior citizens, disabled and/or handicapped persons, and other individuals for securing affordable housing.
- Section 202/811 Program Non-profit and consumer cooperatives can receive no-interest capital advances from HUD under the Section 202 program for the construction of very low-income rental housing with the availability of supportive services for seniors and persons with disabilities. These funds can be used in conjunction with Section 811, which can be used to develop group homes, independent living facilities and immediate care facilities. The capital advance funding can also provide project rental assistance for the properties developed using the funds. Eligible activities include acquisition, rehabilitation, new construction, and rental assistance.
- California Housing Finance Agency (CalHFA) Multifamily Programs CalHFA's Multifamily Programs provide permanent financing for the acquisition, rehabilitation, and preservation of new construction of rental housing that includes affordable rents for low- and moderate-income families and individuals. One of the programs is the Preservation Loan program which provides acquisition/rehabilitation and permanent loan financing designed to preserve or increase the affordability status of existing multifamily housing projects.
- Low-Income Housing Tax Credit (LIHTC) This program provides tax credits to individuals and corporations that invest in low-income rental housing. Tax credits are sold to those with high tax liability and proceeds are used to create housing. Eligible activities include new construction, rehabilitation, and acquisition of properties.
- California Community Reinvestment Corporation (CCRC) The California Community Reinvestment Corporation is a multifamily affordable housing lender whose mission is to increase the availability of affordable housing for low-income families, seniors, and residents with special needs by facilitating private capital flow from its investors for debt and equity to developers of affordable housing. Eligible activities include new construction, rehabilitation, and acquisition of properties.

Permanent Local Housing Allocation (PLHA) - PLHA funds are a permanent source of funds approved by the state legislature in 2019, and will vary from year to year, since it is generated from real estate transaction fees. PLHA funds can be used for the development of affordable rental and for-sale housing opportunities.

#### Assessment of Contributing Factors for Affirmatively Furthering Fair Housing in Solana Beach

The AI does not identify impediments to fair housing specific to Solana Beach, however some of the regional impediments to fair housing identified within jurisdictions in San Diego County may assist Solana Beach in opening the community up to a broader range of future residents:

- Fair housing information needs to be disseminated through many media forms to reach the targeted groups.
- Hispanics and Blacks continue to be under-represented in the homebuyer market and experience large disparities in loan approval rates.
- Housing choices for special needs groups, especially persons with disabilities and seniors, are limited.
- Fair housing enforcement activities, such as random testing, are limited
- Patterns of racial and ethnic concentration exist in the region, although there are no racially or ethnically concentrated areas of poverty in Solana Beach.

The analysis conducted in this section regarding fair housing issues within Solana Beach yielded the following conclusions:

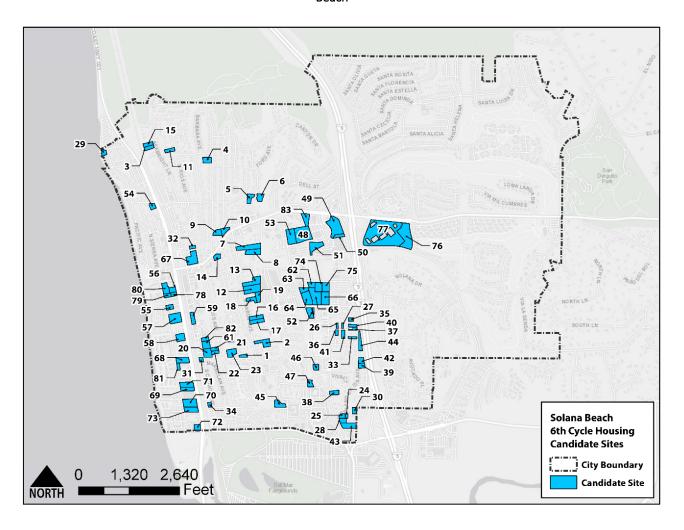
- There are no racial of ethnic groups in the City of Solana beach that experience high rates of segregation. However, both the Black and Hispanic or Latino residents are considered to currently experience or have experienced moderate segregation according to the dissimilarity index analysis.
- There are no racially or ethnically concentrated census tracts (RECAPs) within Solana Beach as identified by HUD within the 2020 County of San Diego Analysis of Impediments (AI). This indicates that there are no census tracts within Solana Beach with a non-white population of 50 percent or more or any census tracts that have a poverty rate that exceeds 40 percent or is three or more times the average tract poverty rate for the metropolitan/micropolitan area.
- The UC Davis Regional Opportunity Index shows that the majority of residents within Solana Beach have a high level of access to opportunity throughout the majority of the City, with all census tracts showing the highest level of access to opportunity. Additionally, analysis of the TCAC/HCD opportunity Area Maps show that all census tracts in Del Mar are classified with the "Highest Resource" designation. This indicates that these census tracts are within the top twenty percent in the region in terms of areas that lower-income residents may thrive if given the opportunity to live there.
- The City has demonstrated the ability to meet the anticipated future affordable housing needs of the community through the designation of sites to meet the very low and low income RHNA need (Appendix B) These sites are dispersed throughout the community.
- The City has two projects with a total of three affordable units currently at risk of conversion to market rate, the total cost of preservation of these units its \$4,044 annually. The cost to replace the units is \$279,705

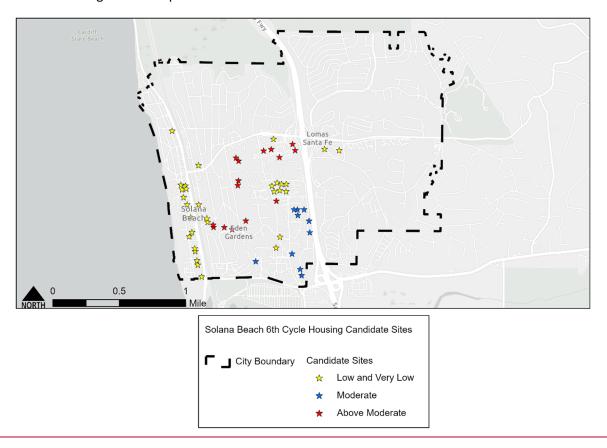
#### Analysis of Sites Pursuant to AB 686

AB 686 requires that jurisdictions identify sites throughout the community in a manner that is consistent with its duty to affirmatively further fair housing. The site identification requirement involves not only an analysis of site capacity to accommodate the RHNA, but also whether the identified sites serve the purpose of replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Figure 3-20: Existing and Proposed Affordable Housing Location Housing Element Candidate Housing Sites in Solana

Beach





**Figure 3-21** shows the proposed candidate sites to meet the very low and low income RHNA for Solana Beach in relation to the location of residents of Hispanic origin. The City of Solana Beach is relatively small in size with the majority of housing opportunity areas, including areas with higher access to vital goods, services, and public transportation, are located within the downtown areas. As such, these are ideal areas for the City to focus much of its future housing growth. It is anticipated that accessory dwelling unit growth, including growth for affordable ADUs, will occur in the less dense areas of the community.

#### Figure 3-21 shows the following findings:

- 38 proposed (totaling 601 potential units, or 68.7 percent of the total potential units) sites to accommodate the City's RHNA allocation are located within block groups that have a percentage of the population that identifies as Hispanic greater than 13 percent
- 26 proposed sites to accommodate the City's RHNA allocation (totaling 84 potential units, or 9.6 percent of the total potential units) are located within block groups that have a percentage of the population that that identifies as Hispanic between 10 percent and 13 percent
- 14 proposed sites to accommodate the City's RHNA allocation (totaling 186 potential units, or 21.2 percent of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic between 7 percent and 10 percent
- 4 proposed sites to accommodate the City's RHNA allocation (totaling 4 potential units, or 0.4 percent of the total potential units) are located within block groups that have a percentage of the population that identifies as Hispanic between 2 percent and 7 percent

The data shows that the proposed candidate sites to meet the very low and low income RHNA need are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. As shown in **Figure 3-21**, the distribution of proposed units does not disproportionately impact areas with larger concentrations of the Hispanic population.

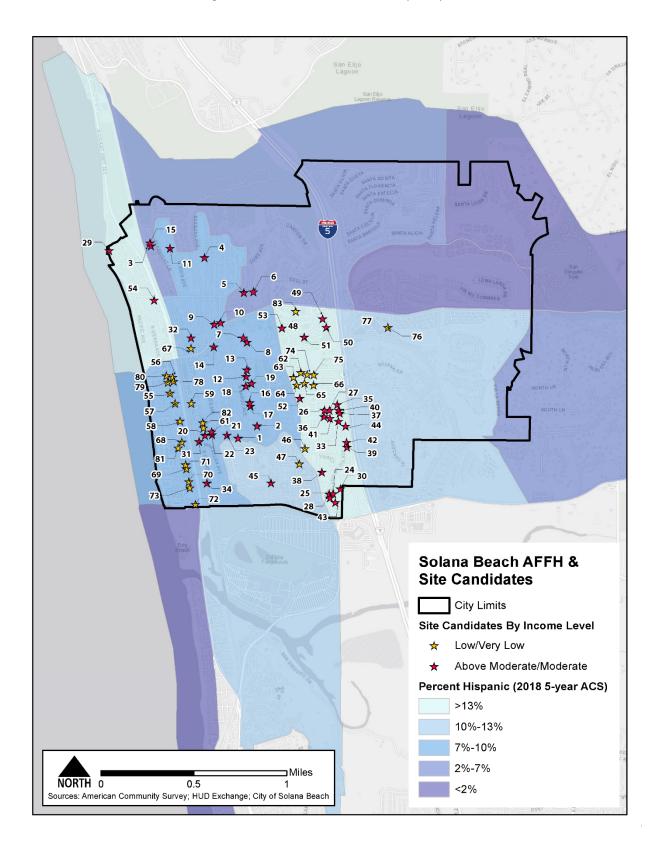
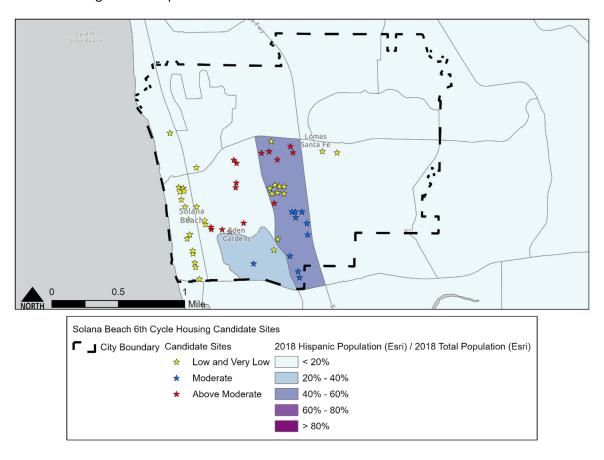


Figure 3-21: Candidate Sites – Ethnicity Analysis



**Figure 3-22** shows location of proposed candidate sites to meet the very low and low income RHNA for Solana Beach in in comparison with census data showing the percentage of the population within each block group that is non-white.

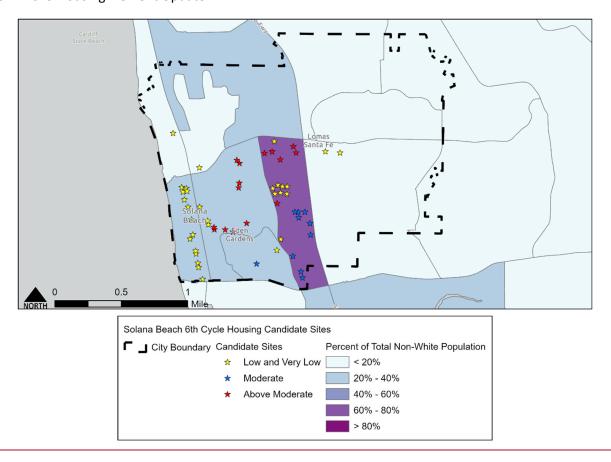
#### Figure 3-22 shows the following findings:

- 16 proposed sites to accommodate the City's RHNA allocation (totaling 427 potential units, or 48.8 percent of the total potential units) are located within block groups that have a percentage of the population that is non-white greater than 10 percent
- 38 proposed sites to accommodate the City's allocation (totaling 371 potential units, or 42.4 percent of the total potential units) are located within block groups that have a percentage of the population that is non-white between 5 percent and 10 percent
- 20 proposed sites to accommodate the Low and Very Low RHNA allocation (totaling 51 potential units, or 5.8 percent of the total potential units) are located within block groups that have a percentage of the population that is non-white between 4 percent and 5 percent
- 8 proposed sites to accommodate the Low and Very Low RHNA allocation (totaling 26 potential units, or 3.0 percent of the total potential units) are located within block groups that have a percentage of the population that is non-white between 1 percent and 4 percent

The data shows that the proposed candidate sites to meet the very low and low income RHNA need are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. As shown in **Figure 3-22**, the distribution of proposed units does not disproportionately impact areas with larger concentrations of Non-white populations.

Solana Beach AFFH & Site **Candidates** City Limits Site Candidates By Income Level Low/Very Low Above Moderate/Moderate Percent Non-White (2018 5-year ACS) >10% 5%-10% 4%-5% 1%-4% 0.5 <1% Sources: American Community Survey; HUD Exchange; City of Solana Beach

Figure 3-22: Candidate Sites – Racial Analysis



**Figure 3-23** shows location of proposed candidate sites to meet the very low and low income RHNA for Solana Beach in in comparison with census data showing the percentage of the population within each block group who is categorized as low income by the American Community Survey.

#### **Figure 3-23** shows the following findings:

- 32 proposed sites to accommodate the City's RHNA allocation (totaling 338 potential units, or 38.6% of the total potential units) are located within block groups that have a percentage of the population that is low income between 27 and 41 percent.
- 16 proposed sites to accommodate the City's RHNA allocation (totaling 199 potential units, or 22.7% of the total potential units) are located within block groups that have a percentage of the population that is low income between 19 and 27 percent.
- 30 proposed sites to accommodate the City's RHNA allocation (totaling 88 potential units, or 10.1% of the total potential units) are located within block groups that have a percentage of the population that is low income between 13 and 19 percent.
- 4 proposed sites to accommodate the City's RHNA allocation (totaling 250 potential units, or 28.8% of the total potential units) are located within block groups that have a percentage of the population that is low income less than 13 percent.

The data shows that the proposed candidate sites to meet the very low and low income RHNA need are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit. As shown in **Figure 3-23**, the distribution of proposed units does not disproportionately impact any specific regions within the community as well as provided increased opportunities for low-income housing in areas with higher rates of low-income persons.

Solana Beach AFFH & Site **Candidates** City Limits Site Candidates By Income Level Low/Very Low Above Moderate/Moderate Low and Moderate Income Summary Percent Low-Income Persons (2015 5-year ACS) > 22% 16%-22%

Figure 3-23: Candidate Sites – Income Level

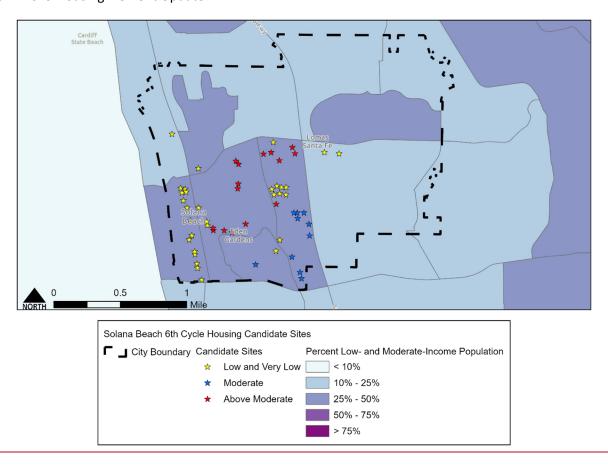
0.5

Sources: American Community Survey; HUD Exchange; City of Solana Beach

NORTH o

10%-16% 9%-10%

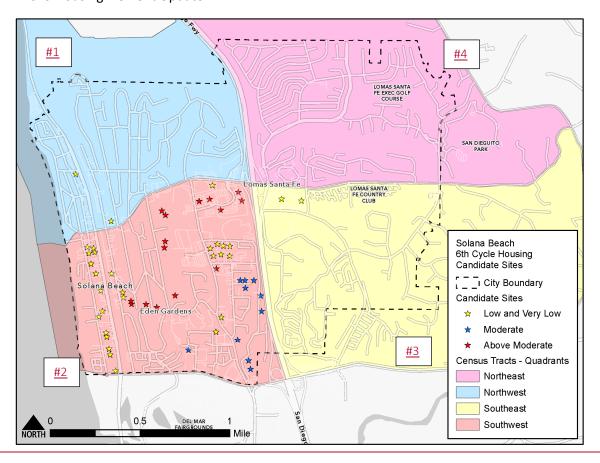
< 9%



## **Candidate Sites Location Analysis**

This analysis reviews fair housing findings in comparison to the location of candidate sites organized into four focus areas shown in **Figure 3-24**. Candidate sites were selected based on the availability of land, development interest and feasibility, and access to services and resources.

Figure 3-24: Candidate Sites – Focus Areas



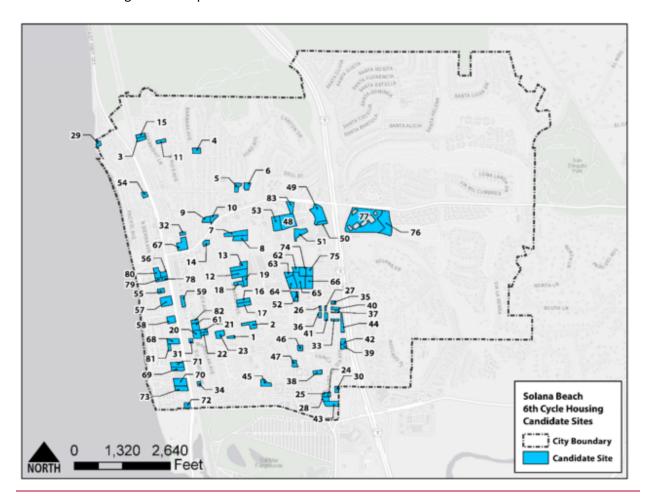


Table 3-42: RHNA by Geographic Quadrant						
Geographic Area	Low- /Very-Low Income	Moderate- Income	Above Moderate- Income	<u>Total</u>		
Focus Area 1: Northwest	<u>36</u>	<u>0</u>	<u>0</u>	<u>36</u>		
Focus Area 2: Southwest	<u>338</u>	<u>32</u>	<u>202</u>	<u>572</u>		
Focus Area 3: Southeast	<u>241</u>	<u>0</u>	<u>0</u>	<u>241</u>		
Focus Area 4: Northeast	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		

#### Focus Area #1 Northwest

The analysis within the Fair Housing section shows that this portion of the City may currently be fairly inaccessible to low-income households. The area is identified as an RCAA with a "Stable/Advanced Exclusive" displacement rating, and the area shows 40 to 60 percent of renters overpay. However, the area in which the candidate sites are located are very highly rated for access to transit as it is bordered by the San Diego Freeway (5 Freeway) and Highway 101, as well as both the Coaster and Pacific Surfliner rail lines. The location of candidate sites in this Focus Area one creates for ideal opportunities for affordable housing development in areas of high resource.

<u>Table 3-42</u> shows the two identified candidate sites in Focus Area #1. North of Lomas Santa Fe Drive is the location of one of the candidate sites that has a total of 28 units designated to low-/very-low income. The second candidate site is located a couple of blocks north of the first site. The second candidate site has 8 units and is also designated to low-

/very-low income. Furthermore, ILocated in close proximity to the candidate sites within the Focus Area one are a variety of commercial and retail uses, medical and dental offices, restaurants, Skyline Elementary School, the Solana Beach train station, Fletcher Cove Community Center, and the beach. Bus routes 101 and 308 also run through the Focus Area. This Focus Area would be positively influenced from the development of affordable housing.

Table 3-42: Focus Area Three RHNA				
Low- /Very-Low Income	Moderate-Income	Above Moderate- Income	<u>Total</u>	
<u>&amp;</u>	<u>0</u>	<u>0</u>	<u>&amp;</u>	
<del>28</del>	<u>0</u>	<u>0</u>	<del>28</del>	

#### Focus Area #2 Southwest

Focus Area #2 is highly rated in terms of access to opportunities and access to public transportation. The area is bordered by Highway 101 and Interstate 5. As a result, this area is top rated for access to public transportation. Bus route 101 passes through the area, providing transit options to residents. The area is comprised of a wide variety of commercial and retail uses, including the Solana Beach Towne Centre, as well as restaurants, offices, and medical and dental offices. A number of schools are located within Focus Area #2 – Earl Warren Middle School, Santa Fe Christian Schools, and St. James Academy. The Highway 101 corridor offers a large variety of commercial and retail needs, as well as employment opportunities. There are a number of hotels and motels along Highway 101, as well as restaurants, coffee shops, offices, medical and dental offices, and Solana Beach City Hall. Bus route 101 also passes through the area, providing transit options to residents. The existing infrastructure and past mixed-use development trends have created an area which can support development at the default density and provide resources that support the needs of low-income households.

The analysis within the Fair Housing section shows the area has the highest proportion of female-headed households with children and no spouse present (20 to 40 percent). The highest concentration of the Hispanic population was identified East of the Interstate 5 (40 to 60 percent) and East of Highway 101 (20 to 40 percent). The distribution of the proposed units doesn't disproportionately impact areas with higher concentrations of the Hispanic population. This focus area was also identified to have the have the highest population of low- and moderate-income population (25 to 50 percent). Focus Area #2 borders Highway 101 and as a result is top rated for access to public transportation. The analysis within the Fair Housing section shows the area has the lowest proportion of children in married couple households (40 to 60 percent) and the highest proportion of female headed households with children and no spouse present (20 to 40 percent). The median income of the area to the west of Highway 101 is the lowest in the City at less than \$87,100 in 2020; the area to the east reports a median income of less than \$125,000. In terms of residential uses, the area to the west of Highway 101 is entirely made up of multi-family developments, while the area to the east also includes some single family neighborhoods.

The Highway 101 corridor offers a large variety of commercial and retail needs, as well as employment opportunities. There are a number of hotels and motels along Highway 101, as well as restaurants, coffee shops, offices, medical and dental offices, and Solana Beach City Hall. Bus route 101 also passes through the area, providing transit options to residents. The existing infrastructure and past mixed use development trends have created an area which can support development at the default density and provide resources that support the needs of low income households.

Table 3-42 shows the RHNA in Focus Area #2. This area has the most amount of candidate sites as it was identified to have the highest access to opportunities and access to public transportation. In total, there are 572 units allocated to Focus Area #2. Of the total, 338 units are designated for Low-/Very-Low Income, 32 for moderate-income, and 202 units for above moderate-income. Focus Area #2 has the highest amount of RHNA and at a variety of income levels due to the areas diverse characteristics.

#### Focus Area #3 Southeast

Focus Area #34 is comprised of the Lomas Sante Fe shopping center. The surrounding area and residential neighborhoods are identified as RCAAs as well as "Stable/Advanced Exclusive." As with the three other focus areas, the City is rated highest for access to opportunity, environmental quality, and economic and educational quality. However, this Focus Area #4 is rated low for access to public transportation. Access to the 208 bus route is available on the other side of the San Diego Freeway and the train station is located to the west down Lomas Santa Fe Drive.

Table 3-42 shows the RHNA distribution by the different income categories. There are two candidate sites located inside of the Lomas Sante Fe shopping center. In total, the two sites will have 241 units designated to low/very-low income. Given existing commercial and retail uses as well as employment opportunities, the location of new affordable units here would provide for mixed-use residential development and decrease the need to travel far. As such, the development of affordable units in this area will create increased access for lower-income households.

Focus Area #3 offers the largest selection of candidate sites. The area is highly rated in terms of access to opportunities and access to public transportation. Similar to Focus Area #2, 20 to 40 percent of households here are female-headed with children and no spouse present. Housing costs trend a little higher with 40 to 60 percent of homeowners overpaying and 60 to 80 percent of renters overpaying. Overall, the area is an ideal location for new, affordable housing developments to provide an affordable housing option.

The area is comprised of a wide variety of commercial and retail uses, including the Solana Beach Towne Centre, as well as restaurants, offices, and medical and dental offices. A number of schools are located within Focus Area #3—Earl Warren Middle School, Santa Fe Christian Schools, and St. James Academy.

Table 3-44: Focus Area Three RHNA				
Low /Very Low Income	Moderate Income	Above Moderate Income	<del>Total</del>	
<del>178</del>	<u> </u>	<u><del>0</del></u>	<del>178</del>	
<u>63</u>	<u>0</u>	<u> </u>	<del>63</del>	

#### Focus Area #4 Northeast

Focus Area #4 is comprised of the Lomas Sante Fe shopping center. The surrounding area and residential neighborhoods are identified as RCAAs as well as "Stable/Advanced Exclusive." As with the three other focus areas, the City is rated highest for access to opportunity, environmental quality, and economic and educational quality. However, this Focus Area #4 is rated low for access to public transportation. Access to the 208 bus route is available on the other side of the San Diego Freeway and the train station is located to the west down Lomas Santa Fe Drive. Given existing commercial and retail uses as well as employment opportunities, the location of new affordable units here would provide for mixed use residential development and decrease the need to travel far. As such, the development of affordable units in this area will create increased access for lower income households. Focus Area #4 consist of

#### **Remaining Areas Within the City**

the remaining area within the City is-located primarily east of Interstate 5. These areas are largely single-family residential neighborhoods and have limited access to public transit, resources, and jobs for residents who do not have a personal vehicle. The City analyzed this area for potential affordable housing options during the sites analysis portion of the development of the Housing Element and determined that due to the proximity to resources and the small parcel sizes, it was unlikely that parcels here would realistically redevelop for housing at the required densities within the planning period. It was determined that a focus on Accessory Dwelling Unit (ADU) production in this area was the most realistic approach to new affordable housing units. This is supported by the actions described in Housing Program 1B.

# 5. Summary of Fair Housing Analysis

The City of Solana Beach is identified as a high resource area with increased economic, civic life, health, and transit opportunities and access. The existing demographic of the community of Solana Beach are higher income residents which can be attributed to the high opportunities of the area. The City of Solana Beach also has a high tourist seasons and offers a variety of retail and tourist based economic opportunities. The City is committed to creating channels to open opportunities to residents in surrounding communities, especially those who work in Solana Beach.

#### **Local Contributing Factors**

The regional AI outlines the following local characteristics which can contribute to fair housing issues in Solana Beach:

- Housing Age and Condition Section 2.F.4 of this Housing Element analyzes the housing stock within the City of Solana Beach. The analysis found that 46.2 percent of all housing in Solana Beach was built between 1970 and 1978. Only about 4 percent units in Solana Beach built after 2000, and about 2 percent in 2014 or later. From 2019 to 2020 a total of 81 code enforcement reports were filed related to dilapidated properties or property maintenance. None of the 81 reports were related to substandard living/housing conditions. Similarly, the housing stock in the San Diego region is older, with majority of the housing units (54 percent) built before 1979 and is at least 40 years old. Home rehabilitation can be an obstacle for senior homeowners with fixed incomes and mobility issues.
- Housing Cost and Affordability Section 2.F.5 of this Housing Element analysis the cost and affordability of housing within the City of Solana Beach. The cost of homeownership varies within San Diego County depending on the community. According to the regional AI, in 2019, the median sales price for homes in San Diego County was \$594,909, an increase of 38 percent from 2014. Home prices vary by area/jurisdiction, with very high median prices in coastal areas such as in Solana Beach where the median cost of a home was \$1,103,900 in 2017, (56% higher than the County median).
- Location and Type of Affordable Housing The City of Solana Beach is an affluent community, with higher resident incomes and costs living compared to the San Diego Region. The City also has a lot commercial and retail industries specifically related to tourism. According to census data retail and tourism related occupations offer lower income salaries. While the City of Solana Beach employs persons in the retail, service and tourism industries, there is no affordable housing to accommodate these potential needs. Therefore, persons working in these industries may not have the opportunity to live in the city they work in. **Program 1E** in the **Section 4:** Housing Plan identifies strategies to support and increase the opportunity for affordable housing for lower income persons who work in Solana Beach.
- Access to Opportunities for Persons with Disabilities Affordability, design, location, and discrimination limit the supply of housing for persons with disabilities. Amendments to the Fair Housing Act, as well as state law, require ground-floor units of new multifamily construction with more than four units to be accessible to persons with disabilities. However, units built prior to 1989 are not required to be accessible to persons with disabilities. Noted above, more than half of the Solana Beach Housing stock was built prior to 1989 creating challenges to finding adequate and accessible housing for persons with disabilities. Program 4F in the Section

- **4:** Housing Plan identifies strategies to support reasonable accommodation and increase the opportunity for housing for persons with disabilities.
- Racially Concentrated Areas of Affluence (RCAAs) the City as a whole has a very high median income, which is approximately \$30,000 greater than that of San Diego County, as well as a high White population. As such, three of the City's four census tracts are identified as RCAAs. As a result, specific actions have been added in Program 4A to facilitate the development of units are a variety of affordability levels and types, as well as to affirmatively market the availability of units to residents and communities which may not otherwise know. This is intended to ensure the City is accessible to all income levels and backgrounds.

#### Analysis of Fair Housing Priorities and Goals

The City is committed to furthering fair housing through the implementation of several policies located within the City's Housing Plan. The primary method for this is through identifying sites which can accommodate the City's very low and low income RHNA need, as demonstrated in **Appendix B**. Other programs that affirmatively further fair housing include:

- Program 1B, to promote the development of accessory dwelling units and junior accessory dwelling units;
- Program 1D, to establish a program to convert existing, non-permitted accessory dwelling units to legal units;
- **Program 1E**, to continue to implement the City's affordable housing ordinance;
- **Program 4B**, to update the City's Municipal Code to permit emergency, transitional, and supportive housing as a matter of right in appropriate zoning districts per State law;
- **Program 4C**, to accommodate development that provides housing opportunities for residents with physical and developmental disabilities; and
- **Program 4D**, to work with the San Diego County Housing Authority to administer Section 8 Rental Assistance.

The City will monitor the effectiveness of these programs annually through the completion of their Annual Progress Reports (APRs).

# H. Evaluation of Previous Housing Element

The Housing Element must analyze the City's accomplishments during previous Housing Element planning periods. This section describes the City's progress in implementing the 2013 – 2021 Housing Element; the effectiveness of the Element; and the appropriateness of the Element's goals, objectives, and policies. It evaluates the City's progress in two contexts: 1) the City's progress towards meeting Coastal Zone requirements; and 2) the City's success in meeting its housing goals and program objectives. The second part of the analysis is included within **Appendix A** of the Housing Element as indicated below.

# 1. Evaluation of Progress towards Meeting Coastal Zone Requirements

Table 3-43542: Residential Development in Coastal Zone (1986 – 2019)					
Residential Development in the Coastal Zone	1986-1991	1991-1999	1999-2004	2005-2011	2011-2019
New Construction	86	51	37	82	71
New Low- and moderate- income housing	1	4	5	9	20
Demolished/converted low-and moderate-income housing	4	13	0	0	0
Replacement low- and moderate-income housing	0	0	5	0	0

# 2. Evaluation of Adopted Housing Element Goals and Programs

**Appendix A** of the Housing Element describes the City's progress in meeting the goals and policies of the latest adopted Housing Element; evaluates the effectiveness of each program; and describes the appropriateness of the goals, policies, and objectives. The results of this review and assessment were used to revise and update the proposed programs for 2021-2029 as described in **Section 4**.

# 3. Quantified Objectives in Past Housing Element Cycles

Housing Element law required that quantified objectives be developed with regard to new construction, rehabilitation, conservation and preservation activities that will occur during the 2013-2021 Housing Element cycle. **Table 3-4463** summarizes the City of Solana Beach's quantified objectives for the 2013-2021 Housing Element, **Table 3-4574** summarizes the City's actual accomplishments in construction, and **Table 3-4685** summarizes the City's accomplishments in housing rehabilitation.

Table 3-4 <u>46</u> 3: Historical Quantified Objectives (2013-2021 Planning Period)				
Income Level	New Construction	Rehabilitation	Conservation/Preservation	
Extremely Low Income	43	3		
Very Low Income	42	2		
Low Income	65		1	
Moderate Income	59			
Above Moderate Income	131			
Total	340	5	1	

#### **New Construction**

**Table 3-474** shows the City's progress in new construction through the end of 2019.

Table 3-4 <u>57</u> 4: Actual Units Constructed (2013-2021 Planning Period)				
1/1/2013 – 12/31/2019	Regional Share Goal	New Construction		
Extremely Low	43	0		
Very Low	42	0		
Low	65	6		
Moderate	59	14		
Above Moderate	131	51		
Total	340	71		

#### Rehabilitation

There was only one rehabilitated residential project that occurred within Solana Beach in the 5<sup>th</sup> cycle planning period. The project, known as Solana Mar, was completed in 2018 and included the rehabilitation of 132 market-rate residential units.

Table 3-4 <u>68</u> 5: Actual Rehabilitated Units (2013-2021 Planning Period)			
1/1/2013 – 12/31/2019	Rehabilitation		
Extremely Low			
Very Low			
Low			
Moderate			
Above Moderate	132		
Total	132		

#### **Conservation**

The City of Solana Beach identified two existing affordable units at-risk of converting to market rate during the current and future housing cycles. One of those units (North Helix) converted to market-rate during the 5<sup>th</sup> Cycle. The City engaged with the property owner of this unit to determine if a new affordability agreement could be put in place, but due to a lack of funding to assist the property owner and the property owner's lack of interest in maintaining the affordability on the unit, an agreement was not reached. The other unit identified was not at-risk during the 2013-2021 planning period.



# **Housing Plan**

# Section 4: Housing Plan

The Housing Plan describes the City of Solana Beach's 2021-2029 policy program. The Housing Plan describes the specific goals, policies, and programs to assist City decision makers to achieve the long-term housing objectives set forth in the Solana Beach Housing Element. This Plan identifies goals, policies, and programs aimed at providing additional housing opportunities, removing governmental constraints to affordable housing, improving the condition of existing housing, and providing equal housing opportunities for all residents. These goals, policies, and programs further the City's overall housing policy goal to inspire a more diverse, sustainable, and balanced community through implementation of strategies and programs that will result in economically and socially diversified housing choices that preserve and enhance the special character of Solana Beach.

# **Regional Housing Needs Assessment**

The San Diego Association of Governments (SANDAG) has conducted a Regional Housing Needs Assessment (RHNA) to determine the City's share of the affordable housing needs for the San Diego region. The RHNA quantifies Solana Beach's local share housing needs for the region by income category. Income categories are based on the most current Median Family Income (MFI) for San Diego County. The City's 2021-2029 RHNA growth need is as follows:

- 316 units Extremely low (less than 30% County MFI (< \$21,176)) and Very low-income (0-50% County MFI (< \$35,294))</li>
- 159 units Low-income (51-80% of County MFI (\$35,294-\$56,470))
- 160 units Moderate-income (81-120% of County MFI (\$56,470-\$84,706))
- 240 units Above moderate-income (120% or more of County MFI (>\$84.706)
   875 units Total

# A. Housing Goals

The City of Solana Beach has identified the following housing goals as part of this Housing Element Update:

**Housing Goal #1:** A range of housing strategies to accommodate Solana Beach's share across all income levels.

Housing Goal #2: Preserve and enhance the existing community and neighborhood quality and character.

**Housing Goal #3:** Reduce or eliminate constraints to the development, improvement, preservation, and maintenance of housing.

**Housing Goal #4:** Equal opportunities to access housing for all persons regardless of age, race, religion, sex, marital status, sexual orientation, ancestry, national origin, or disability.

**Housing Goal #5:** A sustainable approach to new and existing residential and mixed-use development through increased energy conservation and waste reduction.

The goals listed above are described below and on following pages with accompanying policies and programs to achieve them.

# B. Housing Policies and Programs

This Housing Element expresses the Solana Beach community's overall housing goals and supporting policies, quantified objectives, and housing programs to achieve them. The stated Housing Programs are based on a review of past performance of the prior Housing Element, analysis of current constraints and resources, and input from Solana Beach residents and stakeholders.

# Housing Goal #1: A range of housing strategies to accommodate Solana Beach's share across all income levels.

<u>Housing Policy 1.1:</u> Maintain sufficient land designated and appropriately zoned for housing to achieve a complimentary mix of single-family and multi-family development to accommodate Solana Beach's Regional Housing Needs Assessment (RHNA) growth needs throughout the planning period.

<u>Housing Policy 1.2:</u> Promote a variety of tenures, unit types, and locations of housing throughout the community.

Housing Policy 1.3: Encourage mixed-use development opportunities.

<u>Housing Policy 1.4:</u> Encourage the consolidation of adjacent parcels to facilitate multi-family residential development.

<u>Housing Policy 1.5:</u> Encourage development of local housing opportunities to serve the needs of the local workforce and their families.

Housing Policy 1.6: Encourage the production of Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADU) through incentivizing and streamlining development.

#### Housing Goal 1 – Implementing Programs

Housing Program 1A: Mixed-Use Development on Commercially-Zoned Sites

Due to the built-out nature of Solana Beach, there are very few vacant/underutilized residentially-zoned parcels in the City. The City is reliant upon vacant/underutilized commercial sites that can accommodate mixed-use development as a way to facilitate additional housing opportunities and permits mixed-use developments in all commercial zones. Solana Beach has two commercial zoning classifications that permit development at 20 dwelling units per acre, the City's default density for accommodating lower income housing development. As part of this Housing Element, the City has identified potential sites that are suitable for mixed-use development.

The City will conduct a stakeholder meeting consult with members of the development community within the first 24 months of the planning period to ensure that its development standards encourage mixed-use development. To the extent possible, the City will also identify possible actions to shorten the permitting process for mixed-use development such as through the use of CEQA exemptions for infill projects. The program will continue to be annually reviewed in the annual housing report.

Timeframe: Within 24 months of adoption of the 6th cycle Housing Element-Completed by December 2024.

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

<u>Housing Program 1B:</u> Promotion of Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Unit (JADU) Development

The City updated the Solana Beach Municipal Code to incorporate provisions of new State ADU law which expands where ADUs and JADUs can be constructed and removes barriers to the development of these units. ADU production has increased since incorporation of these new provisions and the City anticipates that ADUs will factor heavily into assisting the City in meeting their RHNA needs, as described in the Housing Resources section of this Housing Element.

The City will continue to incentivize and promote the construction of Accessory Dwelling Units, especially those that may be leased at affordable rates, through the following actions:

- Section 17.70.060 of the Solana Beach Municipal Code states that "The city manager is authorized to reduce city development impact fees by 75 percent for accessory dwelling units (ADU) processed consistent with SBMC 17.20.040(D), provided that a deed restriction for state law affordability provisions is recorded for the term of 99 years. (Ord. 500 § 5, 2019). The City will continue to provide this incentive to residents.
- The City will develop a permit ready ADU program for property owners to have pre-approved ADU plans by December 2024. This may be in coordination with a larger regional effort.
- Streamline ADU permit processing for ADUs that will provide a covenant of affordability. The City will
  determine the objective criteria needed for qualification for streamlining within 18 months of adoption of
  the Housing Elementby December 2024.
- Develop outreach collateral for public dissemination, including updates to the City's website, information at City Hall and via other appropriate print and digital media. The intent of this is to make sure residents are aware of this incentive and have information readily available that may ease the development of ADUs at affordable levels.
- Make revisions to the development code which make ADU development possible in sensitive areas of the City provided that criteria is met that shows the creation of an ADU will not be a detriment to sensitive habitat or other similar areas. The goal of this is to increase opportunities for ADU development within the City. Complete by April 2024.
- Research regional and State funding sources that may be available to assist property owners in building ADUs.
   The City will make information available to property owners if funding sources are identified.

The City anticipates this will assist in the development of 16 ADUs available at the lower income levels within the planning period. The City of Solana Beach has begun implementing some of the actions listed already prior to certification of the Housing Element.

Timeframe: Informational materials within 12 months of adoption of the 6<sup>th</sup> cycle Housing Element; Permit ready ADU program and streamlining measures <u>Timeframes as identified within the program objectives.</u> within 18 months of adoption of the 6<sup>th</sup> Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

## <u>Housing Program 1C:</u> Create ADU Monitoring Program

The City will create a monitoring program to track ADU and JADU creation and affordability levels throughout the planning period. This will allow the City to monitor the development of accessory units at all income levels. Additionally, the City will review their ADU and JADU development progress within 2 years of the adoption of the 6<sup>th</sup> cycle Housing Element to evaluate if production estimates are being achieved. If ADUs are not being permitted as assumed in the Housing Element, the City will take the action within 6 months of completion of the ADU review to ensure that adequate capacity at each income level in maintained to meet the City's RHNA needs. These actions may include identification of adequate sites to meet the City's identified unaccommodated need.

Timeframe: Completed by December 2024 Within 24 months of adoption of the 6th cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

Housing Program 1D: Conversion Program of Existing, Non-Permitted Accessory Dwelling Units

The City will continue to implement its illegal unit conversion program. This program allows homeowners with existing illegally established accessory dwelling units <u>bring them</u> to legal, permitted status. The City has historically permitted one illegal ADU per year during the 5<sup>th</sup> cycle and anticipates that they will continue at this pace. 8 ADU conversions are listed in the City's quantified objectives for the 2021-2029 planning period.

Timeframe: Conversion Program continued throughout planning period (2029) Ongoing

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 1E: Affordable Housing Program

The City will continue to implement its affordable housing ordinance as outlined in the Solana Beach Municipal Code. The purpose of this ordinance is to assist the City in meeting its share of the regional housing needs, to implement the City's General Plan and Housing elements relative to the provision of housing units for all economic sectors of its population, and to require affordable housing in both rental and for-sale housing consistent with provisions of the California Government Code. The City will monitor this program to identify any potential constraints and make any necessary adjustments to the ordinance to facilitate successful implementation of this program.

Timeframe: Ongoing Affordable Housing Program continued throughout planning period (2029)

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 1F: Candidate Sites Used in Previous Housing Elements

Pursuant to State Housing law, candidate sites identified in this Housing Element to accommodate a portion of the City's low- and very low-income RHNA that were identified in previously adopted Housing Elements must be rezoned to allow residential use by right at specified densities for housing developments in which at least 20 percent of the units are affordable to lower income households. By right shall mean the jurisdiction may not require any of the following discretionary actions, except if the project requires a subdivision:

- A conditional use permit
- A planned unit development permit
- Other discretionary, local-government review or approval that would constitute a "project"

The City may impose objective design review standards on projects. The City has identified as part of this Housing Element update vacant and nonvacant sites that were used in previous Housing Elements to meet the current RHNA need. To accommodate the provisions of State law, the City shall place a housing overlay zone over all nonvacant sites included in a prior Housing Element and all vacant sites included in two or more consecutive planning periods that permits by right development for projects that meet the requirements of State housing law. These sites are identified in **Appendix B**.

Timeframe: Within 36 months of adoption of the 6<sup>th</sup> Cycle Housing Element Completed by December 2025. In the interim, the City will process proposals by right for projects with 20% affordability pursuant to Gov Code 65583.2(c).

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 1G: Federal and State Funding Programs

The City will review Federal and Setate housing financing and subsidy programs for their potential availability to Solana Beach. If the programs could be reasonably thought to be available to Solana Beach, the City would work with the appropriate developers and non-profits to support feasible funding application(s). This program also will entail the provision of City staff assistance to developers of housing for lower income housing and assessing the potential to match their projects to applicable federal and state programs. Included in this assistance would be pre-application meetings and helping the applicant with identifying potential approaches to address design and site requirements.

Timeframe: Research available Federal and State housing financing and subsidy programs on an annual basis.

Assist applicants of low-income housing developments as they are submitted to the City. Pre-application meetings offered within one month of request. Ongoing/Annually

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### **Housing Program 1H:** Manufactured Housing

State law (Government Code Section 65852.3) requires that the city's zoning code allows and permits manufactured housing in the same manner and in the same zone as conventional structures are permitted. Specifically, manufactured homes should only be subject to the same development standards that a conventional single-family residential dwelling on the same lot would be subject to. In order to comply with State law, the City will amend the Solana Beach Municipal Code to define manufactured housing and mobile homes consistent with State law and identify the zone(s) where such housing is permitted. The City will also ensure that the requirements for manufactured homes are the same as a conventional single-family dwelling unit in the same zone.

Timeframe: Within 24 months of adoption of the 6<sup>th</sup> Cycle Housing Element Completed by December 2024.

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 11: Update Density Bonus Ordinance

Government Code Section 65915 requires that a jurisdiction adopt a local Density Bonus Ordinance consistent with State law. State Density Bonus Law requires a local jurisdiction to grant an increase in density, if requested by a developer, for providing affordable housing as part of a development project. Key provisions of the law include incremental density bonuses that correspond to the percentage of housing set aside as affordable units. State law caps the maximum density bonus at 35 percent and allows the developer to request up to three incentives or concessions, if required to provide the affordable units. The law also provides reduced parking requirements and allows requests for waivers of development standards, such as increased height limits and reduced setback requirements. The developer must provide reasonable documentation demonstrating that incentives reduce costs to provide for affordable units; and that waivers are required because the usual standards physically preclude the project from achieving the allowed density and incentives.

To comply with State Density Bonus law, the City will amend the ordinance as needed to ensure that its local ordinance remains consistent with State law but will apply current state law even before local amendments are adopted. The City commits to continue to review and approve requests under State Density Bonus Law (including requests for incentives, concessions, waivers, and parking reductions) so that projects that qualify are not prevented from developing at the densities to which they are entitled.

Timeframe: Completed by December 2024. Within 24 months of adoption of the 6<sup>th</sup> Cycle Housing Element Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

<u>Housing Program 1J:</u> Update Solana Beach Municipal Code to be Consistent With Ordinance 508 (Accessory Dwelling Units)

The City will amend the Municipal Code to be consistent with the newly adopted Ordinance 508 regarding. The City's current municipal code is consistent with the language in Ordinance 508 with the exception of the terminology used, which revised the language from Accessory Living Units (ALUs) to Accessory Dwelling Units (ADUs). Within 12 months of adoption of the Housing Element, the City will amend the appropriate sections of the Municipal Code for consistency.

Timeframe: Completed by April 2024. Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

<u>Housing Program 1K:</u> Amend Table 17.12.020-A of the Solana Beach Municipal Code Regarding Transitional and Supportive Housing

The City will amend Table 17.12.020-A of the Solana Beach Municipal Code to show that transitional and supportive housing are permitted uses where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code 65651.

Timeframe: Completed by April 2024. Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

<u>Housing Program 1L:</u> Amend the Solana Beach Municipal Code to define Employee Housing so that it is compliant with Sections 17021.5 and 17021.6 of the Employee Housing Act

The City will amend the Solana Beach Municipal Code to be in compliance with Section 17021.5 and 17025.6 of the Employee Housing Act (Health and Safety Code, § 17000 et seq.) and define employee housing in a manner consistent with the above referenced Health and Safety Code sections. The Municipal Code will be revised to state that employee housing for six or fewer employees will be treated as a single-family structure and permitted in the same manner as other dwellings of the same type in the same zone. Additionally, the Municipal Code will be updated to state that employee housing consisting of no more than 12 units or 36 beds will be permitted in the same manner as other agricultural uses in the same zone.

Timeframe: Completed by April 2024. Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

<u>Housing Program 1M:</u> Amend the City's development process to assist in the development of housing for extremely low-income households and households and individuals with special needs.

As identified in Section 3, the City of Solana Beach City Council at its sole discretion may discount city fees, expedite the application process, or provide other assistance when it finds that provision of such assistance is needed to meet housing needs identified in the housing element which otherwise would not be met through the implementation of this Municipal Code. The City will take the following actions to amend the development process to include the following guaranteed incentives that apply solely to development projects that specifically accommodate housing at the extremely low-income level or that accommodate households for individuals with special needs:

Adopt a priority processing procedure

Waive city-controlled development impact fees until certificate of occupancy (COA)

Timeframe: Completed by December 2025. Within 36 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

<u>Housing Program 1N:</u> Pursue outside funding opportunities for the development of lower and moderate-income households.

As opportunities arise, the City will pursue new funding sources for lower and moderate income multi-family housing from available non-profit, local, state, and federal programs. The City will also seek to partner with local agencies that may provide funding opportunities or other resources that can assist in the development of housing affordable at the lower and moderate income levels.

Timeframe: Research available funding sources from non-profit, local, State, and Federal programs on an annual basis. Review Annually

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 10: Promoteing Affordable Housing Development Production on City-Owned Land

The City shall commit to offering City-owned sites identified in the Housing Element Candidate Site Inventory through an RFP process. The City shall plan for a minimum of 38 affordable housing units across available City-owned sites, which are located throughout the City, as shown in **Table B-4**, **Appendix B**. RFPs shall be issued for City-owned sites identified on the candidate Sites Inventory (APNs 2982118100, 2982118500 and 2980106300) to accommodate at least 38 affordable units.

- The City shall issue the 1<sup>st</sup> RFP by April 2024final
- The 2<sup>nd</sup> RFP by April 2025final
- The 3<sup>rd</sup> RFP by April 2026final

The City will work directly with interested affordable housing developers who respond to the RFPs to facilitate the development of future affordable housing. The City will use a variety of tools to facilitate affordable housing development, including but not limited to:

- Providinge financial support through the local housing impact fee fund and/or below-market rate -land lease or transfer
- Providing funding through local housing trust fund
- Support applications for other funding sources for affordable housing (e.g. low-income housing tax credits, grants, State funding, Federal funding)

If by December 2026, the City does not receive proposals, the City will identify additional sites to accommodate a potential RHNA shortfall by June 2027 date. Otherwise, the City will work with applicants to get an affordable project through entitlements by December 2027.

**Timeframe:** As described within the program.

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 1P: Promotion of ADU Development East of I-5

The City of Solana Beach has identified candidate housing sites to meet their RHNA need for the 6<sup>th</sup> cycle planning period as demonstrated in **Appendix B** of the housing element. Due to the nature of the available land, parcel sizes,

property ownership, and accessibility of public transit, many of these sites are located to the west of the I-5 freeway that bisects the city. In order to promote housing accessibility across east of I-5 freeway, the City will:

- Develop a permit ready ADU program for property owners to have pre-approved ADU plans by December
   2024. This may be in coordination with a larger regional effort.
- Streamline ADU permit processing for ADUs that will provide a covenant of affordability. The City will determine the objective criteria needed for qualification for streamlining by December 2024.
- Develop outreach collateral for public dissemination, including updates to the City's website, information at
   City Hall and via other appropriate print and digital media. In addition to Citywide distribution, the City will hold one workshop in the northeast quadrant of the City focused on ADU education by December 2023
- Make revisions to the development code which make ADU development possible in sensitive areas of the City provided that criteria is met that shows the creation of an ADU will not be a detriment to sensitive habitat or other similar areas. The goal of this is to increase opportunities for ADU development within the City. Complete by April 2024.
- Research regional and State funding sources that may be available to assist property owners in building ADUs.
   The City will make information available to property owners if funding sources are identified.
- Target 20% of all ADU development to occur in the northeast quadrant of the City, east of I-5 and north of Lomas Santa Fe Drive

**Timeframe:** Timelines for identified objectives specified within the program.

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Goal #2: Preserve and enhance the existing community and neighborhood quality and character.

Housing Policy 2.1: Promote revitalization and rehabilitation of existing residential dwellings.

**Housing Policy 2.2:** Promote high quality design and development standards to ensure future housing development compliments and enhances neighborhood character.

**Housing Policy 2.3:** Ensure residential and mixed-use projects are designed and developed to discourage crime.

**Housing Policy 2.4:** Encourage mixed-use and transit, bicycle, and pedestrian-oriented development that supports and contributes to a "sense of place" in the community.

#### Goal 2 Implementing Programs

#### Housing Program 2A: Preservation of At-Risk Housing

The City has reviewed the existing affordable housing developments and determined that no units are currently at risk of converting to market-rate during the planning period. Should this change and existing affordable units become at-risk of converting to market-rate, the City will contact the owners of these properties to explore preservation opportunities such as extending affordability covenants, sale/purchasing these developments, non-profit housing organizations assistance, and applying for financial assistance to preserve these affordable units.

**Timeframe:** Contact property owners within 3 months of determining affordable units are potentially at risk.

Annually

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 2B: Replacement Housing

The City may have existing non-vacant sites that contain vacant or demolished residential units that were occupied by lower income households or households subject to affordability requirements within the last five years. The City will implement a replacement housing program to ensure the replacement of any units lost subject to the requirements of Government Code section 65915, subdivision (c)(3) on site identified in the site inventory when any new development (residential, mixed-use or residential) occurs on a site that is identified in the inventory meeting the following conditions.

- Currently has residential uses or within the past five years has had residential uses that have been vacated or demolished, and
- Was subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very-low income, or
- Subject to any other form of rent or price control through a public entity's valid exercise of its police power, or
- Occupied by low and very low-income households.

**Timeframe:** The replacement requirement will be implemented upon adoption of the Housing Element and applied as applications on identified sites are received and processed, and local policy shall be adopted within one year of adoption of the Housing Element by April 2024.

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 2C: Rehabilitation Opportunities for Existing Housing Stock

Code enforcement reports for the past two years do not identify any existing housing stock as substandard or in need of significant repair. As stated in Section 3, the City did receive 80 code enforcement reports relating to housing, though none were related to substandard housing conditions. The City does have two older apartment properties that are fully functional but may require rehabilitation or improvements within the planning period. While these apartments may be eligible for rehabilitation assistance programs, the City must also recognize that they may be sources of more naturally occurring (not deed restricted) affordable housing within the community.

The City has identified two apartment properties located at 250 S. Sierra Avenue (13 units) and 305 S. Sierra Avenue (10 units) and will outreach to the property owners regarding rehabilitation grant opportunities. Working with these property owners, the City will assess the potential to rehabilitate/replace a portion of the units within these apartment buildings. The City anticipates potential rehabilitation of twenty (20) units should funding sources become available. This represents less than one percent of the units within the City of Solana Beach. The City has accounted for these rehabilitation efforts in the Quantified Objectives in **Table 4-1**.

Timeframe: Within 24 months of adoption of the 6<sup>th</sup> Cycle Housing Element Completed by December 2024
Responsible Agency: City of Solana Beach Community Development

**Funding Sources:** Outreach efforts funded through staff efforts (General Fund); rehabilitation through local, regional, or State grant opportunities

## Housing Goal #3: Reduce or eliminate constraints to the development, improvement, preservation, and maintenance of housing.

**Housing Policy 3.1:** Promote public awareness of the various methods and resources available to support homeownership opportunities.

**Housing Policy 3.2:** Explore opportunities to identify alternative financial assistance for the development and/or purchase of housing affordable to extremely low income, very low income, low income, and moderate-income households.

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**Housing Policy 3.3:** Explore incentives, bonuses, and flexibility in standards and requirements that could benefit affordable housing development, such as flexible development standards, reduced permit fees, and streamlined permit processing.

**Housing Policy 3.4:** Encourage remodeling, maintenance, repair, and rehabilitation of existing housing to address special housing needs, prevent deterioration, and preserve safe and sanitary housing conditions.

**Housing Policy 3.5:** Grant priority water and sewer service to housing with units affordable to lower income households.

#### **Goal 3 Implementing Programs**

#### Housing Program 3A: Compliance with SB 35 Provisions

Per Government Code 65913.4(a)(6)(A), future development projects within the City of Solana Beach do not currently meet the stated requirements for SB 35 streamlining provisions as all land within the city (and therefore all potential projects) are located within a coastal zone. Should compliance status or the requirements of SB 35 change in the future, the City of Solana Beach will take the required actions to comply with State law.

The City will continue to annually monitor and update local procedures and policies based on applicable changes to SB 35 to remain in compliance with State law.

**Timeframe:** Revise City Municipal Code within 6 months of State adoption of changes to SB 35 to comply with all relevant provisions. Ongoing

Responsible Agency: Planning and Community Development

Funding Sources: General Fund

### **Housing Program 3B:** Public Education

The City shall continue to monitor, and update information related to the development of housing through the continued promotion of public educational materials. The information describes the benefits of affordable housing and the myths and realities of affordable housing through such means as public presentations, newspaper articles, and information posted on the City's website.

Timeframe: Release revised informational materials described in this program one time per calendar year Ongoing

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### **Housing Program 3C:** Water and Sewer Resources

Pursuant to Chapter 727, Statues of 2005 (SB 1087), the City of Solana Beach is required to deliver its adopted Housing Element and any amendments thereto to local water and sewer service providers. This legislation allows for coordination between the City and water and sewer providers when considering approval of new residential projects. Additionally, cooperation with local service providers will support the prioritization of water and sewer services for future residential development, including units affordable to lower-income households. The City will submit the adopted Housing Element to local water and sewer providers for their review and consideration when reviewing new residential projects.

Timeframe: Completed by September 2023 Annually

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

Housing Program 3D: Safety Element Update and Adoption of an Environmental Justice Element

SB 1035 requires that the City, after the initial revision of the safety element to identify flood hazards and address the risk of fire in certain lands upon each revision of the housing element, review and, if necessary, revise the safety element to identify new information relating to flood and fire hazards that was not previously available during the previous revision of the safety element. The City is currently in the process of revising the Housing Element and will take the document to City Council for adoption within 12 months of adoption of the 6<sup>th</sup> Cycle Housing Element.

SB 1000 (2018) requires that the City include an environmental justice component to the General Plan during the 6<sup>th</sup> Cycle update of the City's Housing Element. The City will adopt a separate Environmental Justice Element within 12 months of adoption of the 6<sup>th</sup> Cycle Housing Element.

Timeframe: Within 12 months of adoption of the 6th Cycle Housing Element Completed by April 2024

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 3E: Amend Parking Requirements for Emergency Shelters

The City of Solana Beach will amend its Municipal Code to be consistent with State law regarding parking requirements for emergency shelters. Specifically, the City will be consistent with the requirements of AB 139, which states that standards cannot require more parking for emergency shelters than other residential and commercial uses within the same zone.

Timeframe: Completed by April 2024Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 3F: Group Home Definition/Requirements within Municipal Code

The City of Solana Beach will amend its Municipal Code to treat group homes of 6 or fewer persons as a single-family residential use, subject to the same development standards, consistent with the City's current practice and State law.

Timeframe: Completed by April 2024Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 3G: Definition of Density

The City of Solana Beach will amend the definition of "density" within its Municipal Code to base future density calculations on the "gross acreage" of a parcel instead of the "net acreage". Currently the City defines density as the number of dwelling units per net acre, which excludes land area which will be required for public streets, easements or other areas to be dedicated or reserved for public use or open space (including undevelopable slopes, bluffs, and sensitive lands). Amending the definition to base the calculation on gross acreage would include all those items described above and largely consist of the entire area within the lot lines of a lot or parcel.

Timeframe: Completed by April 2024Within 12 months of adoption of the 6th Cycle Housing Element

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

### Housing Program 3H: Development Standards Update – Building Height

In order to assist with development flexibility and provide a greater range of development types, the City of Solana Beach will amend its Municipal Code to permit development up to three stories and thirty-five (35) feet for

commercial, residential, and mixed-used projects within the General Commercial (GC) and Special Commercial (SC) zones.

Timeframe: Completed by April 2024

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

#### Housing Program 31: Objective Design Standards for Group Homes CUP Requirement

The City of Solana Beach's Municipal Code currently requires a conditional use permit for group homes of seven (7) or more people. The City Council and the Director of Community Development are authorized to grant conditional use permits in accordance with the procedures of this section and to impose reasonable conditions. The City of Solana Beach will replace the requirement for a CUP with objective standards that permit group homes administratively and treat parking requirements similar to other residential uses of the same form. The City conducts preliminary discussions with applicants and will make these standards clear as a way to promote approval certainty in the development process.

Timeframe: Completed by April 2024

Responsible Agency: City of Solana Beach Community Development

Funding Sources: General Fund

# Housing Goal #4: Equal opportunities to access housing for all persons regardless of age, race, religion, sex, marital status, sexual orientation, ancestry, national origin, or disability.

**Housing Policy 4.1:** Enforce fair housing laws addressing discrimination in the building, financing, selling or renting of housing based on race, religion, family status, national origin, disability, or other protected class.

**Housing Policy 4.2:** Establish policies, programs and incentives to promote the development of housing for very low-, low-, and moderate-income persons, and especially those within Solana Beach's special needs populations.

**Housing Policy 4.3:** Seek to accommodate housing for residents with special needs through appropriate zoning standards and permit processes.

**Housing Policy 4.4:** Ensure equal access to housing by providing reasonable accommodation for persons with disabilities consistent with Americans with Disabilities Act (ADA) and Fair Housing Act (FHA) requirements.

**Housing Policy 4.5:** Support efforts to provide services that facilitate aging in place such as senior transportation, recreational activities, and other means to help older adults connect to the services they need to live independently in their own homes.

#### Goal 4 Implementing Programs

#### Housing Program 4A: Affirmatively Further Fair Housing

Pursuant to AB 686, the City will affirmatively further fair housing by taking meaningful actions in addition to resisting discrimination, that overcomes patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristic, as defined by California law.

The Housing Element contains analysis of contributing factors to fair housing issues within Solana Beach and determined the following factors were applicable:

- 1. Housing Age and Condition Section 2.F.4 of this Housing Element analyzes the housing stock within the City of Solana Beach. The analysis found that 46.2 percent of all housing in Solana Beach was built between 1970 and 1978. Only about 4 percent units in Solana Beach built after 2000, and about 2 percent in 2014 or later. From 2019 to 2020 a total of 80 code enforcement reports were filed related to dilapidated properties or property maintenance. None of the 80 reports were related to substandard living/housing conditions. Similarly, the housing stock in the San Diego region is older, with majority of the housing units (54 percent) built before 1979 and is at least 40 years old. Home rehabilitation can be an obstacle for senior homeowners with fixed incomes and mobility issues. While this was identified in the regional Analysis of Impediments (AI), local data from the City of Solana Beach has indicated that substandard housing conditions are extremely rare within the city boundaries.
- 2. **Housing Cost and Affordability Section 2.F.5** of this Housing Element analyzes the cost and affordability of housing within the City of Solana Beach. The cost of homeownership varies within San Diego County depending on the community. According to the regional AI, in 2019, the median sales price for homes in San Diego County was \$594,909, an increase of 38 percent from 2014. Home prices vary by area/jurisdiction, with very high median prices in coastal areas such as in Solana Beach where the median cost of a home was \$1,103,900 in 2017, (56% higher than the County median).
- 3. Location and Type of Affordable Housing The City of Solana Beach is an affluent community, with higher resident incomes and costs living compared to the San Diego Region. The City also has a lot commercial and retail industries specifically related to tourism. According to census data retail and tourism related occupations offer lower income salaries. While the City of Solana Beach employs persons in the retail, service and tourism industries, there is limited affordable housing to accommodate these potential needs. Therefore, persons working in these industries may not have the opportunity to live in the city they work in.
- 4. Access to Opportunities for Persons with Disabilities Affordability, design, location, and discrimination limit the supply of housing for persons with disabilities. Amendments to the Fair Housing Act, as well as state law, require ground-floor units of new multifamily construction with more than four units to be accessible to persons with disabilities. However, units built prior to 1989 are not required to be accessible to persons with disabilities. Noted above, more than half of the Solana Beach Housing stock was built prior to 1989 creating challenges to finding adequate and accessible housing for persons with disabilities. Program 4F in the Section 4: Housing Plan identifies strategies to support reasonable accommodation and increase the opportunity for housing for persons with disabilities.
- 4.5. Racially Concentrated Areas of Affluence (RCAAs) the City as a whole has a very high median income, which is approximately \$30,000 greater than that of San Diego County, as well as a high White population. As such, three of the City's four census tracts are identified as RCAAs.

To City is committed to taking meaningful actions to mitigate or remove fair housing issues within Solana Beach. The City will take the following actions for each of the contributing factors identified:

#### 1. Housing Age and Condition

- a. Continue to assess and make modifications to the City's code enforcement process as determined by evaluation of annual code enforcement reports. Actions to address issues relating to housing age and condition will include having code enforcement staff work with landlords and property owners to ensure repairs are made for homes found to contain substandard living conditions. To date, the City has not determined that any of the existing housing stock is substandard based on recent code enforcement reports. The City will continue to conduct annual assessments of properties that are potentially substandard based on recent code enforcement reports.
- b. If funding becomes available, prioritize investment in community revitalization programs that identify and assist properties with blight conditions.

#### 2. Housing Cost and Affordability

- a. Promote construction of ADUs throughout the community.
- b. Continue to work with the County of San Diego and the Community Resource Center on distribution of Section 8 Housing Choice Vouchers and CDBG funding.
- c. Promote development of affordable housing in high resources areas.

#### 3. Location and Type of Affordable Housing -

- a. Work with local developers and interested stakeholders to utilize the sites listed in the Housing Element inventory for low and very low income housing opportunity.
- b. The City will continue to meet with property owners of deed restricted units and continue to work towards maintaining the existing affordable housing stock in Solana Beach.

#### 4.—Access to Opportunities for Persons with Disabilities

a. The City currently uses CDBG funding received to identify and mitigate ADA issues related to housing to create opportunities for persons with disabilities. The City will continue to allocate funding to ADA for as long as it remains available.

	Table 4-1: Contributing Factors and Fair Housing Metrics					
Contributing	Specific Commitments	Geographic Target	Timeframe and Metrics			
<u>Factor</u>	Timeframe and Priority	Ocographic ranget	Timename and weenes			
Housing Mobility	-					
RCAAs	Provide housing mobility counseling either directly or through referrals. This counseling may include, but is not limited to, information on opportunity areas, housing search skills and tools, workshops, one-on-	Target areas of high opportunity and RCAAs - census tracts: 173.05, 173.06, and 173.03	<ul> <li>Priority Level 1</li> <li>Establish and implement counseling and mobility resources by December 2024.</li> <li>Establish and promoted a resources</li> </ul>			
	one search assistance, referrals, structured support for a time after a move to the City, landlord-tenant mediation, and retention counseling.		guide and make it available online and at City Hall by December 2024.			
	Provide landlord education and outreach on source of income discrimination and voucher programs to expand the location and number of participating voucher properties.		Priority Level 3  Host at least one annual workshop/informational session and invite at least 10 participants. Aim to expand participating voucher properties by 10 by the end of the planning period.			
RCAAs and	Extend search times for particular groups	The entire City reports	Priority Level 2			
Access to	with housing choice vouchers, such as larger	the same percentage				

	Table 4-1: Contributing Factors and Fair Housing Metrics						
Contributing Factor	Specific Commitments Timeframe and Priority	Geographic Target	Timeframe and Metrics				
Opportunities for Persons with Disabilities	families with children, extremely low income households, persons with disabilities	of persons with disabilities and TCAC opportunities ratings. However, the City can target neighborhoods that are within one mile of larger corridors such as Highway 101, Lomas Santa Fe Dr., and Valley Ave.	<ul> <li>Extend search times for housing choice vouchers for particular special housing needs populations by December 2025.</li> <li>Annually conduct affirmative marketing on housing choice vouchers, the City's resources, and affordable units.</li> </ul>				
New Housing Ch	oices and Affordability in Areas of Opportunity						
Housing Cost and Affordability	Promote construction of ADUs throughout the community with a focus on the northeast quadrant east of I-5.	Northeast quadrant east of I-5 and north of Lomas Santa Fe Drive.	<ul> <li>Priority Level 2</li> <li>Target 20 percent of all ADU development to occur in the northeast quadrant of the City.</li> <li>See additional ADU actions in Housing Programs 1B and 1P.</li> </ul>				
	Continue to work with the County of San Diego and the Community Resource Center on distribution of Section 8 Housing Choice Vouchers and CDBG funding.	Existing affordable and Section 8 voucher units.	Priority Level 2  Provide marketing collateral in both English and Spanish, informing residents and landlords of the availability of Section 8 rental assistance. Distribute via mail or electronic distribution once per year. Seek out project-based Section 8 vouchers to assist with the operational income of affordable housing projects.				
	Promote development of affordable housing in high resources areas to increase housing mobility within the city.	TCAC/HCD Opportunity Area Maps identify the entire city as highest resource, though portions of Census Tract 173.04 have areas with median incomes below State Median Income. City will focus efforts to promote movement of households from those areas and areas throughout the region.	Priority Level 1  Several programs in the Housing Plan are intended to improve access to opportunity, including metrics to evaluate and achieve the objectives of those metrics:  • Program 1E: Affordable Housing Program, Program 1M: Development Process Update, Program 1O: Promote Affordable Housing Production on City-Owned Land, Program 2A: Preservation of At-Risk Housing, and Program 4D: Section 8 Rental Assistance improve the ability of lower-income households to afford suitable housing in areas with better access to opportunity.				

	Table 4-1: Contributing Factors and Fair Housing Metrics							
Contributing	Specific Commitments	Geographic Target	Timeframe and Metrics					
<u>Factor</u>	<u>Timeframe and Priority</u>	Ocograpine ranget	Timename and Weares					
	In addition to accommodating the RHNA, the City will implement a suite of actions to improve housing mobility and new choices and affordability within the City, into the City and in areas with relatively higher income and concentrated areas of affluence with a goal of 200 housing opportunities affordable to lower-income and special needs households.  Actions include but are not limited to:  Program 1E: Affordable Housing Program, Program 1M: Development Process Update, Program 10: Promote Affordable Housing Production on City-Owned Land, Program 2A: Preservation of At-Risk Housing, and Program 4D: Section 8 Rental Assistance improve the ability of lower-income households to afford suitable housing in areas with better access to opportunity.  Program 1A: Mixed-Use Development, Program 1N: Pursue funding opportunities for lower and moderate-income households, and Program 1P: ADU Development East of 1-5 will expand housing opportunities by encouraging new housing in high opportunity areas.  Program 4E: Mortgage Credit Certificate (MCC) will provide financial assistance to households wishing to purchase their	Locations throughout the City and in relatively higher income and concentrated areas of affluence	Program 1A: Mixed-Use Development, Program 1B ADU Development, Program 1N: Pursue funding opportunities for lower and moderate-income households, and Program 1P: ADU Development East of I-5 will expand housing opportunities by encouraging new housing in high opportunity areas.  ■ Program 4E: Mortgage Credit Certificate (MCC) will provide financial assistance to households wishing to purchase their first home in areas of higher opportunity.  Priority Level 1 Timeframe: At least annually explore and pursue strategies, as appropriate  ■ Metric: 200 housing units affordable to lower income and special needs households with a 30 percent target in relatively higher income and concentrated areas of affluence ■ Mid-term evaluation: In 2025, evaluate the effectiveness of these strategies in promoting housing opportunities throughout and into the City and make adjustments within one year to achieve the overall goals.					

	Table 4-1: Contributing Factors and Fair Housing Metrics			
Contributing Factor	Specific Commitments Timeframe and Priority	Geographic Target	Timeframe and Metrics	
	Other actions, including but not limited to:  Evaluate and pursue  opportunities to incentivize and provide funding assistance for homeowners to provide affordable units under SB 9.  Homesharing: Research and pursue a homesharing program, including research and coordination with non-profit and other organizations to assist with matching tenants with existing homowners. The City will market and take other actions as necessary.  Accessibility Improvements:  Research and pursue funding opportunities at least every other year to make accessibility improvements to homes and community infrastructure.  Affirmative Marketing and Regional Registries: Develop and implement strategies to promote affirmative marketing plans in all new developments. The affirmative marketing plan will utilize regional housing registries to ensure marketing materials for new developments are designed to attract renters and buyers of diverse demographics, including persons of any race, ethnicity, income, disability and familial status.			
Place-Based Stra	tegies to Encourage Community Preservation an	d Revitalization		
Housing Age and Condition	Continue to assess and make modifications to the City's code enforcement process as determined by evaluation of annual code enforcement reports. Actions to address issues relating to housing age and condition will include having code enforcement staff work with landlords and property owners to ensure repairs are made for homes found to contain substandard living conditions. To date, the City has not determined that any of	Established neighborhoods north of Lomas Santa Fe Drive and West of I-5, Single-family and multi-family on Highway 101 corridor	<ul> <li>Priority Level 1</li> <li>Complete assessment of code         <ul> <li>enforcement reports by December</li> <li>2023.</li> </ul> </li> <li>Contact property owners of         <ul> <li>substandard housing units within 30</li> <li>days of identification.</li> </ul> </li> <li>Work with property owners to         <ul> <li>identify potential resources for home</li> </ul> </li> </ul>	

Table 4-1: Contributing Factors and Fair Housing Metrics				
Contributing Factor	Specific Commitments Timeframe and Priority	Geographic Target	Timeframe and Metrics	
	the existing housing stock is substandard based on recent code enforcement reports.  The City will continue to conduct annual assessments of properties that are potentially substandard based on recent code enforcement reports.		renovations, including potential funding sources for low and extremely-low income households.	
	If funding becomes available, prioritize investment in community revitalization programs that identify and assist properties with blight conditions.	Single-family and multi-family on Highway 101 corridor	Priority Level 2  Research funding opportunities by December 2023, continued a minimum of 1 time per calendar year.  Target 20 dwelling units for rehabilitation within the planning period.	
Access to Opportunities for Persons with Disabilities	The City currently uses CDBG funding received to identify and mitigate ADA issues related to housing to create opportunities for persons with disabilities. The City will continue to allocate funding to ADA for as long as it remains available.  Priority Level 1  Provide funding by CDBG mandated	Households within the City with special housing needs, including physical and developmental disabilities.	Priority Level 2  ■ The City's target goal is to allocate  CDBG funding to assist at least five households with persons with disabilities.  ■ Provide funding by CDBG mandated distribution timelines.	
Dunkanting Fried	distribution timelines			
RCAAs	Conduct affirmative marketing to increase awareness and diversity throughout the city and in RCAAs. This is aimed at ensuring existing residents are not displaced, as well as providing opportunity for residents within the surrounding region.  Specifically, this may include, but is not limited to, noticing of affordable units/projects through direct mail targeted outreach to lower income census tracts, publishing advertising materials in multiple language, informing service agencies, outreach to community organizations or places of worship.	Target areas of high opportunity and RCAAs – census tracts: 173.05, 173.06, and 173.03	Priority Level 1  Annually conduct affirmative marketing for each new project that is developed with affordable units and that has affordable units open/available.  Conduct a biennial survey of affordable units to identify how households find affordable units — aim for 25 percent of households, at minimum, to find affordable units through affirmative marketing within the City limits.	
Housing Cost and Affordability	Establish condominium conversion restrictions to maintain and protect existing rental units and their occupants who may have lower incomes with the inability to afford for-sale units.	Existing areas with higher percentages of existing rental apartments. This includes the areas along Highway 101	Priority Level 2  Adopt and implement condominium conversion restrictions by December 2024.	

	Table 4-1: Contributing Factors and Fair Housing Metrics						
Contributing Factor	Specific Commitments Timeframe and Priority		Geographic Target	Timeframe and Metrics			
			and Lomas Santa Fe Dr.				
Access to Opportunities for Persons with Disabilities	The City currently uses CDBG funding received to identify and mitigate ADA issues related to housing to create opportunities for persons with disabilities. The City will continue to allocate funding to ADA for as long as it remains available.	Priority Level  1  Provide funding by CDBG mandated distribution timelines	Households within the City with special housing needs, including physical and developmental disabilities.	The City's target goal is to allocate  CDBG funding to assist at least five households with persons with disabilities.			

Additional actions to support fair housing and resource access include:

- The City will partner with capable organizations to review housing discrimination complaints, attempt to
  facilitate equitable resolution of complaints, and, where necessary, refer complainants to the appropriate
  state or federal agency for further investigation and action.
- To support housing and resource access, the City will work with the County Social Worker Homeless Outreach Pilot Program to provide social workers for homeless outreach in the community.
- The City will partner with the County's Mobile Crisis Response team and the Emergency Rent Assistance Program to support low income and special needs households.

The City will continue to provide funding to the Community Resource Center which administers the City's Rental Assistance Program. In October 2020, the City Council directed staff to allocate approximately \$122,000 in CDBG-CV to the Rental Assistance Program to benefit Solana Beach residents. While this CDBG funding was made available as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act and may not be an annual resource, the City will prioritize available CDBG funds towards assisting community members when the funding source permits it, likely through the Rental Assistance Program which benefits lower income households and special housing need households, such as persons with disabilities.

Timeframe: Timelines as specified in table within the program. Ongoing Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

Housing Program 4B: Emergency, Transitional and Supportive Housing and Lower Barrier Navigation Centers

The City shall permit Low Barrier Navigation Center development as a matter of right in appropriate zoning districts, subject to requirements of state law. These requirements include implementing standards, provisions and limitations governing the permitting, development, siting and management of Low Barrier Navigation Centers. The City of Solana Beach shall update its Municipal Code, as appropriate, to comply with State law.

Additionally, the City will also review and amend (if necessary) the Municipal Code to comply with updates to State law regarding transitional and emergency shelters.

**Timeframe:** Within 24 months of adoption of the 6th Cycle Housing Element Completed by December 2024 and reviewed aAnnually for updates

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 4C: Persons with Physical and Developmental Disabilities

As identified in **Section 2**, the City of Solana Beach has a total of 50 people identified by the State Department of Developmental Services (DDS) as having a developmental disability in December 2020. The City understands that people with developmental disabilities may have unique needs when looking for housing accommodation and is committed to assisting residents.

The City will continue to take actions to accommodate the approval of group homes, ADA retrofit efforts, ADA compliance and/or other measures through the implementation of Title 24 as well as amend its procedures to provide more flexibility in the development of accommodations for persons with physical and developmental disabilities by eliminating the need for a variance.

Timeframe: Reviewed annually and address as requested Revise City Municipal Code by April 2024.

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

#### Housing Program 4D: Section 8 Rental Assistance

The City will continue to work with the San Diego County Housing Authority to administer the Section 8 Rental Assistance Program and will continue support the County's application for additional Section 8 allocations. This program provides rental assistance to eligible very low- and low-income households. The subsidy represents the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged.

The City will provide marketing collateral in both English and Spanish informing residents and landlords of the availability of Section 8 rental assistance. The City will also seek out project-based Section 8 vouchers to assist with the operational income of affordable housing projects.

Timeframe: Make available and distribute marketing collateral within the first three months of every calendar year and coordinate with San Diego County Housing Authority on voucher distribution on an annual basis.

Responsible Agency: City of Solana Beach Community Development

Funding Source: County of San Diego

### <u>Housing Program 4E:</u> Mortgage Credit Certificate (MCC)

Homeownership can be an asset to maintaining a healthy community. The Mortgage Credit Certificate (MCC) program assists low and moderate-income first time home buyers. Under this program, which is administered by the County of San Diego, qualified first-time home buyers are able to take a federal income tax credit of up to 20 percent of the annual interest paid on their mortgage. This frees up more capital to buy the home. The City of Solana Beach will continue to distribute information on the MCC program.

**Timeframe:** Make available and distribute marketing collateral within the first three months of every calendar year and coordinate with San Diego County on MCC distribution on an annual basis. Ongoing

Responsible Agency: City of Solana Beach Community Development

Funding Source: County of San Diego

#### Housing Program 4F: Amend the Reasonable Accommodation criteria within the City's Municipal Code

The City will amend the Municipal Code to remove the following criteria which currently may be considered by the community development director regarding the reasonableness of a requested accommodation:

- Whether there are alternative reasonable accommodations available that would provide an equivalent level
  of benefit; and
- Whether the requested reasonable accommodation substantially affects the physical attributes of the property or has impacts on surrounding properties that would fundamentally alter a city program or law.

Timeframe: Within 12 months of adoption of the 6th Cycle Housing Element-Completed by April 2024.

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

<u>Housing Program 4G:</u> Outreach to Developers Focused on Affordable Development and Development for Special Housing Needs Groups

The City of Solana Beach will commit to the following actions relating to the development of affordable housing and housing for special needs groups:

- Proactively outreach to developers who specialize in housing affordable to persons who qualify at the lower income levels, including extremely low-income and housing for people with special needs as identified within Section 2 of this Housing Element. This will include regular calls to with affordable and market-rate housing developers to discuss and identify opportunity areas within the City and potential outside funding sources available that may facilitate the development of future affordable housing.
- Holding one community-wide meeting every two years to further understand the housing needs of the community with an emphasis on proactive outreach to groups that work frequently with extremely low-income households, those experiencing homelessness, community members with physical and developmental disabilities, and other special housing needs groups.
- Hold one development community round table every two years to discuss opportunities to facilitate the
  development of housing for special housing needs groups such as senior housing, housing for single-parent
  households, and housing for large families.

Timeframe: Outreach directly to developers as described above on an annual basis. One community-wide meeting and one development community roundtable held every two years throughout the planning period.

Annually

**Responsible Agency:** City of Solana Beach Community Development

Funding Source: General Fund

<u>Housing Program 4H:</u> The City will collaborate with the newly-formed County Department of Homeless Solutions and Equitable Communities (HSEC) and will continue to contribute to the Regional Task Force on Homelessness (RTFH), North County Homeless City Working Group, and Alliance for Regional Solutions efforts to address the needs of those experiencing homelessness in North San Diego County.

The City currently meets with members of the RTFH regularly to discuss issues relating to homelessness within North San Diego County. The vision of RTFH is that "The RTFH is the homeless policy expert and lead coordinator for the introduction of new models in the San Diego region and implementation of best practices. Collaboration in the region and utilizing data are key ways to end homelessness, and we continue to expand the network of those who are touched by homelessness improve lives." The City contributes to regional efforts by providing input to the task force and responding to surveys used by the RTFH to compile data and annual reports, including the WeALLCount survey.

Since November 2020, the City of Solana Beach has attended monthly meetings of the North County Homeless City Working Group. The group is comprised of members from North County San Diego cities to coordinate approaches to homeless outreach and services. During these meetings, the group identified a need for more social workers in North County to perform outreach to unsheltered individuals and connect them with housing, shelter and/or services depending on the identified need. The group sent a proposal to the County Board of Supervisors that was

incorporated into a broader County strategy and funded to provide ten social workers to be shared amongst the cities. The intent of the social workers for the larger North County cities who already had homeless outreach and services is to supplement their efforts. For smaller cities such as Solana Beach, an assigned social worker will be the primary point-of-contact for unsheltered individuals to reach out and try to connect them with available services countywide. The social worker should work in coordination with the Sherriff's office and city personnel as necessary. The North County Homeless City Working Group also offers a forum to discuss other issues-in-common surrounding homelessness as well as best practices.

The City also funds annually their allotted portion of the Alliance for Regional Solutions "Bridge to Housing Network" that provides a regional shelter system serving homeless populations in North San Diego County. For the past 15 years, the Alliance for Regional Solutions has provided shelter systems (3 year-round and 2 rotational winter shelters) addressing the pressing needs of homeless individuals and families. There are three shelters that provide year-round bridge housing services, while simultaneously offering otherwise highly vulnerable adult individuals the opportunity to utilize workforce development services to pave a path towards self-sufficiency and stable housing.

The City will collaborate with the newly-formed County Department of Homeless Solutions and Equitable Communities (HSEC) and will continue to collaborate with the RTFH, the North County Homeless City Working Group, and the Alliance for Regional Solutions to address homelessness throughout the planning period, specifically as it relates to Solana Beach. The City will also pursue additional methods for collaboration with RTFH, including participation in meetings, trainings, or survey efforts. The City has set a goal to attend each monthly RTFH meeting.

The City also participates in both the County of San Diego's Emergency Rent Assistance Program (ERAP) and Mobile Crisis Response Team and will soon have two social workers assigned to Solana Beach through the County Social Worker Homeless Outreach Pilot Program.

**Timeframe:** Meet with members from RTFH, North County Homeless City Working Group, and Alliance for Regional Solutions involvement evaluated annually a minimum of two times per calendar year throughout the planning period.

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

# Housing Goal #5: A sustainable approach to new and existing residential and mixed-use development through increased energy conservation and waste reduction.

**Housing Policy 5.1:** Work with energy providers, such as San Diego Gas and Electric (SDG&E), to promote energy conservation programs and incentives.

**Housing Policy 5.2:** Encourage the use of building placement, design, and construction techniques that promote energy conservation.

**Housing Policy 5.3:** Promote the use of green building practices in new and existing development to maximize energy efficiency and conservation.

**Housing Policy 5.4:** Encourage affordable housing developments that receive public subsidies to obtain Leadership in Energy and Environmental Design (LEED) certification.

**Housing Policy 5.5:** Encourage construction projects to recycle construction debris and promote the use of recycled materials as part of new construction or renovations, including the reuse of existing building shells/elements.

#### **Goal 5 Implementing Programs**

#### Housing Program 5A: Energy Conservation

The City of Solana Beach is committed to conserving energy and being a sustainable community. Several existing programs promote energy conservation, and the City continues to explore additional opportunities to promote energy conservation. For example:

- The City recently adopted an ordinance to reduce single use plastic bags in grocery stores, retailers, and restaurants
- The City will continue to implement the Solana Beach Green Building Incentive.
- The City will continue to provide information on the City's website regarding steps residents can take to increase their energy efficiency and SDG&E rebate/voucher programs available to Solana Beach residents and businesses.
- The City will develop an energy efficiency program for the community and continue to monitor pertinent legislation which would make it easier to implement solar installations.

The City will continue to work with the Clean and Green committee to develop additional energy conservation and sustainability programs.

**Timeframe:** Meet with the Clean and Green committee at least two times per calendar year throughout the planning period. Ongoing

Responsible Agency: City of Solana Beach Community Development

Funding Source: General Fund

## C. Summary of Quantified Objectives

	Table 4-12: Summary of Quantified Objectives						
Income Group	Extremely Low*	Very Low	Low	Moderate	Above Moderate	Total	
New Construction		496 units		44 units	216 units	756 units	
(RHNA)							
Accessory Units		15 units		113 units	0 units	128 units	
Conservation/		2 units		0 units	6 units	8 units	
Preservation**							
Rental Subsidy***		0 units		0 units	0 units	0 units	
Rehabilitation		<u>4</u> units		0 units	<u>16</u> units	<u>20</u> units	

<sup>\*</sup>Extremely Low Units are defined by HCD as half of the City's Very-Low Income need.

<sup>\*\*</sup>Program 1D commits the City to continuing their Illegal ALU conversion program during the 6th cycle planning period. The City historically issues permits for the conversion of approximately 1 illegal ADU a year. The City does not have any projects 'At-Risk' in the 2021-2029 planning period; however, the City will continue to monitor the status of deed-restricted affordable housing units. Units reported account for ADU units anticipated to be legalized during the planning period. Consistent with the City's affordable ADU assumption

<sup>\*\*\*</sup>The City relies on external funding such as Section 8 vouchers, to provide rental subsidy to residents and does not directly distribute a separate rental subsidy.

The following chart is a review of the City of Solana Beach's housing project and program performance during the current Planning Cycle (2014 – 2021). It is an evaluation if the 5<sup>th</sup> Cycle's policies and programs and programs and projects as well as the most current accomplishments and effectiveness and appropriateness.

Pas	t Performance						
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness		
1	Encourage Mixed-Use Dev	velopment					
1.A	Encourage Mixed-Use Development - Continue to identify potential sites for mixed-use development	Identify adequately zoned and available sites for the current planning period, monitor development trends and update the adequate sites analysis as additional potential sites become viable for mixeduse development.	The City has already identified adequately zoned and available sites for the current planning period.  On an ongoing basis, the City will continue to identify potential sites that are suitable for mixed-use development and will work with the community and property owners to identify these sites. These sites could include, but not necessarily be limited to:  1. Older commercial centers needing revitalization;  2. Sites that facilitate pedestrian, bicycle, and transit-oriented development, especially those along transit routes;  3. Sites where planned infrastructure would enable infill or additional residential development to occur;  4. Sites where public investments could be used to complement mixed-use development, especially projects containing affordable housing.	Two mixed-use projects netting in 33 dwelling units were approved in December 2016 and July 2018.	Mixed-Use development continues to be an effective method to accommodating for housing growth in communities with limited vacant land. The City will continue to encourage the use of mixed-use development to meet their 6 <sup>th</sup> Cycle RHNA needs.		
1.B	Encourage Mixed-Use Development - Facilitate mixed-use development	Consult with developers to ensure that the City's mixed-use development standards facilitate mixed-use projects. Compare the City's expectations for mixed-use development to the feedback gathered from developers to evaluate the effectiveness of mixed-use developments standards. Make revisions to the standards to encourage and facilitate mixed-use development, as appropriate. Work to implement procedures that will allow for CEQA streamlining for eligible projects pursuant to SB375 and other CEQA exemptions.	The City will continue to support applications for financing and/or funding for mixed-use projects. At this time, the City does not believe that additional revisions to its development standards are needed; however, it will continue to consult with developers to ensure that its development standards encourage mixed-use development. To the extent possible, the City will also identify possible actions to shorten the permitting process for mixed-use development such as through the use of CEQA exemptions for infill projects.	The City worked with several developers during the planning period that resulted in three mixed-use development projects being approved by City Council. Two projects are now complete. The third project is currently under construction.	The City will continue to encourage the use of mixed-use development to meet their 6 <sup>th</sup> Cycle RHNA needs.		
1.C	Encourage Mixed-Use Development - Increase awareness of the potential for mixed-use development	The City will ensure that developers are aware of the mixed-use development opportunities in the city.	The City will continue to work to increase developer awareness of the potential for mixed-use development. The City will continue to pursue both for-profit and non-profit developers to determine the best method to implement this program.	The City continues to educate property owners and developers about the process for mixed-use development in our commercially zoned properties. Two RFPs were issued by the City for development on City owned properties that encourage mixed-use development. The City continues to discuss potential mixed-use	The City will continue to provide information relating to development opportunities as required by State law.		

Pas	Past Performance							
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness			
				development on City owned properties.				
1.D	Encourage Mixed-Use Development - Federal and State Programs	Review State and federal affordable housing programs for grant opportunities that can facilitate housing development in Solana Beach.	The City will regularly review potential federal and state housing financing and subsidy programs for their potential availability to Solana Beach. If the programs could be reasonably thought to be available to Solana Beach, the City would work with the appropriate developers and non-profits to support feasible funding application(s).	City staff continues to explore federal and state financing and subsidy programs for potential affordable housing and mixed-use development. Discussion with HCD staff and SANDAG are on-going. Planning funds were applied for and granted by HCD to assist with the City's Housing Plan efforts. Staff has mentioned to HCD staff that financing for construction continues to be the greatest challenge for housing developers, particularly for affordable housing projects. Developers have indicated that competitiveness for such financing is challenging when competing against other projects where land values are much lower.	The City will continue to seek opportunities for financing and subsidy programs that may assist in the development of mixed-use within Solana Beach.			
2	Encourage Accessory Living Units	Distribute information to the public regarding the accessory living unit program at the permitting counter and other public venues, assess program effectiveness, and continue to monitor development standards and the permitting process. Seven additional accessory dwelling units are expected to be approved between 2013 and 2020 based on past trends.	The City currently has an accessory living unit ordinance, and the City will continue to encourage the development of accessory living units.  The City is committed to providing incentives that could include, but would not be necessarily limited to, continuing to assess development standards and implementing a faster permit approval process for these units. The City will also distribute information to the public regarding the accessory living unit program at the permitting counter and other public venues. In addition, the City will evaluate the progress that it makes from 2013 to 2020 in order to assess the program's effectiveness and take appropriate action to enhance program effectiveness, if necessary.	Ordinance 470 was adopted on November 9. 2016 to amend the municipal code to comply with Senate Bill 1069 and Assembly Bill 2299 related to accessory dwelling units The provisions for accessory living units were removed from the municipal code as they were no longer consistent with the provisions of SB 1069 and AB 2299.	Per the new requirements of State housing law, the City will update their existing accessory living unit ordinance to meet the necessary requirements relating to the development of ADUs and JADUs. The City will continue to make updates to the ordinance as new legislation is passed throughout the 6 <sup>th</sup> Cycle planning period.			
3	Density Bonus Program	Develop an educational hand-out regarding the State's density bonus law.	The City will continue to implement its density bonus ordinance to facilitate developer use of this program, and to comply with state law. The City will develop educational materials regarding the State's density bonus law.	A handout has been developed and is available at the front counter and on the city website.	The City successfully developed an educational hand out detailing the requirements and applicable exemptions for density bonus projects. The City will continue to update their educational materials to			

Pas	Past Performance						
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness		
					reflect updates to new State law or local density bonus ordinance changes.		
4	Affordable (Inclusionary) Housing Program	Continue to enforce the City's Affordable Housing Ordinance for new developments. Utilize any Affordable Housing Impact Fees to provide affordable housing through new construction or conversion from market-rate housing.	The City will continue to monitor its effectiveness and provide incentives to the developers of affordable inclusionary housing units, as needed. The City will continue to monitor this program to identify any potential constraints and make adjustments to the ordinance if necessary to facilitate successful implementation of this program.	Inclusionary provisions of the City's Municipal Code were modified to adopt a new Affordable Housing Impact Fee; adopted March 23, 2011.  Two mixed-use project netting in 33 dwelling units approved in 2016 and 2018 were subject to the impact fee.	The City will continue to apply the requirements outlined in the local Affordable Housing Ordinance to new development projects in the 6 <sup>th</sup> Cycle.		
5	Replacement Housing	Replacement of ten very low-income units per the Haro settlement.	The City desires to retain affordable housing in the coastal zone, and the City's Affordable Housing Program, described in Program 4, is intended to meet the City's obligation to provide housing for low- and moderate-income households in the coastal zone.  Under the terms of a settlement agreement in Haro v. City of Solana Beach, the City committed to replacing 13 units of affordable housing.	One mixed-use application consisting of 10 very low-income units on city-owned land was approved in 2014 and received a time extension in December 2015. On August 24, 2016 the City Council conducted a public hearing under the Tax and Equity Fiscal Responsibility Act (TEFRA) and approved the use of tax exempt bonds for the financing of the project.	The City will end this program after the 5 <sup>th</sup> planning period.		
6	Address and Mitigate Con	straints to Housing Development					
6.A	Monitor Affordable (Inclusionary) Housing Ordinance	Monitor the effectiveness of the Inclusionary Housing Ordinance in achieving additional affordable housing units.	The City will continue to monitor its effectiveness and provide incentives to the developers of affordable inclusionary housing units, as needed. The City will continue to monitor this program to identify any potential constraints and adjust the ordinance if necessary to facilitate successful implementation of this program.	Staff discusses the inclusionary program with all applicants proposing 5 or more units and any interested party.	The City will continue to discuss the potential incentives associated with the development of affordable inclusionary housing units as new development occurs within the 6 <sup>th</sup> Cycle. As a requirement of adoption of the 6th Cycle Housing Element Update, the City is required to identify and analyze potential governmental constraints to development, including constraints associated with existing inclusionary housing policies.		
6.B	Monitor Permit Processing Procedures	Monitor permit processing procedures.	The City will continue to monitor its permit processing procedures over the housing element period to ensure that they are not acting as a constraint to the development of housing. If the City finds that its procedures are overly burdensome on residential projects, it will consider revising the permitting process to mitigate potential constraints.	The City continues to review its permit processing procedures over the course of the 5 <sup>th</sup> Cycle Housing Element planning period.	As a requirement of adoption of the 6th Cycle Housing Element Update, the City is required to identify and analyze potential governmental constraints to development, including constraints associated with existing permit processing procedures and timelines.		
6.C	Public Education	Publish/post a new story or information or conduct a presentation once a year.	The City shall initiate a public education program to provide information that describes the benefits of affordable housing and the myths and realities of affordable housing through such means as public presentations, newspaper articles, and information posted on the City's website.	Educational information regarding affordable housing was posted on the website.	Public education regarding new State housing laws is an important component of the public outreach process for the 6 <sup>th</sup> Cycle Housing Element. As part of the update process, the City will conduct the required community		

Past	Past Performance						
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness		
					outreach and post relevant educational materials on the City's website.		
6.D	Constraints for Persons with Disabilities/ Transitional and Supportive Housing	Consistent with SB2, amend the City's zoning ordinance to treat transitional and supportive housing as residential uses subject to the same requirements as any other residential use in the same zone in which it is proposed and amend the definition of residential care facility to delineate the difference between residential care facilities and transitional or supportive housing. Revise the reasonable accommodation procedures to eliminate the need for a variance and continue to monitor zoning and land use rules and regulations to ensure that they do not constrain the development of housing for persons with disabilities.	The City will continue to facilitate the development, maintenance and improvement of housing for persons with disabilities. Also, the City will continue to ensure the City's zoning does not constrain the development of housing for persons with disabilities or residential care facilities. In addition, it will amend its zoning ordinance to treat transitional and supportive housing as residential uses subject to the same requirements as any other residential use in the same zone.	Ordinance 445 amending zoning was adopted 2/12/14. Ordinance 445 amended the City's Zoning code to comply with Request for Reasonable Accommodate under the Fair Housing Act and clarified the definitions of Supportive Housing, Transitional Housing, and Residential Care Facilities.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element. The City will analyze constraints relevant to the provision of housing for persons with disabilities and other special needs portions of the population as required by State law.		
6.E	Facilitate Housing for the Extremely Low Income	Amend the City's zoning ordinance to clarify that SROs are considered studios or efficiency units, which are permitted in multi-family zones.	The City permits studios/efficiency units in its multi-family zones and will amend its zoning ordinance to clarify that SROs are considered a multi-family use. In addition, the City will encourage and facilitate the development of housing for extremely low-income households through a variety of activities such as holding workshops with housing developers, providing financial or in-kind technical assistance or land write-downs, providing expedited permit processing, identifying grant or funding opportunities, applying for or supporting applications for funding on an on-going basis, and offering a reduced fee schedule.	In 2016, the City amended its zoning code to clarify that single-room occupancy units (SRO's) are permitted in multifamily zones.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element.		
6.F	Priority Water and Sewer Service for Affordable Housing	Immediately following adoption, provide the Santa Fe Irrigation District with a copy of the Housing Element. Adopt priority sewer service for affordable housing.	The City will immediately forward the adopted Housing Element and any subsequent amendments to the Santa Fe Irrigation District. The City will also develop priority service procedures for its sewer service.	The Housing Element was sent to the Water Authority.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element.		
6.G	Housing Element Consistency and Monitoring	A housing element that is consistent with the rest of the General Plan and other important planning and policy procedures	The City will continue to monitor the Housing Element as part of its annual general plan implementation report. This includes monitoring the Housing Element for consistency with any amendments made to the Safety, Conservation, and/or Land Use Elements pursuant to AB162 and the required annual review of floodplain maps. If sites identified in the Housing Element as suitable for housing are subsequently identified as inappropriate due to changes in the flood maps, additional sites may need to be identified.	within the General Plan is ongoing.	Per State law, the City is required to maintain consistency between all elements of the General Plan. As revisions are made to other elements within the City's General Plan during the 6 <sup>th</sup> Cycle, the City will amend the Housing Element if necessary to remain consistent.		
6.H	Employee Housing Act Compliance	Ensure compliance with the Employee Housing Act.	Review the City's regulations for compliance with the Employee Housing Act, particularly sections 17021.5 and 17021.6 of the Health and Safety Code regarding farmworker housing. Make amendments to the City's regulations as necessary.	Employee Housing Act has been reviewed and the Housing Element was found in compliance	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element. If future revisions to the Employee Housing Act occur, the City will make the necessary amendments to remain in compliance.		
7	Emergency Shelter Housing Site Identification	Amend the zoning ordinance to allow emergency shelters by right in the General Commercial zone and develop objective standards for their development.	To ensure compliance with this requirement, the City will modify its zoning ordinance to permit emergency shelters in its General Commercial zone and develop objective standards for their development.	Zoning ordinance amending emergency shelters outright in General Commercial and permitting them in the Public/Institutional zone with a Director's Use Permit with	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element.		

Pas	Past Performance						
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness		
				development standards was adopted February 12, 2014.			
8	Illegal Unit Conversion	Continue to implement the illegal unit conversion program. Research the feasibility of implementing an amnesty program.	This program allows homeowners with illegally established accessory dwelling units on their property to apply for legalization.	No applications for conversion have been received so far in the planning period.	This program will be continued in the 6 <sup>th</sup> Cycle Housing Element. New state law regarding ADU compliance, development standards, and permitting requirements will be addressed.		
9	Preserve Existing At-Risk Units	Continue to monitor units at risk of conversion, identify non-profit housing organizations capable of assisting with the preservation of at-risk units, and identify available funding sources. Prevent the one at-risk unit from converting to market rate.	The City will contact the owners of properties with affordable units at risk of converting to market rate to learn of their plans and explore the possibility of purchasing these developments through HUD or a non-profit corporation, actively seeking out non-profit housing organizations that could assist in the preservation of the at-risk units, and applying for financial assistance from sources such as CDBG and HOME funds to attempt to offer financial incentives to extend the terms of the affordability restrictions. Once a non-profit is identified, the City will assess the non-profit corporations' capacity to acquire and manage, assist or support funding applications, and provide tenant counseling.	Received project application for Solana Highlands in 2014 with 32 affordable units, which will replace units previously monitored by the County of San Diego. The expiration date for these affordable units was 2011 and 18 units currently remain. The project was approved by City Council in December 2018.	The City is required by State law to address the preservation of units at-risk of converting to market-rate within the next 10 years. This analysis is included within the 6 <sup>th</sup> Cycle Housing Element.		
10	Section 8 Rental Assistance	Assist developers in applying for project-based Section 8 rental assistance as opportunities arise and continue to work with the County of San Diego Housing Authority regarding the administration of the Section 8 Rental Assistance Program.	The City will provide flyers in both English and Spanish notifying residents and landlords of the availability of Section 8 rental assistance. The City will also seek out project-based Section 8 vouchers to assist with the operational income of affordable housing projects.	The City has continued to coordinate with the County of San Diego Housing Authority to implement and administer Section 8 Rental Assistance.	The City will continue to provide community members with updated information materials regarding the availability of Section 8 Housing Choice Vouchers so long as funding for the program remains available.		
11	Capital Improvements Program	Update the Capital Improvement Program on an annual basis.	The City annually prepares and adopts as part of its annual budget process a multi- year program of capital improvements. The primary focus of the program is repair and maintenance activities.	Continued to implement City's CIP program, annual budget adopted each year.	The City successfully updated and implemented its CIP and will continue to do so in the 6 <sup>th</sup> Cycle Housing Element planning period.		
12	Condominium Conversion Policy	Continue to implement the ordinance.	The City will consider requests for the conversion of existing rental housing of ten or more units to condominium units only when the rental vacancy rate exceeds 6 percent.  In the event that a conversion request is granted, the project is subject to the affordable (inclusionary) housing ordinance, which requires that 15 percent of the units be set aside as affordable.	No applications for conversion have been received so far in the planning period.	The City will continue to implement the existing condominium conversion ordinance as detailed within the City's Municipal Code.		
13	Residential Code Enforcement	Expand the program to make complaint forms available in Spanish and available to download on the City's website. The City will monitor and review code enforcement activity on an annual basis and identify all housing complaints by type, action taken, and results achieved.	The City will expand its residential code enforcement program by making complaint forms available in Spanish and including additional information on the City's website.	A code action data base for housing complaints is routinely maintained and the complaint form is available in English and Spanish.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element.		
14	Residential Rehabilitation	Continue to provide informational materials to promote this County program.	The City of Solana Beach provides information regarding the residential rehabilitation program. The residential rehabilitation program addresses a wide range of rehabilitation needs. These include minor repairs as well as substantial structural, heating, electrical, or plumbing modifications, as well as technical assistance with applying for loans, housing inspections, and construction inspections.	City staff continues to make available informational materials discussing the County's residential rehabilitation program to the public.	The City will continue to make available to residents any existing and updated information discussing this County program for as long as it remains available.		
15	Mortgage Credit Certificate (MCC)	Continue to provide informational materials regarding this County program.	The Mortgage Credit Certificate (MCC) program assists low and moderate-income first-time home buyers. Under this program, which is administered by the County of San	No applications have been received, the MCC handout has	The City will continue to make available to residents any existing and updated		

Pas	Past Performance												
#	Program	Program Objective	Program Action	Current Planning Period Accomplishments	Effectiveness and Appropriateness								
			Diego, qualified first-time home buyers are able to take a federal income tax credit of up to 20 percent of the annual interest paid on their mortgage.	been made available at City Counter.	information discussing this County program for as long as it remains available.								
16	Distribute Fair Housing Information	Continue to provide informational materials regarding fair housing.	The City will stay informed of the current fair housing complaint process, continue to distribute the FHCSD's information on fair housing, and refer fair housing questions and housing discrimination claims to the FHCSD. The City will distribute and make available informational material at both the Building and Planning Department counters and identify other venues (e.g., libraries and other public venues) and opportunities to distribute the information. The City will also maintain a record of fair housing inquiries, referrals for fair housing assistance, and complaints filed.	The City distributes brochures at the Library and City Hall and participates in Fair Housing Council. No complaints received or referred to FHC during 2016.	The City is required by State law to analyze current and future efforts to affirmatively further fair housing (AFFH) as part of the 6 <sup>th</sup> Cycle Housing Element Update. The City will continue to make materials and resources regarding fair housing available to the public.								
17	Energy Conservation	Complete the development of the energy efficiency program.	The City will continue to implement the Solana Beach Green Building Incentive, which offers expedited permit processing for green building applications, permit fee reimbursement for projects that receive GreenPoint Rated certification, and public recognition.  The City will continue to provide information on the City's website regarding steps residents can take to increase their energy efficiency and SDG&E rebate/voucher programs available to Solana Beach residents and businesses.  The City will develop an energy efficiency program for the community and continue to monitor pertinent legislation which would make it easier to implement solar installations.  The City will continue to utilize the Ad-Hoc Subcommittee on Environmental Sustainability to work closely with the Clean and Green committee to develop additional energy conservation and sustainability programs.	The City implemented the PACE program in winter 2014 and continues to identify areas and programs for reducing energy use in the development of the Climate Action Plan.  The City currently has information regarding the programs in the City Website, on the Energy Efficiency Programs page, including links to rebates and services and additional state information.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element.								
18	Public Participation	Keep track of public noticing and participation procedures and as part of the annual review of the housing element, identify and implement effective public communication strategies.	The City must make a diligent effort to achieve public participation of all economic segments of the community. As part of the annual review of the housing element, the City will evaluate the effectiveness of its public communication strategies	The City maintains all notices provided to the public and mails, Eblast, places information on the City website and Facebook, and has used surveys to obtain feedback and information.	The City is required by State law to conduct community engagement as part of the 6 <sup>th</sup> Cycle Housing Element Update process. All community outreach materials, workshop summaries, and written comments are included within the 6 <sup>th</sup> Cycle Housing Element Update as well as on the City's website.								
19	Affordable Housing on City- Owned Property	Issue RFPs to develop affordable housing on the City-owned sites identified in the suitable sites inventory (Sites 3 and 4).	The City will be issuing requests for proposals (RFP) for the development of the other two sites (Sites 3 and 4). To encourage development of these sites, the City will offer incentives such as a reduced fee schedule, land write-downs, and expedited permit processing.	There are currently two RFP's on the City's website.	The City successfully completed this program as part of the implementation of their 5 <sup>th</sup> Cycle Housing Element. As part of the 6 <sup>th</sup> Cycle Housing Element Update, the City will evaluate the appropriateness of these sites in using them to meet the City's RHNA need, given the reuse requirements of State law.								

# Appendix B: Candidate Sites Analysis

## Candidate Sites Analysis Overview

The Housing Element is required to identify sites by income category to meet the City's RHNA Allocation. The sites identified within the Housing Element represent the City of Solana Beach's ability to develop housing at the designated income levels within the planning period (2021-2029). These sites are either residentially zoned or within a commercial zone that permits residential uses at 20 du/ac.

The City of Solana Beach has prepared a candidate housing sites inventory (Tables B-4 and B-5) which includes:

- Assessor Parcel Number (APN)
- Address
- Size (Net Acres as defined by the City and in Appendix D)
- Zoning
- Description of Existing Use
- Ownership
- Density
- Potential Development Capacity (Dwelling Units)
- Square footage of existing use and maximum buildout

**Table B-1** shows the City's 2021-2029 RHNA need by income category as well as a breakdown of the sites identified to meet that need. The analysis within Appendix B shows that the City of Solana Beach has the capacity to meet their 2021-2029 RHNA allocation through a variety of methods, including:

- Identification of additional capacity on existing, residentially zoned sites and commercially zoned sites that permit residential development at 20 du/ac
- Identification of City owned properties suitable for the development of housing
- Future development of accessory dwelling units (ADUs)

#### Water, Sewer, And Dry Utility Availability

Each site has been evaluated to ensure there is adequate access to water and sewer connections as well as dry utilities. Each site is situated with a direct connection to a public street that has the appropriate water and sewer mains and other infrastructure to service the candidate site.

#### Accessory Dwelling Units (ADUs)

As a result of this legislation and an increased effort by the City to promote ADUs, the City has seen an increase in applications so far in 2020. The City has approved 12 ADUs for development in 2020, 2 of which are affordable. Additionally, the City received 24 applications for ADUs in 2020. The City is still processing some of these applications, which will likely receive permits early in 2021. In accordance with State law, ADUs are allowed in all zones that allow single dwelling unit or multiple dwelling unit development. Junior Accessory Dwelling Units (JrADUs) are permitted only in single dwelling unit zones.

The City of Solana Beach has determined based on past performance and HCDs approved methodology that it is appropriate to anticipate the development of 16 accessory dwelling units per year from 2021 to 2029 for a total of 128 ADUs.

Table B-1: Summary of RHNA Status and Sites Inventory											
	Extremely Low/ Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total						
2021-2029 RHNA	316	159	160	240	875						
RHNA Credit (Units Built)		32	<u>41</u> <del>10</del>	<u>79<del>61</del></u>	<u>152</u> <del>103</del>						
Total RHNA Obligations	316	127	<u>119<del>150</del></u>	<u>161</u> 179	7 <u>23</u> 72						
Sites Available											
Existing Residentially Zoned Properties	10	)	<del>44</del> <u>32</u>	<del>40</del> 20	<del>94</del> 62						
Existing Commercially Zoned Properties	480	0		182	662						
Total Potential Capacity Based on Existing GP and Zoning	490	0	44 <u>32</u>	<del>222</del> 202	<del>756</del> 724						
Accessory Dwelling Unit Production	15	,	113		128						
Total Sites Available	50	5	<u>145</u> 157	2 <u>02<del>22</del></u>	8 <u>52</u> 84						
Potential Unit Surplus	62		<u>26</u> 7	<del>43</del> <u>41</u>	<del>112</del> 129						

## B.1 Very Low- and Low-Income Sites Inventory

This section contains a description and listing of the candidate sites identified to meet the Solana Beach's very low and low income RHNA need. A full list of these sites is presented in **Table B-4**.

The City of Solana Beach has identified sites with capacity to accommodate the City's 2021-2029 RHNA. This capacity is based on existing zoning and does not require the City to complete rezones in order to add capacity to what currently exists. This City has identified 31 parcels within the high density residential, general commercial, and special commercial zones. Each of these zones permits residential as a standalone use.

The identified sites have been evaluated to determine the extent to which on-site uses are likely to redevelop within the planning period. It was found that a number of the existing uses (identified in **Table B-4**) are either temporarily or permanently closed or have reduced hours of operation. Many of the uses are in multi-tenant commercial centers with one ownership and most show little to no evidence of recent investment or redevelopment.

Unless provided directly by the owners and tenants, the City does not have access to lease structures as these are private documents but has conducted an analysis to identify sites that show characteristics indicating they are likely to redevelop within the planning period. To determine the potential for future redevelopment of the sites identified within **Appendix B**, the City has conducted an analysis of recent redevelopment of non-vacant sites for residential uses and drawn comparisons between the previous use on those sites prior to redevelopment and the existing uses on candidate housing sites. Each of the example sites found in **Table B-2** was a viable business prior to redevelopment, but residential (either as a sole use or in a mixed-use setting) was determined to be a preferable use for the site and the projects were processed and constructed successfully.

As shown below, the City has a past history of developing residential uses within non-residential zones that have existing uses. This is often done in a mixed-use development which retains commercial uses as described in the following section. In order to account for the potential for commercial development in a mixed-use setting on some of the candidate sites. the City has applied a conservative 80% residential development factor to every identified candidate site. This means that while the City anticipates that sites will likely develop as residential projects, the assumptions made assume that every future redevelopment could include a non-residential component. Mixed-use

development projects within the City are typically developed in this manner as shown in the provided development examples (636 Valley Avenue and 330 S. Cedros Avenue) in **Table B-2**.

It is important to note that the City has not had a fully <u>non-</u>residential project within the general or special commercial zones within the past twenty years, so a fully residential or mixed-use project is highly probable for future development within the identified areas.

#### Redevelopment of Non-Vacant Sites for Residential Uses

Solana Beach does not have sufficient vacant land available to accommodate fifty percent of their low/very low income. RHNArelies on nonvacant sites to accommodate the housing need for lower-income households. To accommodate the City's need at each of the different income levels, the City has analyzed sites within the general commercial, special commercial, and high-density residential zones. The City has also evaluated recent projects that have redeveloped within commercially zoned areas that included residential units. Those projects, including the zoning, use prior to redevelopment, and a project analysis of the approved development plan, are shown in Table B-2. The City's analysis showed that prior uses on these redeveloped sites were similar in nature to the existing uses on sites identified within the sites inventory in Table B-4.

The City has also conducted a parcel specific analysis of existing uses for each of the identified sites. This analysis of existing uses, including indicators of a likelihood that the existing use will redevelop within the next eight years, are provided in **Table B-4**. This analysis is based on information readily available to the City and research that can be found through online research. The City does not always have access to private lease information but has included information that property owners have shared regarding individual sites. As shown in Table B-4, some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain. As evidenced below, the City has a history of redevelopment of non-vacant sites in which the existing use is either abandoned or accommodated within a mixed-use configuration as is the case in 625 Valley Avenue where the existing dentistry use was relocated into the new building. The City has made the assumption within the inventory that development will likely continue to occur in this manor, with existing uses either accommodated within the 20% assumption for non-residential uses or replaced by residential uses.

The following residential development projects have been constructed within the City's general and special commercial zones. In all instances, the projects could have developed more residential units than were ultimately completed. The City's zoning code did not prohibit additional residential development, rather the property owners chose to develop non-residential uses in conjunction with the residential uses on site. All projects completed within these zones within the past twenty years have included a residential component.

	Table B-2: Example Development of Non-Vacant Sites for Residential Uses											
Project Address/ APN	Dwelling Units Zoning		Use Prior to Redevelopment	Project Analysis	Development Classification							
636 Valley Avenue/ 2981333900	3	С	Small single- family residence on a large lot, mostly undeveloped lot.	Project developed 3 residential units and a small commercial component. At 20 du/ac, the project could accommodate 4 dwelling units but opted to only do 3 to incorporate the commercial component. This justifies the City's adjustment factor shown in Table B-4 in Appendix B. Similar to the inventory, this project developed at 3 new units to 1 existing unit (3:1) ratio, with two new additional units. This project completely removed the existing structures and redeveloped	<u>B</u>							

				the site to include the wars listed	
				the site to include the uses listed	
			Commercial	<u>above.</u>	٨
				Project redeveloped the lot to keep	<u>A</u>
			dentist offices	the dentistry office uses and add two	
			on a large lot.	residential units at the rear part of the	
				parcel. The parcel. This project had	
				the potential to include additional	
				residential (up to five units potentially)	
625 Valley				but chose to keep over half of the lot	
Avenue/	2	С		for dentist offices and related parking.	
2981310800				Similar to the inventory, this project	
				created two additional residential	
				units on a site that previously had	
				none. This project completely	
				removed the existing structures and	
				redeveloped the site to include the	
				uses listed above.	
			Commercial	Project developed 8 residential units in	<u>A</u>
			nursery with	addition to ground floor commercial	<u> </u>
			outdoors	space along Cedros Avenue and	
			sales/display	additional creative office space for	
			areas and a	lease within the two-story structure.	
			small	This development could have	
220 C Codros				-	
330 S. Cedros	0		commercial	developed up to 17 residential units	
Avenue/	8	SC	store structure.	but chose to include additional	
2980761300				commercial/office space. This project	
				<u>created 8 residential units on a site</u>	
				that previously had none and was a	
				complete redevelopment of an	
				existing commercial site, removing	
				existing structures, to develop the uses	
				described above.	
			Five adjacent	This 1.95 acre project site consists of 5	<u>A</u>
			parcels	parcels in the General Commercial (C)	
			consisting of a	zone that were directly adjacent and	
			commercial car	consolidated to develop this mixed-use	
			repair/autobody	project. The project consists of	
			shop, vacant	approximately 52,000 square feet of	
			mobile home	commercial office, restaurant and	
343 S.			park, vacant	dining, and retail space in addition to	
Highway 101/	25	С	residence, and	25 multi-family residential units. This	
2980521400		_	homes	development could have developed up	
			converted to	to 36 residential units permitted	
			office uses.	within the current zoning but chose to	
			office daes.	include additional commercial/office	
				space. This project completely	
				removed the existing structures and	
				redeveloped the site to include the	
				uses listed above.	

In addition to the completed development projects shown in **Table B-2**, the City has received applications for potential future development within the High Density Residential zone, which the City has identified in the sites inventory. This application, while not approved, proposes a thirteen-unit development with two affordable units. This project achieved close to the maximum number of units it could based on the current zoning (a maximum of fourteen potential units).

While these projects do not contain affordable units, they show that the City has a past performance of developing residential units within the general and special commercial zones. As all of these uses retained a small commercial component, the City has included a residential development factor of 0.8 to accommodate for the inclusion of commercial uses in redevelopment. The **Housing Plan** section outlines actions the City will take to promote the development of affordable units within the downtown and commercial areas.

#### Relationship of Development Examples to Housing Sites Inventory

Based on the information provided in **Table B-2**, the City has created a development example classification system for sites with characteristics that are applicable to those within the candidate sites inventory. The intent of this classification system is to draw parallels from past development and local knowledge and trends in development to the potential future development of the candidate housing sites identified. These classifications are based in real past development that has occurred within the City and while some comparisons may not be an exact match for the sites identified, they show a strong correlation with the understanding that every parcel is unique in terms of site characteristics, existing use, ownership, and other factors which can affect future development. All example developments in **Table B-2** completely replaced the uses and structures that were existing on site. The same approach is anticipated for the candidate sites in the City's inventory with the exception of the parcels in the Lomas Santa Fe Plaza shopping center which anticipate redevelopment of existing parking lots areas primarily. This is in line with many southern California regional trends which re-envision shopping centers and malls as lifestyle centers where regional and neighborhood serving retail uses complement housing for a more walkable development. Recent local San Diego County examples of this type of redevelopment include:

- The Shoppes at Carlsbad which envisions the addition of 300+ apartments, a hotel, and recreational opportunities in addition to 1.4 million square feet of commercial and dining uses.
- North County Mall in Escondido, which recently was purchased and is undertaking a visioning process to redevelop the property to be more experiential, including the potential for residential uses.
- Otay Ranch Town Center which Brookfield intends to modify to include the development of 1,900 apartment units.

Not all proposed candidate sites fit within these past development examples. Sites that do not fit within these categories have an expanded analysis within the Redevelopment Analysis column of **Table B-4.** 

Development Classification A: Development within this classification occurs primarily within Solana Beach's main commercial corridors (Highway 101 and S. Cedros Avenue) on the west side of Interstate 5. Existing uses are primarily mixed-use commercial/residential or residential in nature. The development examples shown in Table B-2 resulted in mixed-use multi-family projects with commercial components along the ground floor. This is consistent with the capacity adjustment factor shown in Table B-4.

<u>Development Classification B:</u> Development within this classification is infill in nature within commercial and residential corridors in Solana Beach. Existing uses may be neighborhood commercial, professional office, or residential in nature and are likely to redevelop as either fully residential projects or mixed-use.

#### **Development of Small Site Parcels**

Sites identified to meet the City's very-low and low income RHNA were selected based on their ability to meet the default density of 20 dwelling units per acre and the AB 1397 size requirements of at least half an acre but not greater

than ten acres. While several sites identified in the City's sites analysis do not meet this requirement, the City has a history of developing residential uses on parcels in the downtown that are less than half an acre. This shows the viability of these sites. Additionally, the City has identified sites under a half-acre in size that are either adjacent or share characteristics such as common ownership. This is shown under the consolidation group column of **Table B-4**.

Table B-3: Adequacy of Small Sites to Meet RHNA											
APN	Address	Parcel Size	Consolidated Site (Shown in HCD Site Inventory Template	Analysis Findings/Description							
2982118100	S Sierra Avenue	0.33	A	This parcel is currently a city-owned parking lot with no existing structures. The Sites Analysis shows this parcel as consolidated with 511 S Highway 101 (APN 2982114000), a fit athletic club for which it currently serves as overflow parking. These parcels are directly adjacent, share an ingress/egress point and the parking is not used for any other adjacent use. As the parcel is City-owned, the City has added control over the future use of this parcel and is interested in developing it for residential uses as indicated in the Housing Element.							
2980103200	201 S Highway 101	0.35	С	This parcel as well as the parcel directly adjacent to it (APN 2980103100) are both vacant parcels within the City's downtown core. Both parcels have a common ownership under the Kornberg Family Trust and have no existing structures or developed sections. The properties are in close proximity to a number of multifamily developments which have developed on parcels within similar size, shape, and location.							
2980103100	204 S Sierra Avenue	0.43	С	See above description. Parcels are anticipated to be developed together and have been identified as consolidated sites in the City's Sites Inventory.							

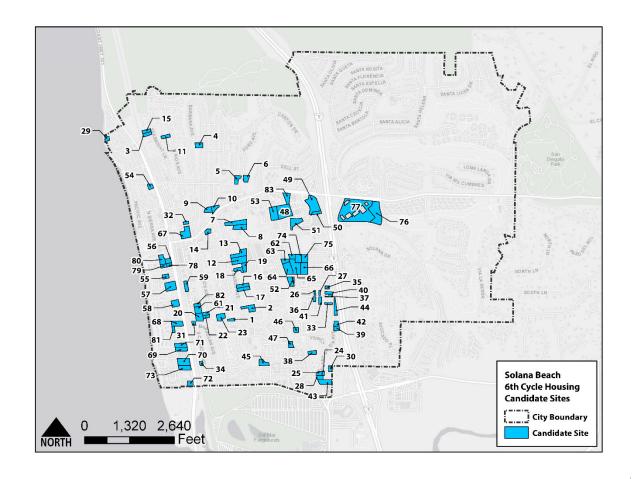
Sites were selected based on their realistic viability to accommodate lower income housing within the 2021-2029 planning period. This includes an evaluation of vacant land within the City (**Table B-2**) as well as underutilized sites that may provide the potential for redevelopment to accommodate residential at higher densities. Solana Beach is almost entirely built out, with the little vacant land within the City containing steep slopes or other characteristics which make it difficult to develop. As such, most sites identified within the housing element are on non-vacant parcels. As shown in the previous section, the City has a history of developing residential units on non-vacant parcels.

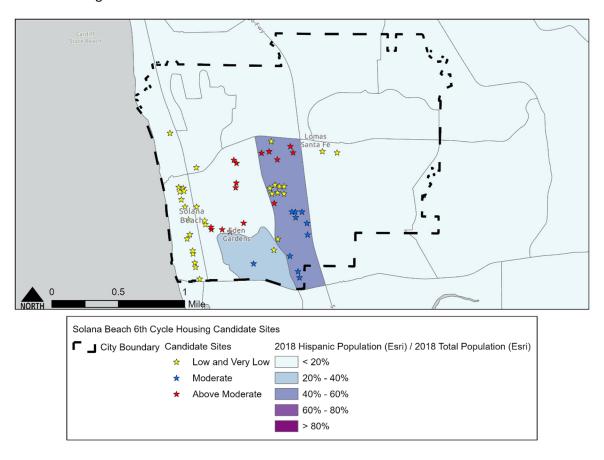
**Figure B-1** shows the locations of all parcels identified to meet the City's lower income RHNA need. A detailed map and list of candidate sites can be found on the City's website.

#### Infrastructure Availability

As discussed in **Section 3**, each site has been evaluated to ensure there is adequate access to water and sewer connections. Each site is situated adjacent to a public street that has the appropriate water and sewer mains and other infrastructure to service the candidate site.

Figure B-1: Map of Identified Sites (All Income Levels)





## Table B-4: Sites to Accommodate Low and Very Low-Income RHNA

(\*Indicates a non-vacant parcel was used in a previous Housing Element or a vacant parcel was used in two previous Housing Elements and is subject to by-right if affordability requirements are met per Program 1F)

Note: Some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain.

APN	Zone	GPLU	Address	Owner	Size (AC)	Realistic Density	Capacity Adjustment Factor	Potential Capacity	Vacant	Existing Uses and Redevelopment Analysis	Consolidation Group	Existing Building Square Footage	Maximum Buildable Area (SF)	Remaining Buildable Area (SF and % of Maximum)	Development Classification
2982118100*	С	С	S SIERRA AVE	CITY OF SOLANA BEACH	0.33	20	0.8	5		City-owned surface parking lot that provides parking solely to the adjacent gym facility. City is in the process of issuing RFPs for the future development of the property for residential uses.	А	0	17,250	17,250 (100%)	<u>A</u>
2982114000	С	С	511 S HIGHWAY 101	HARRISON FAMILY TRUST 01-09-91	1.15	20	0.8	17		Directly adjacent to the City-owned lot and anticipated that it may redevelop in conjunction with City RFP for adjacent parking lot.	А	16,096	60,330	44,234 (73%)	<u>A</u>
2980102000	С	С	236 S SIERRA AVE	236 S SIERRA LLC	0.53	20	0.8	7		Small office space for Cruzan (Real Estate Developer), ID Studios, Inc (Interior Designer), and OrangeWallstudios architecture+planning. This site has capacity to add residential uses while maintaining existing commercial, similar to the sample professional dentist office which recently redeveloped.		9,176	27,822	18,646 (67%)	<u>A</u>
2980106100	С	С	155 S HIGHWAY 101	101 PLAZA L L C	0.55	20	0.8	6		Small commercial center including uses such as GC Dance Company, Beach Grass Café, Sotheby's, nail salon, travel agency, and movement center. Several of these uses, including Beach Grass Café, the Center of Movement and Balance, Choukri Salon, and WorldView Travel were determined to be permanently closed via information available online.		9,505	28,712	19,207 (67%)	A
2980521200	С	С	305 HIGHWAY 101	LONGS DRUG STORES CALIFORNIA INC (SUBLESSEE) <lf></lf>	1.80	20	0.8	27		CVS Pharmacy location with ample surface parking. Single tenant and building show no signs of recent renovations/reinvestment. Directly adjacent to new mixed-use development (343 S. Highway 101)		24,629	94,191	69,562 (74%)	A
2980531700	С	С	405 S HIGHWAY 101	BANK OF AMERICA NATIONAL TRUST&SAVINGS ASSN	0.98	20	0.8	15		Large underutilized parcel with single tenant (Bank of America) Building shows no signs of reinvestment or renovation and market trends point to bank uses going online with smaller physical footprints.		6,534	51,051	44,517 (87%)	<u>A</u>
2980910100	SC	SC	337 S CEDROS ST	HARRISON KEITH&SARA	0.71	20	0.8	7		Small commercial center for Amari Active (currently closed), Devine Grace Today (currently closed), Imeriti Inc and Investors 1031 Exchange. Building shows no signs of reinvestment or renovation.		11,628	30,803	19,175 (62%)	<u>A</u>
2980921100	SC	SC	O CEDROS AVE	SOUTH CEDROS ASSOCIATES L L C	0.91	20	0.8	11		The site contains parking spaces and a portion of a commercial center (Pedego Electric Bikes and Shauns California Sunglasses store).  This site may redevelop with sites labeled "B" in the consolidation group. Building shows no signs of reinvestment or renovation.	В	0	39,642	39,642 (100%)	<u>A</u>

Appendix B: Candidate Sites Analysis

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(\*Indicates a non-vacant parcel was used in a previous Housing Element or a vacant parcel was used in two previous Housing Elements and is subject to by-right if affordability requirements are met per Program 1F)

Note: Some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain.

APN	Zone	GPLU	Address	Owner	Size (AC)	Realistic Density	Capacity Adjustment Factor	Potential Capacity	Vacant	Existing Uses and Redevelopment Analysis	Consolidation Group	Existing Building Square Footage	Maximum Buildable Area (SF)	Remaining Buildable Area (SF and % of Maximum)	Development Classification
2981121500	SC	SC	741 ACADEMY DR	ACADEMY HOSPITAL LLC	0.58	20	0.8	6		Single tenant (Academy Animal Hospital) and building shows no signs of recent renovations/reinvestment. Lease terms are not known for this use.		3,132	25,354	22,222 (88%)	<u>B</u>
2981121900	SC	SC	524 STEVENS AVE	CANTERBURY 2008 IRREVOCABLE TRUST 05-22-08	0.62	20	0.8	6		Small Commercial center with tenants such as A Diva's Hidden Hair, Annie's Café's and Deli (currently closed), Bongiorno's and Charco Financial LLC. Charco Financial LLC has no website or information available to show they are still in business. Buildings show no signs of renovation or reinvestment.		7,290	26,885	19,595 (73%)	<u>B</u>
2981122000	SC	SC	532 STEVENS AVE	SOLANA PARTNERS L P	1.79	20	0.8	21		1 Carpet San Diego, Mitchell's Floor Coverings, Studio 540 Jiu Jistsu, Hylete, PERFECT PET SALON and Sydnee's Pet Grooming are the current tenants of the small commercial center. There is surface parking surrounding the building that may be redeveloped with room for commercial uses.		18,240	77,963	59,723 (77%)	<u>B</u>
2981122100	SC	SC	722 GENEVIEVE ST	SOLANA PARTNERS L P	2.43	20	0.8	29		Small commercial center that currently has A'LaFin Skincare, akovash hardwood (currently closed), Back To Perfection, Beauty & Body Med Spa Salon Solana Beach CA, Busy Moms Fitness Solana Beach & San Diego, Custom Home Audio as tenants. The building is surrounded by surface parking spaces and shows no indications of reinvestments or renovations.		30,000	105,751	75,751 (72%)	<u>B</u>
2981122200	SC	SC	742 GENEVIEVE ST	SOLANA PARTNERS L P	1.61	20	0.8	19		Ballet Arte, Body Design, Breyer's Branches Test, and Dyjak Design Build are the current tenants for the building. There are surface parking lot surrounds the building and no indicator of renovations or reinvestments.		18,240	70,011	51,771 (74%)	<u>B</u>
2633513500	SC	SC	124 LOMAS SANTA FE	OZAWA FARMS INC <dba j&t<br="">INVESTMENTS&gt;</dba>	1.82	20	0.8	28		A Commercial Shopping Center with Two Buildings with Aliza D. Cierone, ND, American Family Martial Arts, Andeliz Nails & Spa, Balancio Insurance, BioIntelligent Wellness, Blue Water Tackle(currently closed), Capstar Mortgage, Chief's Burgers & Brew, Dr. Alexia Garcia Chiropractor, Foundation Yoga Center, Johnson Air Systems, Linda's Hair Nails & Rfxlgy(currently closed), Local Greens, lu ann for hair, Michele Fry, L.Ac., RYT 500, Old Mission Properties, Purebowl, ShorelineFishing, SMartface, Sneaky Feet Aikido, Solana Beach Fish House, Solana Donur House, Solana Spa, Spark Health – IV Therapy Vitamin B12 & Other Services, Subway, Supeirior Legal Divorce & Mediation Services and Tidewater Chiropracter as current tenants. There is ample surface parking spaces that surrounds the building and building shows no indications of reinvestments and renovations.		30,270	79,348	49,078 (62%)	A

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Note: Some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain.

APN	Zone	GPLU		Owner	Size (AC)	Realistic Density	Canacity	Potential Capacity		Existing Uses and Redevelopment Analysis	Consolidation Group	Existing Building Square Footage	Maximum Buildable Area (SF)	Remaining Buildable Area (SF and % of Maximum)	Development Classification
2982114700	С	С	647 S HIGHWAY 101	PINNACLE SOLANA II L L C	0.82	20	0.8	12		Single tenant building (Parioli Italian Bistro) with front and rear surface parking. The current site is underdeveloped with a large undeveloped portion of the parcel in the rear. This parcel is almost identical in nature to one of the redeveloped parcel examples shown in <b>Table B-2</b> .		1,870	43,023	41,153 (96%)	<u>A</u>
2982114900	С	С	731 S HIGHWAY 101	BLUE MAX	1.72	20	0.8	27		Mercado del Sol Commercial Shopping Center containing Double Take, Qwik Corner, JI Phone Repair (Permanently Closed), Bravo Salon (no website or indication of operation), Talisman Arts Tarot, Bangkok Bay Thai, a dry cleaner, and others. Many of these uses have limited hours and little web presence to determine a viable business. The building has surface parking in the front and one side of the building. There a no signs of recent renovations or reinvestments on the building.		36,647	90,131	53,484 (59%)	<u>A</u>
2982118500*	С	С	635 HIGHWAY 101	CITY OF SOLANA BEACH	1.08	20	0.8	17		City Hall of Solana Beach is located in the building and has ample parking in the rear. This parcel is city-owned and has been considered for residential uses in the past and the City will continue to pursue developer interest in the site. The site is underdeveloped and shows no indicators of recent renovations or reinvestments		14,344	56,535	42,191 (75%)	<u>A</u>
2982402400	С	С	100 BORDER AVE	COOPER-HARRIS FAMILY TRUST 01-07-04	0.60	20	0.8	9		Dated and underutilized small Commercial/Office Shopping Center. The building has rear parking and is directly adjacent to existing multi-family uses.		14,000	31,102	17,102 (55%)	<u>A</u>
2982405800	С	С	777 HIGHWAY 101	PACIFIC EXECUTIVE PLAZA L L C	1.11	20	0.8	17		Small Business Park (with tenants including Andrew Moranchel, CPA P.C., Balance Strategies, LLC, Daniel Lowther Law Offices and Dumbeck & Dumbeck Law Office) that has ample surface parking in the front and side of the building.		21,186	58,093	36,907 (64%)	<u>A</u>
2985301900	SC	SC	761 ACADEMY DR	MAX FIRSTENBERG WEINSTOCK FAMILY L L C	1.03	20	0.8	11		Small Business Park that includes 2 buildings with 2 tenants (Center for Cosmetic Dentistry and David Daughters, DDS, Inc.). The shopping center is dated with no indications that the building has recent renovations or reinvestments and surface parking is in the front.		11,726	44,998	33,272 (74%)	<u>B</u>
2985302000	SC	SC	809 ACADEMY DR	ACADEMY GROUP LLC	1.03	20	0.8	12		Top Tier Training, Stratum Fitness and The Saints Thrifts Store are the present tenants of the building with front parking. Presently there is no sign of renovations or reinvestments.		0	44,953	44,953 (100%)	<u>B</u>
2980103200	С	С	201 S HIGHWAY 101	KORNBERG FAMILY TRUST 08-11-92 PERL FAMILY MARITAL TRUST	0.35	20	0.8	5	VAC	Currently the site is a vacant lot and is clearly underdeveloped. The project may redevelop in conjunction with an adjacent site labeled "C" in the consolidation group.	С	0	18,086	18,086 (100%)	<u>A</u>

Appendix B: Candidate Sites Analysis

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(\*Indicates a non-vacant parcel was used in a previous Housing Element or a vacant parcel was used in two previous Housing Elements and is subject to by-right if affordability requirements are met per Program 1F)

Note: Some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain.

APN	Zone	GPLU	Address	Owner	Size (AC)	Realistic Density	Canacity	Potential Capacity		Existing Uses and Redevelopment Analysis	Consolidation Group	Existing Building Square Footage	Maximum Buildable Area (SF)	Remaining Buildable Area (SF and % of Maximum)	Development Classification
2980103100	С	С	204 S SIERRA AVE	KORNBERG FAMILY TRUST 08-11-92 PERL FAMILY MARITAL TRUST	0.43	20	0.8	6	VAC	Presently the site is a vacant lot and is underdeveloped.  The project may redevelop in conjunction with an adjacent site labeled "C" in the consolidation group.	С	0	22,245	22,425 (100%)	<u>A</u>
2980106300*	С	С	140 S SIERRA AVE	CITY OF SOLANA BEACH	1.00	20	0.8	16		City-owned surface parking lot that provides parking solely to the adjacent commercial shopping centers. This parcel has been considered for residential uses in the past and the City will continue to pursue developer interest in the site.		14,000	52,285	38,285 (73%)	<u>A</u>
2634210800	С	С	607 LOMAS SANTA FE DR	SECURITY PACIFIC NATIONAL BANK <lf> ANDERSON CAROL</lf>	1.05	20	0.8	15		A single tenant building (Chase Banking) with ample surface parking and currently underdeveloped. Building shows no signs of reinvestment or renovation and market trends point to bank uses going online with smaller physical footprints. The City has identified the larger shopping center and is in the process of obtaining a letter of interest for residential development.		6,252	55,132	48,880 (62%)	==
2980920200	SC	SC	444 S CEDROS AVE	SOUTH CEDROS ASSOCIATES L L C	0.48	20	0.8	5		A commercial center (24-7 Towing SOLANA BEACH, AIM Wellness Center, BPI Training Now/Home Star and Cloud Applications & Accounting Services) that has front and side surface parking. This site may redevelop with sites labeled "B" in the consolidation group.	В	0	20,909	20,909 (100%)	<u>A</u>
2632936000	С	С	971 LOMAS SANTA FE DRIVE	PACIFIC SOLANA BEACH HOLDINGS	3.98	20	0.8	63		Commercial center with multiple tenants such as Samurai Japanese Restaurant, PostalAnnex, The Frame Shop, and Craftsman Revival Home. This site has ample surface parking with no indication of recent renovations or reinvestments.		71,403	207,988	136,585 (66%)	=
2632935900	С	С	LOMAS SANTA FE DRIVE	PACIFIC SOLANA BEACH HOLDINGS	9.85	20	0.8	64		Large commercial center with multiple tenants such as Vons, Big 5 Sports Goods, HomeGoods and 24 Hour fitness(presently closed)but not limited to tenants listed above. This site shows no recent reinvestments or renovations and currently has ample surface parking. The site identified includes only the parking areas, not individual buildings.		0	582,041	582,041 (100%)	=
2633040100	С	С	354 ACACIA AVE	HAGIO MICHIO TRUST 01-31-02	0.52	20	0.8	10		The commercial center is located on the corner of a major roadway and shows no signs of recent renovations or reinvestments. The current tenants include Mitch's Surf Shop North, Joe Blair Surfboards and Moreland Choppers. The City is in the process of obtaining a letter of interest for residential development from the property owner.		0	27,218	27,218 (100%)	A
2981643200	HRd	HR	802 STEVENS AVE	ARNAIZ RONALD M & HILL- ARNAIZ	0.51	13	0.8	4		There is an existing 2 single-family detached houses and currently the site is underutilized. A realistic density of 13		N/A	N/A	N/A	<u>B</u>

(\*Indicates a non-vacant parcel was used in a previous Housing Element or a vacant parcel was used in two previous Housing Elements and is subject to by-right if affordability requirements are met per Program 1F)

Note: Some sites in the inventory show no "Existing Building Square Footage" but are not marked as "Vacant" due to existing parking lot/paving. On some candidate site, the City has identified just the surface parking area with existing uses to remain.

APN	Zone	GPLU	Address	Owner	Size (AC)	Realistic Density	Capacity Adjustment Factor	Potential Capacity	Vacant	Existing Uses and Redevelopment Analysis	Consolidation Group	Existing Building Square Footage	Maximum Buildable Area (SF)	Remaining Buildable Area (SF and % of Maximum)	<u>Development</u> <u>Classification</u>
				MAKAYLA R TODD AUDREY						du/ac (permits 20 du/ac) has been applied and existing units have been removed from the potential yield.					
2982810900	HRd	HR	841 STEVENS AVE	GRANADOS FAMILY TRUST 10-22-18	0.59	13	0.8	6		There is an existing single-family detached house on a underutilized parcel. The current building shows no signs of any recent renovations or reinvestments into the property. A realistic density of 13 du/ac (permits 20 du/ac) has been applied and existing units have been removed from the potential yield.		N/A	N/A	N/A	<u>B</u>

### B.2 Moderate and Above Moderate Sites Inventory

This section contains a description and listing of the candidate sites identified to meet the Solana Beach's moderate and above moderate income RHNA need.

#### Calculation of Unit Capacity

The capacity for sites identified to meet the City's above moderate RHNA need was determined by multiplying the net parcel size by the maximum achievable density for that zoning designation and rounding down to the nearest whole dwelling unit. Alternatively, the capacity for sites identified to meet the City's moderate RHNA need was determined with the same methodology using the minimum achievable density for that zoning designation. In taking this approach, the City is using a conservative methodology. Where information is known, acreage has been netted out for potential constraints to development.

All of the sites included in the inventory for moderate and above moderate sites can realistically add at least twice as many net new units as exist on the site today (known as the net new unit ratio). The only exception to this is sites which can accommodate one new unit but are currently vacant as noted in Table B-4. The net new unit ratio is calculated accounting for existing units. The potential units to existing unit ratio for all sites is calculated as is demonstrated below and is at least 3:1 on all sites

0.62 \* 5 du/ac = 3 potential units (rounded down to nearest whole unit)

3 potential units – 1 existing unit = 2 net units

Net new unit ratio = 3 potential units : 1 existing unit (3:1)

At least 2 new units per site

#### Selection of Sites

This Appendix B contains a selection of those sites that are most likely to be developed for moderate and above-moderate income housing. For the purpose of identifying sites with the potential to be redeveloped within the planning period, this analysis considered existing zoned parcels that permit residential as a primary use within the following zones based on the permitted densities within those zones:

- Above moderate
  - o LRc, Low Residential C
  - LRd, Low Residential D
  - LMRc, Low-Medium Residential C
  - o LMRd, Low-Medium Residential D
  - o C, General Commercial
- Moderate:
  - o MRd, Medium Residential D
  - o MHRd, Medium-High Residential D

Due to the primarily developed nature of Solana Beach's communities, sites with a capacity through the existing zoning to develop for at least one additional unit were considered within the analysis. In most instances, additional units are achievable through the subdivision of an existing property and addition of dwelling units.

For the purposes of this analysis, accessory dwelling unit potential was calculated separately as outlined within the Candidate Sites Analysis Overview section above. ADUs represent additional potential units to meet the City's RHNA.

### Existing Uses of Commercial Sites in Moderate/Above Moderate Inventory

There are six sites in the candidate sites inventory identified with capacity to assist the City in meeting the moderate and above moderate RHNA. These sites are located within the Solana Beach Towne Center a neighborhood commercial shopping center with large surface parking areas with the potential for redevelopment. Solana Beach

Appendix B: Candidate Sites Analysis

# City of Solana Beach 2021-2029 Housing Element

Towne Center has aging one and two-story structures with commercial and professional office uses and a hyper-underutilized parking area. As identified with the lower income sites within the Lomas Santa Fe Plaza, it is anticipated that the majority of existing uses will remain in place with new development occurring in the existing parking fields. This is consistent with development occurring on larger commercial properties in the region. Recent local San Diego County examples of this type of redevelopment include:

- The Shoppes at Carlsbad which envisions the addition of 300+ apartments, a hotel, and recreational opportunities in addition to 1.4 million square feet of commercial and dining uses.
- North County Mall in Escondido, which recently was purchased and is undertaking a visioning process to redevelop the property to be more experiential, including the potential for residential uses.
- Otay Ranch Town Center which Brookfield intends to modify to include the development of 1,900 apartment units.

Existing uses are individual retail tenants and a desktop analysis of the shopping center shows existing vacancies for lease. Based on regional trends for similar properties, these sites show the potential to redevelop within the planning period.

	Table B-5: Sites to Accommodate Moderate and Above Moderate RHNA										
APN	Zone	Address	Owner	Size (AC)	Realistic Density	Potential Net New Unit Capacity (excluding existing units)	Vacant	Notes			
<del>2981331300</del>	MHRd	820 VERA ST	DYER GARY&JOAN	<del>0.16</del>	8	1		Single family house			
2981331100	MHRd	834 VERA ST	CLARK MIRIAM E 1992 TRUST 06-30-92	0.15	8	1	VAC	Vacant Parcel			
<del>2982120100</del>	MHRd	601 S CEDROS AVE	GILLIAM FAMILY TRUST 04-27-93	0.30	8	1	_	Single family house			
<del>2633510600</del>	MHRd	147 N RIOS AVE	FLAGG KENNETH&ANITA	0.29	8	1	-	Single family house			
2981401400	MHRd	667 IDA AVE	MURO TRUST 10-26-01	0.29	\$	1	-	Single-family house			
<del>2982124400</del>	MHRd	755 CEDROS AVE	D J D 2002 TRUST 04-13- 02	0.27	8	1	-	Single family house			
<del>2981400600</del>	MHRd	635 IDA AVE	HERNANDEZ FAMILY TRUST 07-30-07	0.27	8	1	-	Single family house			
2981340300	MHRd	819 VERA ST	GRACIANO ARTURO	0.27	&	1	-	Single-family house			
<del>2981401800</del>	MHRd	655 IDA AVE	FOWLER CHRYSTALYNN	0.26	8	1	-	Single family house			
<del>2982932100</del>	MHRd	804 IDA AVE	GONZALES FAMILY TRUST 02-11-99	0.51	8	1	-	Single family house			
2981400900	MHRd	645 IDA AVE	PICKERING JENNIFER A M	0.38	8	2		Single-family house			
2981340501	MHRd	833 VERA ST	JONES SETH J&ROBIN K	0.46	8	2		Two small single- family structures			
2982932000	MHRd	0 IDA AVE	BRISA MAR DEVELOPMENT	0.51	8	4		Underutilized site w/ fence			
2981623700	MHRd	0 IDA AVE	K N N MANAGEMENT LLC	0.77	8	6	VAC	Vacant Parcel			

		Table B-5:	Sites to Accommodate Mode	rate and A	Above Mode	erate RHNA		
APN	Zone	Address	Owner	Size (AC)	Realistic Density	Potential Net New Unit Capacity (excluding existing units)	Vacant	Notes
2982604400	MHRd	O DEL MAR DOWNS RD	SAINT JAMES CATHOLIC PARISH IN SOLANA BEACH	0.94	8	7	VAC	Vacant Parcel
2982701800	MRd	2466 MANGO WAY	MARANDINO FAMILY TRUST 08-17-03	0.21	5	1	VAC	Vacant Parcel
<del>2982701600</del>	MRd	686 VIA DE LA VALLE	MARANDINO FAMILY TRUST 08-17-03	0.41	5	1	-	Single family house
2982703500	MRd	684 VIA DE LA VALLE	MENGLER BRUCE&GRAHAM SUSAN FAMILY TRUST 05-20-15	0.51	5	1	VAC	Vacant Parcel
<del>2630212500</del>	MRd	637 W CIRCLE DR	STEINBERG JOSEPH S&DIANE H	0.46	5	1	-	Single family house
<del>2982704400</del>	MRd	690 VIA DE LA VALLE	DOH REVOCABLE LIVING TRUST 01-04-12	0.44	5	1	-	Single family house
2982830900	MRd	880 STEVENS AVE	PELLERITO JAMES J	0.62	5	2		Single-family house
2982704100	MRd	990 HIGHLAND DR	M C S DEL MAR CORPORATE CENTER LLC	1.22	5	6	VAC	Parking Structure
2634210900	С	225 STEVENS AVE	SOLANA BEACH PRESBYTERIAN CHURCH	2.02	20	31		Church Facilities
2634211000	С	663 SAN RODOLFO DR	S B T C HOLDINGS L L C	3.49	20	54		Commercial Shopping Center
2634211200	С	114 SOLANA HILLS DR	S B T C HOLDINGS L L C	3.26	20	51		Commercial Shopping Center
2634211300	С	0 SOLANA HILLS DR	S B T C HOLDINGS L L C	0.51	20	8		Commercial Shopping Center
2634211500	С	667 SAN RODOLFO DR	S B T C HOLDINGS L L C	1.55	20	23		Commercial Shopping Center
2981313000	С	616 STEVENS AVE	WINDWARD PLAZA LLC	1.00	20	15		Commercial Shopping Center

		Table B-5:	Sites to Accommodate Mode	rate and A	Above Mode	erate RHNA		
APN	Zone	Address	Owner	Size (AC)	Realistic Density	Potential Net New Unit Capacity (excluding existing units)	Vacant	Notes
<del>2630321800</del>	<del>LMRc</del>	717 SEABRIGHT LN	HARTMAN BLAYNE TRUST 04-27-05	<del>0.53</del>	4	1	-	Single family house
<del>2630311200</del>	<del>LMRc</del>	645 N RIOS AVE	POPE S&K FAMILY TRUST 03-24-03	0.54	4	1	-	Single-family house
<del>2980838600</del>	<del>LMRc</del>	130 S GRANADOS AVE	MUELLER FAMILY TRUST 04-09-01	<del>0.56</del>	4	1	-	Single family house
<del>2630320800</del>	<del>LMRc</del>	725 SEABRIGHT LN	WAKEHAM RAY H&PATRICIA V FAMILY TRUST 09-16-88	<del>0.53</del>	4	4	-	Single family house
<del>2634040100</del>	<del>LMRd</del>	321 EL VIENTO ST	MARTIN JOHN A&LOIS K TRUST 11 06 89	0.73	4	4	-	Single family house
2634041000	LMRd	<del>390 LOMAS SANTA</del> <del>FE DR</del>	ZIMMERMAN FAMILY TRUST 08-29-07	0.65	4	1	-	Single-family house
2980943200	LRc	0 GRANADOS AVE	CARLTON FAMILY TRUST 12-10-93	0.34	3	1	VAC	Vacant parcel
2981215600	LRc	524 S NARDO AVE	SANCHEZ FELIX	1.19	3	2		Single-family house
<del>2630821700</del>	<del>LRc</del>	615 N GRANADOS AVE	GUNTHER HERBERT J&W RUTH TRUST 11 16-77	0.77	3	1	-	Single family house
2634020500	LRc	148 S NARDO AVE	CARADINE JON C	1.79	3	4		Single-family house
2634022200	LRc	170 S NARDO AVE	BATCHMAN FAMILY TRUST 10-13-10	1.26	3	2		Single-family house
2980811100	LRc	302 S NARDO AVE	BARTHELL FAMILY TRUST 12-12-02	2.02	3	4		Single-family house
2980812500	LRc	258 S NARDO AVE	BARTHELL FAMILY TRUST 12-12-02	1.56	3	2		Single-family house
2980844400	<del>LRc</del>	422 S NARDO AVE	SWORTWOOD CHRISTOPHER G&HEATHER	0.85	3	4	-	Single-family house

### City of Solana Beach 2021-2029 Housing Element

		Table B-5:	Sites to Accommodate Mode	rate and A	Above Mode	erate RHNA		
APN	Zone	Address	Owner	Size (AC)	Realistic Density	Potential Net New Unit Capacity (excluding existing units)	Vacant	Notes
<del>2980844500</del>	<del>LRc</del>	430 S NARDO AVE	BUSER MARTIN&CYNTHIA FAMILY TRUST 12-03-97	0.86	3	1	-	Single family house
2980844700	<del>LRc</del>	326 NARDO AVE	SCHLIFF FAMILY TRUST 05-13-10	0.68	3	1	-	Single family house
<del>2980844800</del>	<del>LRc</del>	318 S NARDO AVE	MCHALE FAMILY TRUST 02-23-18	0.74	्र	1	-	Single family house
<del>2980921000</del>	<del>LRc</del>	526 S CEDROS AVE	ESTRADA EDDIE  M&GLORIA A REVOCABLE  TRUST 04-08-08	<del>1.10</del>	O)	1	-	Two single family houses
2980921300	LRc	0 RIOS AVE	ESTRADA EDDIE M&GLORIA A REVOCABLE TRUST 04-08-08	0.42	3	2	VAC	Vacant parcel
2980921400	LRc	O RIOS AVE	NORTH COUNTY COASTAL LLC	0.40	3	1	VAC	Vacant parcel
2980934400	LRc	535 S GRANADOS AVE	SIHOTA JAGBIR S TRUST 06-14-11	1.05	3	2		Single-family house
<del>2631607100</del>	<del>LRd</del>	403 MARVIEW DR	BURGER FAMILY TRUST 02-07-95	0.78	3	1	-	Single family house
<del>2631607500</del>	<del>LRd</del>	404 MARVIEW DR	HOUSTON 1992 TRUST 12 18 92	0.70	3	1	-	Single family house



# Appendix C: Community Outreach

# Appendix C: Community Engagement Summary

Section 65583 of the Government Code states that, "The local government shall make 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." Meaningful community participation is also required in connection with the City's Assessment of Fair Housing (AFH). A discussion of citizen participation is provided below.

As part of the 6<sup>th</sup> Cycle Housing Element Update process, the City of Solana Beach has conducted extensive public outreach activities beginning in 2020. These recent outreach efforts included presentations, City Council and Planning Commission Study Sessions, Community Workshops, digital media, and noticed Public Hearings. Project materials, including summaries from community workshops and public meetings, notices, and draft public review documents are available on the City's website: <a href="https://www.ci.solana-beach.ca.us/housingelement">https://www.ci.solana-beach.ca.us/housingelement</a>

Outreach for the 6<sup>th</sup> Cycle Housing Element to the Solana Beach community, includes the following actions:

- Community Workshop#1 The City conducted a community workshop on March 5, 2020 at City
  Hall that was advertised using both handouts and flyers as well as the City's website. The
  Workshop had 13 attendees. The workshop is available for viewing on the City's webpage at
  <a href="https://www.ci.solana-beach.ca.us/housingelement">https://www.ci.solana-beach.ca.us/housingelement</a>. At the workshop participants were provided
  with an overview of the planning process. The City's RHNA obligations and engaged in an
  interactive exercise to focus on and identify the responses and creatives solutions to the
  following:
  - O What are the biggest challenges to housing in Solana Beach?
  - O What creative ways can Solana Beach provide housing in the future?
  - What types of programs r assistance could the City provide to facilitate housing?
  - o What other opportunities or ideas do you have to address housing issues in Solana Beach?
- Community Workshop #2 The City virtually conducted a second community workshop on October 15, 2020. The workshop was advertised through flyers in both English and Spanish and on the City's Housing Element Update webpage. The workshop is available for viewing at <a href="https://www.ci.solana-beach.ca.us/housingelement">https://www.ci.solana-beach.ca.us/housingelement</a>. During the workshop, participants were provided with an overview of the current status of the update process, information on previous outreach efforts, and information on each section of the Draft Housing Element. The workshop also directed participants to take an online housing survey and to provide comments on the public review draft.
- Community Workshop #3 On November 12, 2020, the City virtually hosted a third community
  workshop to review the contents of the Public Review Draft Housing Element and collect
  comments. The workshop was advertised through flyers in both English and Spanish and on the

City's Housing Element Update webpage. The workshop was held approximately one week before the close of the public review period so that residents and interested parties had an opportunity to review the document, formulate questions or comments, and provide those to the project team. During the meeting, the project team made a short presentation with highlights of the contents of the Public Review Draft Housing Element and received several verbal comments from participants.

- Online Community Survey From October 15, 2020 to November 30, 2020 the City of Solana Beach launched an online community survey to gather additional feedback regarding the Housing Element Update. Participants were asked to consider potential policies and programs to include in the Housing Element, as well as potential housing types and opportunities for housing in the City. The survey also solicited feedback regarding potential barriers to housing access and constraints to the development of housing.
- City Council Study Session The City held a City Council Study Session on October 28, 2020.
  During the study session, the project team provided a presentation to the Solana Beach City
  Council with an overview of the Public Review Draft Housing Element and Housing Element
  update process to date. Community members had the opportunity to give public comments and
  several were received by the City.
- City Council Study Session #2 The City held a City Council Study Session on March 24, 2021. During the study session, the project team provided an updated draft of the Housing Element to review based on HCD comments received.
- Housing Element Update Website A website developed for public consumption, which can be accessed at <a href="https://www.ci.solana-beach.ca.us/housingelement">https://www.ci.solana-beach.ca.us/housingelement</a>. The website provides relevant information about the update process, key features of the housing element, project timeline and a calendar of events for outreach activities. The website also provided a link to the community survey tool as well as the contact information of city for residents and community members to send additional comments or request additional information.

As required by Government Code Section 65585(b)(2), all written comments regarding the Housing Element made by the public have previously been provided to each member of the City Council.

This Appendix contains a summary of all public comments regarding the Housing Element received by the City at scheduled public meetings, and the Appendix has been provided to the City Council.

### C.1 Community Workshop #1

This section contains all available public oral comments provided during the first Community Workshop, as well as provided workshop materials and handouts. Public comments were received in written and oral form.

# City of Solana Beach Housing Element Update 6th Cycle (2021-2029)

Workshop 1, Summary

Date: March 5, 2020



On Thursday, March 5<sup>th</sup>, 2020 the City of Solana Beach held a public community workshop for the 2021-2029 6<sup>th</sup> Cycle Housing Element Update. The purpose of the meeting was to provide information on the Housing Element update process and to gather input and ideas from the public that will shape the goals, policies and programs in the Housing Element. The workshop included a PowerPoint presentation as well as an interactive feedback session to answer the following questions:

- What are the biggest challenges to housing in Solana Beach?
- What types of programs or assistance could the City provide to facilitate housing?
- What other opportunities or ideas do you have to address Housing issues in Solana Beach?

A video of the full presentation and the PowerPoint slides are available on the City's website. Below are the comments and responses received at the workshop.

### What are the biggest challenges to housing in Solana Beach?

- 1. Maintain open space balance and permeable land (for runoff)
- 2. Lack of freely developable property
- 3. Fear of the types of people who live in affordable housing
- 4. Cost
- 5. The parking requirements
- 6. Already dense
- 7. Zoning limits
- 8. Support appropriate setbacks but they can be a limitation
- 9. How to classify different types of housing?
  - a. Ex: mobile homes, tiny homes
- 10. High cost of materials and labor to produce housing
- 11. Cost of land and construction
- 12. Financing building and permits
- 13. Calling people NIMBY's does not help and only inflames fears
- 14. Emerging ways to build, construction changes
  - a. Example: 3D printers
- 15. High cost of land
- 16. Excessive taxation
- 17. Loss of private property rights mandated by the State
- 18. Regulations with HOA's
- 19. NIMBY attitudes
- 20. Lack of vacant land
- 21. Zoning- a lot of rural zoning on the east side
- 22. State legislation creating constraints in Cities
- 23. Population increases how to accommodate growing numbers

### What creative ways can Solana Beach provide housing in the future?

1. Limited and clearly delineated regulatory process

# City of Solana Beach Housing Element Update 6th Cycle (2021-2029)

### Workshop 1, Summary

Date: March 5, 2020



- 2. Simplified ADU permitting
- 3. Golf course
- 4. ADUs
- 5. Multi-generational and co-housing (at the train station?)
- 6. Living units at businesses
- 7. Adding backyard limits will destroy our neighborhood, too dense, too many cars, parking on streets.
- 8. Reasonable expectations, cohesive positions, flexibility, education
- 9. On church parking lots
- 10. More mixed-use development with studio lofts
- 11. Co-housing
  - a. Varied designs
  - b. Maybe a contest when property is selected
- 12. Political will
- 13. Expedite the permitting process
- 14. Transit oriented development with minimum parking regulations
- 15. Tiny villages (Seattle)
- 16. Live work
- 17. Accelerated approvals
- 18. Multi-use TOD development at NCTD transit center
- 19. ADUs will change the character of the community
- 20. Utilize parking lot behind Vons for apartments (3 story ok!)
- 21. Tie parking for ADUs to house on property to help address parking concerns
- 22. Reduce/restrict short term rentals in residential neighborhoods
  - a. It limits housing for people who want to live and work full time in Solana Beach
  - b. Not against it, just need to regulate it
  - c. You could probably provide/build more housing is you saw that people were actually living full time in the City
- 23. Eliminate or lower fees for ADUs if deeded affordable
- 24. Allow single family homes to be split into multiple units
- 25. Rethink zoning in certain parts of community such as shopping centers near freeways, they might be able to accommodate mixed-use/live-work
- 26. Micro-units
- 27. Pre-approve certain types of buildings and plans
- 28. Shared parking resources
- 29. To provide more affordable housing we need better public transit
  - a. Frequency and additional routes

### What types of programs or assistance could the City provide to facilitate housing?

- 1. Cohousing
  - a. Micro-units
  - b. Small units

# City of Solana Beach Housing Element Update 6th Cycle (2021-2029)

Workshop 1, Summary

Date: March 5, 2020



- 2. Down payment assistance affordability issues
- 3. Accessory Dwellling Unit (ADU)/Junior Accessory Dwelling Unit (JADU) program
  - a. Example: City of Encinitas
- 4. Land bank/ use of existing structures and lots available
  - a. CVS area
  - b. Existing commercial
- 5. Vertical development
- 6. Mixed-use development
  - a. Incentives, planning
- 7. City approved auxiliary housing units
- 8. Fee waivers or reduction for ADUs deed restricted affordable
- 9. Annex and subdivide Rancho Santa Fe
- 10. Financing for building/splitting to increase density if units are publicly available (not for within family)
- 11. P3 ground lease any viable empty city property
- 12. Research and educate on
  - a. Building plans for ADUs
  - b. 3D printers
  - c. Architects builders etc.
- 13. City can use incentives (go to the front of the line, etc)
- 14. Limit affordable housing to people who serve Solana beach such as fireman, police, medical personnel, and teachers for instance

### What other opportunities or ideas do you have to address Housing issues in Solana Beach?

- 1. New development should maintain community character (bulk, scale, and maintain buffers/setbacks between property)
  - a. Relax standards within reason
- 2. HOA issues Park Del Mar
- 3. Educate community on new regulations and options
  - a. Architects
  - b. Land owners
  - c. Fliers at hardware stores
  - d. Etc.
- 4. Funding
  - a. Hold contests
  - b. Promotional
- 5. Educate community on funding opportunities for ADUs etc
- 6. Use church parking lots

# TO HOUSING IN COLANA BEACH

Maintain open
Space balance
and permable
land (for roroft)

Lack
of
Freely
Developable
Property

fear of
the types of
people who
live in affordable
housing

Cost

The parking requirements

Already

Zoning limits support approp. setboacks but its a limit now to classify. High
Cost of
materials
Habor
to produce
horsing

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Financing building permits

Calling people
NIMBYS does
mot pelp &
only inflames
fears

emerging hold was to hold was to horize the changes examples

High Cost of Land

Excessive

Loss of Private property rights mandated by the State

Rogalotions with HOA'S

NIMBY
attitudes

Lack of Vacant proper Land

Zoning
Alor of Mural
Zoning on Bast
Side

# 2-WHAT ARE CREATIVE WAYS SOLANA BEACH CAN PROVIDE HOUSING IN THE FUTURE?

Limited and clearly delineated regulatory processes

simplified ADU permitting

Golf

ADUS

multi-generational co-housing (at the train Station?)

Living units at businesses

adding backynd units will will will will will will heigholdwood. Too tense Too many cars parked on streets.

Reasonable expectations, cohesive positions, flexibility, education

On Church Parking lots

more mixed use development with studios/ lofts

Co Housing
-Varied designs
-Play be contest
when property
selected

Political Will

Expedite the permitting process.

transitoriented development with minimum parking req.

Tiny Villages (Seattle)

Live Work

JADUS

Accelerated

Multi-Usc TOD Development at NCTD Transit Center

ATN'S WILL
CHANGE
CHARACTER OF
THE COMMUNITY

lot behind VONS for apartments (3- Story OK!)

Tie poulting for ADUS to house on property to help address parking concerns

Reduced Restrict
STRS in
Residential
Nesidential
Neighborhoods

limit boxes of for poly who want to line and work full time in SB-not against it just need to obsely regulate it.

You could provide more housing if you saw people were actually living full-time

Elininate or Lower Fees for ADUS if decded affordable

Allow single family homes to be split into multiple units

Rething in
Zoning in
Certain parts
of Community
Such as Shapping
Centers near fuy:
Hhar might accom
mixed use / Live Work

Micro Units

Pre-approve certain types of brildings plans

shared parking hesources

Offardable
housing we
need better
Public Warsh

# WHAT TYPES OF PROGRAMS OF ASSISTANCE COULD THE CITY PROVIDE TO FACILITATE HOUSING?

oppoaunities v micro-units small units

Down payment Ossistance— Offerda bility ISSNes

AOU JADU
1909 ram
Citylencintas ex.

Land bank/
Use lexisting
Structures,
Tots available
Vertical divirimit
Vex: Gysareq
existing

Commercial

Miyed use drip
• incentives
• planning

ahkilann housing plan

Fee waivers
or reduction
for ADUS
deed restricted
Affordable

Annex & Subdivide Rancho Santa Fe

Financing for building splitting to increase divity it units are publically available (not for w/n family)

P3/ground lease any viable + empty city property Research +
educate on

Obld plans for ADVs

O 3-D printers

O architects | Brilders
etc

City can use incentives (go to the front of the line, etc)

Limit afforable
housing to people
who serve solona
Beach such as
feremen, police,
medical personnel,
teachers for instance.

# awestian



# WHAT OTHER IDEAS OPPORTUNITIES DO YOU HAVE TO ADDRESS HOUSING ISSUES IN SOLANA BEACH?

Should maintain
Community Character
(bulk, Scale, 2
Maintain bygers/
Seback been paperties)

Educate

Community on new

regulations + Options

- Architects

- Land owner

- Firers at hardnere

stores

- etc

Educate Community on funding opportunities for ADUS etc.

relax standards win neason

HOA ISSUES -PARK DELMAR EN.

Funding
- hold
- hold
- emtests
- promotionals

USE church
Parking loas

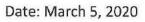
### City of Solana Beach Housing Element Update 6th Cycle (2021-2029) Community Workshop #1 – Sign-in Sheet

Date: March 5, 2020



NAME	E-Mail	ADDRESS
JONAThan Goodnoh		Salana Breach
Judy Malody		Solana Boach
Kylin spharisse	Konstraline granson	Fronchakus CUBB
Susan Keydel		· Solowa Back
BeckesRapp		
Jewel Edson		City Harle
Kristi Becker		
Zahra Panahr		
Shawna McGarry		
Judi Strang		
Kelly Harless		
1		

### City of Solana Beach Housing Element Update 6th Cycle (2021-2029) Community Workshop #1 – Sign-in Sheet





NAME	E-Mail	ADDRESS
Kalen + Dal Done	1	
Kaitlin + Daniel Frink		
- Control Control		

### C.2 Community Workshop #2

This section contains all available public comments provided during the second Community Workshop, as well as provided workshop materials and handouts. Public comments were received in written and oral form.

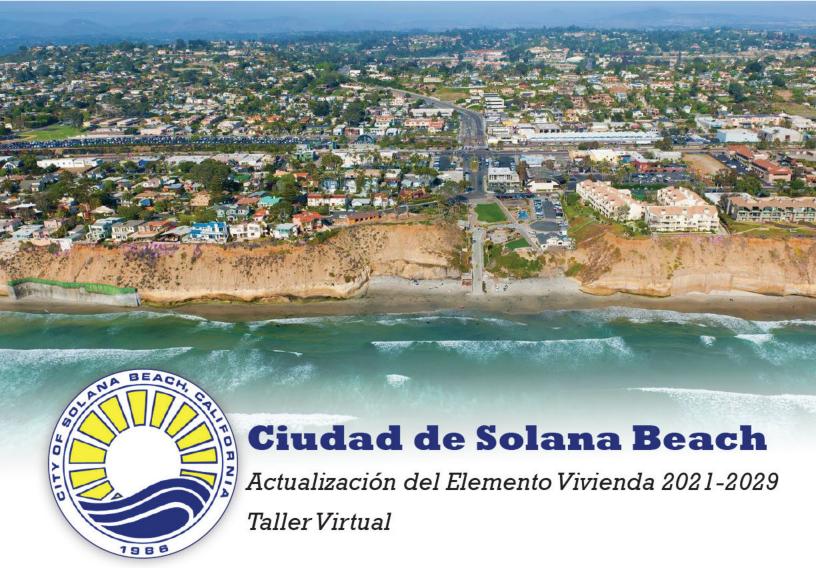


The City of Solana Beach is preparing to release the Public Review Draft of the 2021-2029 Housing Element. Please join us for a virtual workshop to learn about the different parts of the draft document as well as how you can provide feedback during the public review period.

WHEN: October 15, 2020, 6 p.m.

WHERE: The link to this virtual meeting will be made available on the City's Housing Element Update page, located on the City's website (www.ci.solana-beach.ca.us)

For questions, please contact Joseph Lim at (858) 720-2434 or by email at jlim@cosb.org



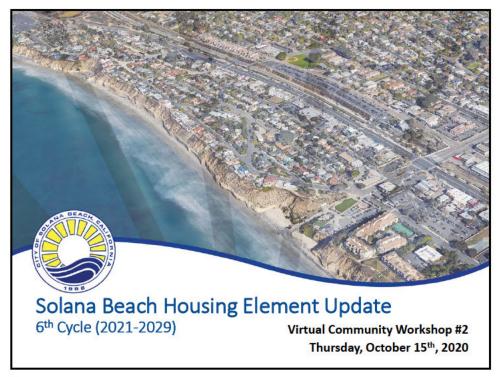
La Ciudad de Solana Beach se está preparando para publicar el Borrador de la Revisión Pública del Elemento Vivienda 2021-2029. Por favor únase a nosotros en un taller virtual para aprender acerca de las diferentes partes del documento preliminar así como también proporcionar sus comentarios durante el periodo de revisión pública.

**CUÁNDO:** 15 de Octubre de 2020, 6 p.m.

LUGAR: El lugar de enlace para esta reunión virtual estará disponible en la página de Actualización del Elemento Vivienda de la ciudad, ubicada en el sitio web de la ciudad (www.ci.solana-beach.ca.us)

(www.ci.solana-beach.ca.us)

Para preguntas, contactar Joseph Lim a (858) 720-2434 o jlim@cosb.org



1

# Agenda

- Purpose of the Workshop
- Overview of Housing Element Update Process
- Overview of Public Draft Housing Element (2021-2029)
- Next Steps
- Community Conversation



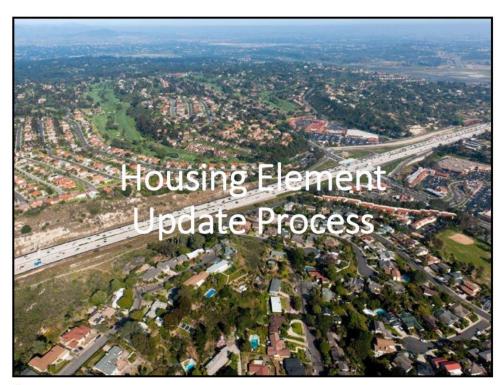
# Purpose of the Workshop

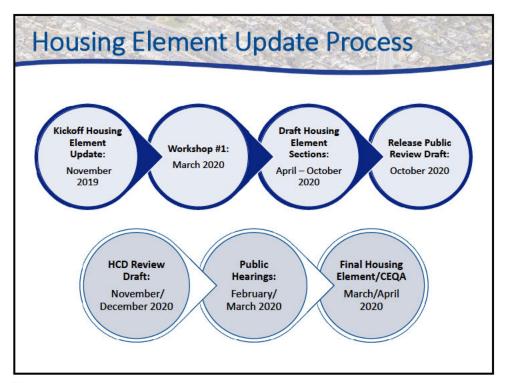
This workshop is intended to:

- Provide an opportunity to participate in the Housing Element Update process
- Introduce the Public Draft Housing Element
- Receive feedback from the community



3





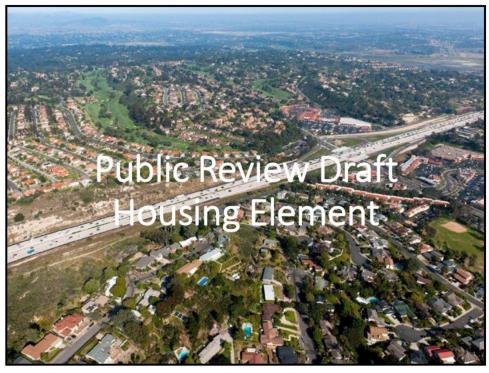
5

# **Housing Element Process Overview**

- Workshop #1 gathered input and ideas to shape the goals, policies, and programs in the Housing Element
- Workshop participants identified:
  - <u>Challenges</u> to developing housing in Solana Reach
  - <u>Opportunities</u> to address Solana Beach's housing issues
  - . Solutions to provide housing in the future
  - <u>Programs and Assistance</u> the City could consider
- Workshop #1 summary contained in Appendix C







7

# Housing Element Organization

- Section 1: Introduction
- Section 2: Demographic and Housing Community Profile
- Section 3: Housing Constraints, Resources, and Fair Housing
- Section 4: Housing Plan
- Appendices



## Section 1: Introduction

- Overview of the City's Housing Element
- State's legal requirements for Housing Element
- Shows Solana Beach's Regional Housing Needs Assessment (RHNA) requirements





a

### Section 2: Housing and Demographic Profile

- Demographic Profile
  - Population and Household characteristics
- Socioeconomic Profile
  - Market conditions
- This section informs and supports the development of the identified policies and programs in the Housing Plan



### Section 3: Constraints, Resources, & Fair Housing

- Analysis of Constraints that may limit the City's ability to develop housing
- Analysis of Housing resources available from programs, services, or funding/financing
- Analysis of Fair Housing within the City





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# **Governmental Constraints**

- Constraints related to local or regional governmental requirements and processes
- Analysis of Governmental Constraints includes:
  - Land use controls
  - Development Standards
  - Development Fees
  - Local Processing and Permit Procedures





# Non-Governmental Constraints

- External constraints outside the City's control
- Analysis of Non-Governmental Constraints includes:
  - Land costs and construction costs
  - · Availability of financing
  - Economic Conditions





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## Infrastructure Constraints

- Constraints associated with infrastructure needed to serve housing
- Analysis of Infrastructure Constraints includes:
  - Water Supply
  - Wastewater Capacity
  - Stormwater Capacity
  - Fire, Police, and Emergency Services



# **Environmental Constraints**

- Constraints due to existing or future environmental conditions
- Analysis of Environmental Constraints includes:
  - · Geological/Seismic Hazards
  - Flooding
  - Habitat/Sensitive Areas
  - Topography
  - High Fire Severity Zones



15

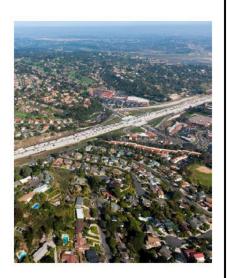
# Adequate Sites Analysis

City of Solana Beach 2021-2029 RHNA Housing Growth Need									
Income Category	% of Area Median Income (AMI)*	RHNA Allocation (Housing Units)							
		Min.	Max.						
Very Low Income	0 – 50% AMI	\$0	\$46,350	316 units					
Low Income	51 – 80% AMI	\$46,351	\$74,160	159 units					
Moderate Income	81 – 120% AMI	\$74,161	\$111,240	160 units					
Above Moderate Income	>120% AMI	\$111,241	>111,241	240 units					
			Total	875 units					

<sup>\*</sup> Income Range is based on the 2020 HUD Area Median Income (AMI) for San Diego County of \$92,700.

## Adequate Sites Analysis

- The City must identify sites to accommodate 2021-2029 RHNA growth need.
- The analysis evaluates all areas of the City they could accommodate development of housing.



17

## Adequate Sites Analysis

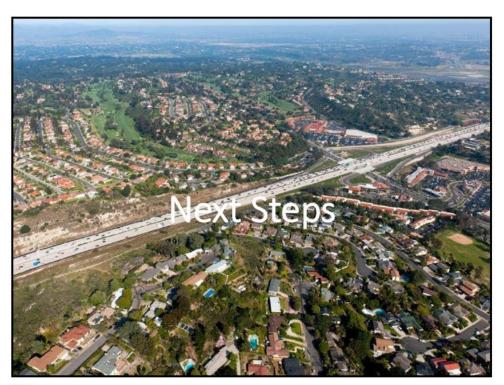
- "Candidate Sites" are chosen based on a variety of factors, some of which include:
  - · adequate zoning,
  - size requirements,
  - · proximity to services and transit, and
  - · availability of infrastructure.
- State law outlines additional criteria for the selection of adequate sites
- Solana Beach's candidate housing sites strategy is not anticipated to require rezoning of any parcels within Solana Beach



## Fair Housing

- City is required by law to conduct a Fair Housing Assessment
- Affirmatively furthering fair housing (AFFH) definition:
  - Taking meaningful actions that address significant disparities in housing needs and in access to opportunity
  - Replacing segregated living patterns with truly integrated and balanced living patterns,
  - Transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and
  - Fostering and maintaining compliance with civil rights and fair housing laws.

19

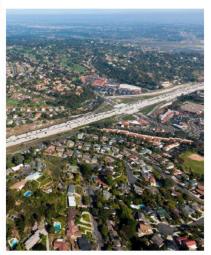


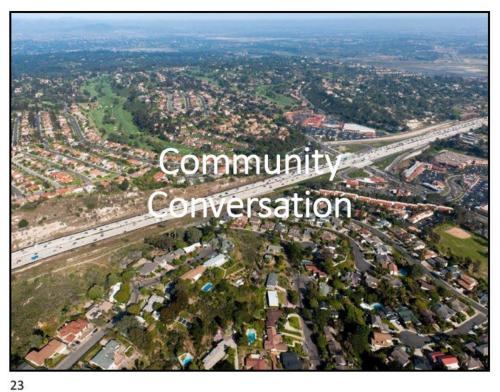


21

# Public Survey: Sites and Programs

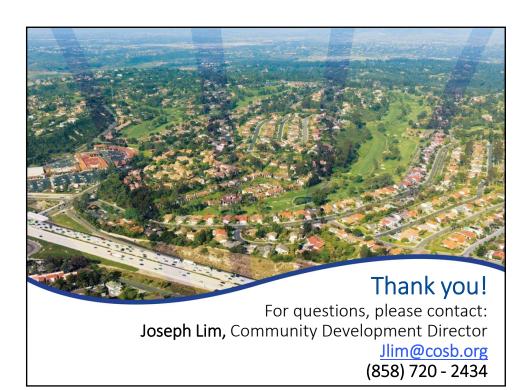
- Please respond to the Housing Element Update survey located at:
  - [Insert surveymonkey link]
- Purpose of the survey is to gather community input on:
  - Potential additional housing focus areas and locations
  - Issues or opportunities that may be addressed by Housing Programs
  - Any additional relevant feedback





# Live Public Input

• [INSERT INSTRUCTIONS PER CITY]



## **C.4** Community Survey

The City conducted a community survey which launched on October 15, 2020. This section contains a summary of the survey results, as well as all survey response data.

## Housing Element Update Survey

From October 15, 2020 to November 30, 2020 the City of Solana Beach launched an online community survey to gather additional feedback regarding the Housing Element Update. Participants were asked to consider potential policies and programs to include in the Housing Element, as well as potential housing types and opportunities for housing in the City. The survey also solicited feedback regarding potential barriers to housing access and constraints to the development of housing. Below is a summary of the survey's results.

#### Survey Results

Question 1: Where do you think the City of Solana Beach should prioritize the development of housing?

Participants were provided a multiple-choice question in order to gather information about where residents, stakeholders and other survey participants were most interested in seeing housing.

**Figure C 1** displays data results for participant responses to Housing Development Locations. Based on the data, participants were most interested in development in the Existing Commercial Shopping Centers while development in Existing Residential Neighborhoods, City-Owned Parcels and other locations were the least appealing for the participants. Participants showed a variety interest in development Highway 101 Corridor and Near the Train Station.

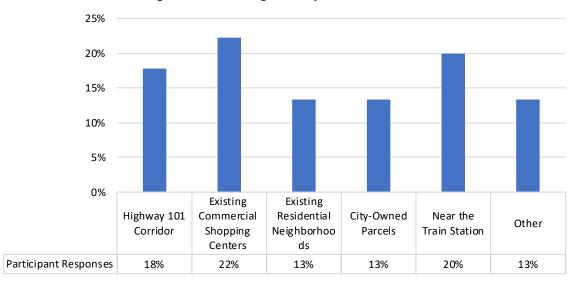


Figure C-1: Housing Development Locations

Question 2: What types of housing would you like to see within Solana Beach?

Participants were provided a variety of housing types in multiple choice format and askto identify or select all the option they are interested in seeing in Solana Beach.

**Figure C 2** displays data results of participant responses to question 2. Based on the data, participants favored Mixed Use (apartments next to stores and restaurants), while Co-Housing and Other were the least favored by participants. Participants showed a mixed interest in Single-Family units, Duplexes/townhouses, Apartments/condos, Accessory Dwelling Units(ADUS) and Multi Generation Housing.

Other Co-Housing (multiple bedrooms rented separately... 2% Multi-Generational Housing 10% Accessory Dwelling Units (ADUs) 16% Mixed-use (apartments next to stores and restaurants) 25% Apartments/Condos 16% Duplexes/townhouses 14% Single-family units 16% 0% 5% 10% 15% 20% 25% 30%

Figure C-2: Housing Development Types

Question 3: Please rate how much you agree with the following statement: Mixed-Use housing (a mixture of housing and other uses, including commercial, office, or other within the same site) is a good solution to addressing Solana Beach's future housing needs.

Participants were asked to rate the above statement on the following scale:

- 1 Disagree
- 2 Somewhat Disagree
- 3 No strong feeling either way
- 4 Somewhat Agree
- 5 Strongly Agree

Participants agreed that mixed-use housing is a good solution to addressing Solana Beach's future housing needs at an average of 4.33. The figure below identifies a further breakdown of responses, showing that over half of participants strongly agreed to the above statement.

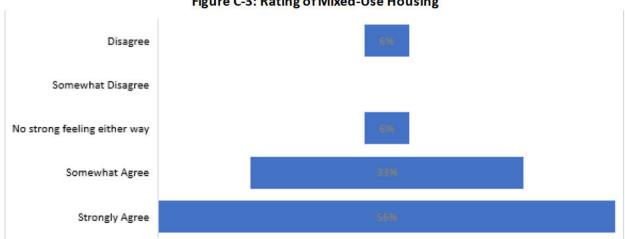


Figure C-3: Rating of Mixed-Use Housing

#### Question 4: What information (if any) would you like provided on Accessory Dwelling Units (ADUs)?

Participants were provided a multiple-choice option regarding ADU information and ask to identify what type of information they would most like the City to provide.

Figure C 4 displays the data results of question 4. Participants identified information on Pre-approved floorplans as the highest priority while information on what an ADU is was the least requested. Participants showed a variety interest on information on "how to build an ADU" and not wanting any information.

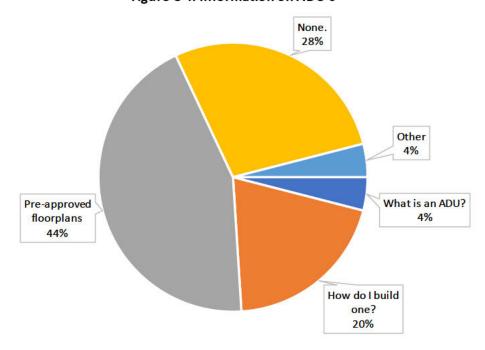


Figure C-4: Information on ADU's

#### Question 5: What types of housing for special need groups are needed within Solana Beach?

The survey provided participants with the following multiple-choice options: Senior living, Student Housing, Transitional/Supportive Housing, and Assisted Living. Participants were asked to select all housing types which are needed for special needs groups in Solana Beach.

**Figure C-5** displays survey results for question 5. The data shows that majority of the participants were the most interested in senior living housing. Participants showed a mixed interest in Transitional/Supportive Housing and Assisted Living while participants were least interested in student housing.

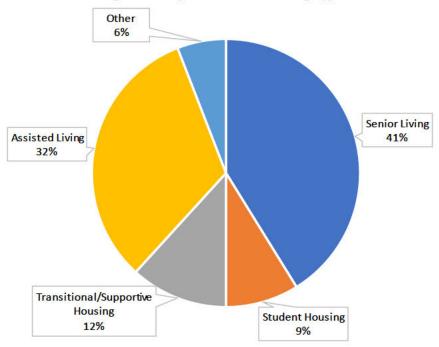


Figure C-5: Special Needs Housing Types

Question 6: Are there any other groups within the community with unique housing concerns that should be considered?

Participants were provided an open comment box to solicit a variety of specific responses. Participants identified housing for low-income families, as well as housing for individuals that work in Solana Beach as topic for consideration in the Housing Element.

Question 7: The Housing Element is the guiding document for housing-related decisions within the City. This document looks at potential constraints, resources, fair housing issues, and action programs to address important topics relating to housing within the community. Knowing that, are there any additional housing-related issues or constraints that the City should review as part of this process?

Participants were provided an open comment box to solicit a variety of specific responses. Participants voiced their concerns of ADU's turning into short term rentals as well as support of development of ADU's.

#### Question 8: What district do you live in?

Participants were provided a list of the four districts in Solana Beach, as well as an option for those who do not reside in the City.

**Figure C-6** displays results for question 8. Majority of the participants live in District 2 and there were not participants that lives in District 3. Participants also lived in District 1 and District 4 as well as not living in the City.

50% 44% 45% 40% 33% 35% 30% 25% 20% 15% 11% 11% 10% 5% 0% 0% I do not live in Solana District 1 District 2 District 3 District 4 Beach

Figure C-6: Participant's Districts

				Please rate how much do you agree with the following statement:	What information (if any) would you like provided on	What types of housing for special need groups are	Are there any other groups within the	The Housing Element is the guiding document for housing- related decisions within the city. This document looks at	What district do you live in?
		Where do you think the City of Solana Beach should prioritize the		Mixed-Use housing (a mixture of housing and other uses, including	Accessory Dwelling Units (ADUs)? (Please select all that	needed within Solana Beach? (Please select all tha	t community with unique housing concerns that	potential constraints, resources, fair housing issues, and action	
ID Start time Complet 1 10/15/20 13 37 55	tion time Email Language 10/15/20 13 38 06 anonymous English (Unit	development of housing? ted TEST;	What types of housing would you like to see within Solana Beach? (Please select all that app	ly.) commercial, office, or other within the same site) is a good solu	apply.)	apply.)	should be considered? TEST	programs to add TEST	Corporation
2 10/15/20 16 31 25	10/15/20 16 33 01 anonymous English (Unit	Highway 101 Corridor; Existing Commercial Shopping Centers; Near	Apartments/Condos;Mixed-use (apartments next to stores and restaurants) Duplexes/townhouses		5 Pre-approved floorplans	Senior Living			District 4
3 10/15/20 17 15 01	10/15/20 17 21 40 anonymous English (Unit	ted Near the Train Station:	Mixed-use (apartments next to stores and restaurants);		5 None.;	Senior Living;Assisted Living;		Simplify subdivision of large parcels	District 1
3 29,29,20 27 23 02	Light Control of the	teer teer trum sections	miles see takes the test of seek and conductively		J. William	Sense Emg		There is a lot vacant housing in Solana Beach, especially in the buff condo areas. I've rented in there and spoken with friends who live in them currently and hear they are about 50% occupied. I think this is a current constraint and a constraint to future housing that might be built in Solana Beach if we don't	Joseph Co.
			Single-family units; Duplexes/townhouses; Apartments/Condos; Multi-Generational Housing; Co-Housing (multiple bedrooms rented separately within one unit); Mixed-use (apartments next to					implement policies that discourage this. In Canada, there is a tax/fee for housing that is vacant. This could be a good source of income for the city. In addition, the car parking that is required for housing here is outdated in my opinion, especially in light of	
4 10/16/20 14 05 10	10/16/20 14 20 40 anonymous English (Unit		stores and restaurants);Accessory Dwelling Units (ADUs); Single-family units;Duplexes/townhouses;Apartments/Condos;Mixed-use (apartments next to		5 Pre-approved floorplans;	Senior Living;Student Housing;Assisted Living; Senior Living;Student		climate change.	District 1
5 10/16/20 15 10 08	10/16/20 15 16 05 anonymous English (Unit	ted wherever possible;	stores and restaurants);Accessory Dwelling Units (ADUs);		5 None.;	Housing;Transitional/Supportive Housing;	Low income families and singles!		District 2
6 10/16/20 16 08 48	10/16/20 16 12 07 anonymous English (Unit	Existing Commercial Shopping Centers ;Existing Residential ted Neighborhoods	Mixed-use (apartments next to stores and restaurants) Apartments/Condos Single-family units		4 None.		Low Income		District 2
								Ability to maintain available facilities to support additional residents. How to realize adequate park space, open space, and other recreational opportunities if we're being asked to	
7 10/17/20 10 30 41	10/17/20 10 34 20 anonymous English (Unit	ted Highway 101 Corridor;Existing Commercial Shopping Centers;	Mixed-use (apartments next to stores and restaurants);Multi-Generational Housing;		5 None.;	Assisted Living; Senior Living;Transitional/Supportive Housing	Affordable units for those on disability	measurably grow.	District 1
8 10/17/20 21 41 03	10/17/20 21 45 40 anonymous English (Unit		Accessory Dwelling Units (ADUs);Mixed-use (apartments next to stores and restaurants);  Apartments/Condos;Multi-Generational Housing;Mixed-use (apartments next to stores and		5 Pre-approved floorplans;How do I build one?;	;Assisted Living;			District 2
9 10/18/20 14 11 50	10/18/20 14 13 31 anonymous English (Unit		restaurants)		4 None.	Senior Living Assisted Living			I do not live in Solana Beach
		Highway 101 Corridor; Existing Commercial Shopping Centers; Near the Train Station; Existing Residential Neighborhoods; City-Owned Parcels; There are many avenues of opportunity to allow for the needed housing. More favorable mixed-use zoning in commercial areas, along with reduced for granging flat or during two health of the commercial areas.	Single-family units; Duplexes/townhouses; Apartments/Condos; Mixed-use (apartments next to				homes for hija collar workers and hija collar	if a site is constrained either by physical properties and/or economic qualities from a build for low income housing to come to fruition, the City should be realistic with that and honest in where they are identifying where this type of housing can	
10 10/19/20 9 05 35	10/19/20 9 10 28 anonymous English (Unit		stores and restaurants) Accessory Dwelling Units (ADUs) Multi-Generational Housing		5 Pre-approved floorplans	Senior Living Assisted Living	salaries - restaurant workers, etc  Yes. Housing for special needs adults.	actually be built.	District 2
			Single-family units; Mixed-use (apartments next to stores and restaurants): Accessory Dwelling		4 Pre-approved floorplans;		Wondering about the impact on existing infrastructure and services such as providing more classrooms for children especially now that classes are necessarily smaller and likely to remain so because of pandemics. Parking is essential since it is unlikely that commuters would take the train until that service is expanded both in frequency and destinations within the County. What is the impact on our Climate Action Plan with this increase in	Obviously the RHINA numbers address the need for affordable housing. We don't need more luxury units. ADUs should be specifically for this use not available for offices and vacationing family members. The ADUs should not qualify as VBRO or AIRB&B units.	
11 10/24/20 9 00 07	10/24/20 9 28 43 anonymous English (Unit		Units (ADUs);  Single-family units; Mixed-use (apartments next to stores and restaurants); Accessory Dwelling		ч г с-ардочей поотрыть,	Senior Living;Assisted Living;	housing?  People who work in Solana Beach should have	Don't change existing zoning beyond allowing ADUs. Who will pay for the added infrastructure necessary for the added RNHA units (schools, parks, etc.)? There are probably many unauthorized units already existing within "single family" homes. Consider an amnesty program that doesn't penalize - maybe even rewards - homeowners who come out of the shadows with their existing rentals toward our RNHA	
12 10/24/20 9 30 16	10/24/20 9 44 28 anonymous English (Unit		Units (ADUs); Mixed-use (apartments next to stores and restaurants);Multi-Generational		4 Pre-approved floorplans;	Senior Living;	priority for new housing here.	target.	District 1
13 10/28/20 10 36 17	10/28/20 10 38 25 anonymous English (Unit		Housing;Apartments/Condos;Single-family units;Duplexes/townhouses;		4 Pre-approved floorplans;	Transitional/Supportive Housing;	The underpaid.	Multi family limitations	I do not live in Solana Beach
14 11/2/20 17 44 51	11/2/20 17 47 58 anonymous English (Unit	Closer to Lomas Country Club where the traffic can be accomodated ted and there is much more space	Duplexes/townhouses Single-family units		1 None.	Senior Living		Solana Beach is ideally sized and the density is appropriate for the area and topography.	District 1
			Single-family units; Duplexes/townhouses; Apartments/Condos; Mixed-use (apartments next to					Ease requirements, approve faster, offer incentives, and be	
15 11/6/20 15 17 36	11/6/20 15 23 56 anonymous English (Unit	ted Existing Residential Neighborhoods;City-Owned Parcels;	stores and restaurants);Accessory Dwelling Units (ADUs);Multi-Generational Housing;		5 Pre-approved floorplans;How do I build one?; What is an ADU?;How do I build one?;Pre-approved	Living;	free plans. Make the setbacks less restrictive.	easier to work with.	District 2
16 11/6/20 16 01 12	11/6/20 16 02 56 anonymous English (Unit	ted Existing Commercial Shopping Centers ;Highway 101 Corridor;	Accessory Dwelling Units (ADUs);		5 floorplans;	Assisted Living;		Make is easier and simpler to build AUD. Encourage people thru	District 2
17 11/6/20 16 43 10	11/6/20 16 48 12 anonymous English (Unit	ted Near the Train Station;	Mixed-use (apartments next to stores and restaurants);Accessory Dwelling Units (ADUs);Apartments/Condos;		5 How do I build one?;Pre-approved floorplans;	Senior Living;Assisted Living;	Would like to see more and like all.	incentives. Also, maintain the ability to enable homeowner to use their property for short term rentals. It is NOT a problem in our community and provides the city income and our businesses customers.	District 2
18 11/12/20 12 59 56	11/12/20 13 27 27 anonymous English (Unit		Single-family units; Mixed-use (apartments next to stores and restaurants); Accessory Dwelling Units (ADUs) Duplexes/townhouses		3 Pre-approved floorplans How do I build one?	Senior Living	Would like to see more people living close to work, to minimize commute. Those include people working in Solana beach on permanent jobs, such as fire fighters, police, teachers, othe local government employees and young professionals.	Land cost, lack of available vacant land, high construction costs for coastal areas.	District 2
19 11/12/20 19 06 01	11/12/20 19 21 16 anonymous English (Unit		Apartments/Condos;Mixed-use (apartments next to stores and restaurants);Duplexes/townhouses;		4 None.;	Senior Living:Assisted Living;	City of Solana Beach workers and public school teachers should have places to live near work.	I'm concerned that ADUs or apartments built in or over garages will become short term rentals, taking them out of the available long term housing stock and leading to a degradation of single family residential areas and a loss of the sense of community due to constant furmover.	District 4
-			•						

Microsoft Forms Page 1 of 4

Forms

Solana Beach Housing Element Update (20... - Saved





Solana Beach Housing Element Update (2021-2029) Community Survey

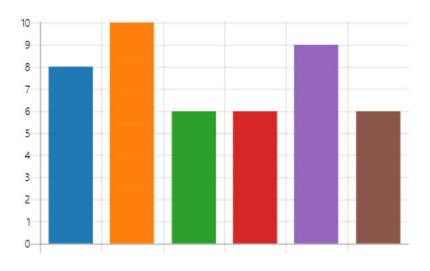
19 Responses 07:59
Average time to complete

Active

Status

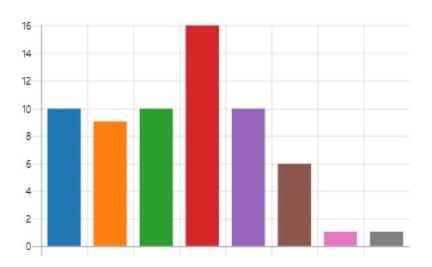
1. Where do you think the City of Solana Beach should prioritize the development of housing?





2. What types of housing would you like to see within Solana Beach? (Please select all that apply.)





3. Please rate how much do you agree with the following statement: Mixed-Use housing (a mixture of housing and other uses, including commercial, office, or other within the same site) is a good solution to addressing Solana Beach's future housing needs. 1 - Disagree 2 - Somewhat Disagree 3 - No strong feeling either way 4 - Somewhat Agree 5 - Strongly Agree Image Source: Solana 101

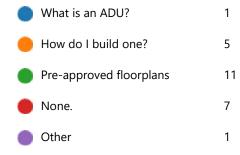
18

Responses

4.33

Average Number

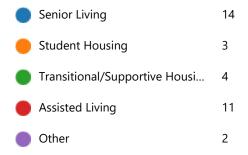
4. What information (if any) would you like provided on Accessory Dwelling Units (ADUs)? (Please select all that apply.)





Microsoft Forms Page 3 of 4

5. What types of housing for special need groups are needed within Solana Beach? (Please select all that apply.)





6. Are there any other groups within the community with unique housing concerns that should be considered?

11 Responses Latest Responses
"City of Solana Beach workers and public school teachers should have pl...

"Would like to see more people living close to work, to minimize commu...

7. The Housing Element is the guiding document for housing-related decisions within the city. This document looks at potential constraints, resources, fair housing issues, and action programs to address important topics relating to housing within the community. Knowing that, are there any additional housing-related issues or constraints that the City should review as part of this process?

13 Responses **Latest Responses** 

"I'm concerned that ADUs or apartments built in or over garages will bec...

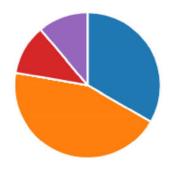
"Land cost, lack of available vacant land, high construction costs for coas...

"Make is easier and simpler to build AUD. Encourage people thru incenti...

Microsoft Forms Page 4 of 4

8. What district do you live in? Image Source: National Demographics Corporation

District 1	6
District 2	8
District 3	0
District 4	2
I do not live in Solana Beach	2



## **C.5** City Council Study Session Notes

The City held a City Council Study Session on October 28, 2020. This section contains all associated materials of the study session.

## **CITY OF SOLANA BEACH**

**SOLANA BEACH CITY COUNCIL** 

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCING AUTHORITY, HOUSING AUTHORITY

## **MINUTES**

## **Joint REGULAR Meeting**

Wednesday, October 28, 2020 \* 6:00 p.m.

Teleconference Location Only-City Hall/Council Chambers, 635 S. Highway 101, Solana Beach, California This meeting was conducted in accordance with Governor Newsom's Executive Order N-29-20 related to the COVID-19 virus.

#### **CITY COUNCILMEMBERS**

Jewel Edson, Mayor

Judy Hegenauer, **Deputy Mayor**Kristi Becker, **Councilmember**Kelly Harless, **Councilmember**David A. Zito, **Councilmember** 

Gregory Wade Johanna Canlas Angela Ivey
City Manager City Attorney City Clerk

#### **CALL TO ORDER AND ROLL CALL:**

Mayor Edson called the meeting to order at 6:13 p.m.

Present: Jewel Edson, Judy Hegenauer, Kristi Becker, Kelly Harless, David A. Zito

Absent: None

Also Greg Wade, City Manager Present Johanna Canlas, City Attorney

Angela Ivey, City Clerk

Dan King, Assistant City Manager

Mo Sammak, City Engineer/Public Works Dir.

Rodney Greek, Interim Finance Dir.

Joseph Lim, Community Development Dir.

## **CLOSED SESSION REPORT:**

#### 4. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1) - Voice of San Diego v. City of Solana Beach & Does (Case No. 37-2020-00024389-CU-WM-NC)

Johanna Canlas, City Attorney, reported that the City Council, by a vote of 5-0, authorized the City Manager to execute the settlement agreement resolving litigation. The material terms include: Voice of San Diego will dismiss the action with prejudice in exchange for consideration in the amount of \$16,474.06 and revision to Administrative Policy #32 extending email retention to 2 years before emails are automatically deleted from the City's mail server.

#### FLAG SALUTE:

#### **APPROVAL OF AGENDA:**

**Motion:** Moved by Councilmember Zito and second by Mayor Edson to approve. **Approved 5/0.** Ayes: Edson, Hegenauer, Becker, Harless, and Zito. Noes: None.

Motion carried unanimously.

#### **ORAL COMMUNICATIONS:**

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by having submitted written comments for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda.

Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

Lisa Montes spoke about her opposition to Measure S on the upcoming election, that La Colonia de Eden Garden successfully fought to rid its community of drugs in the 1980's, having family affected by drugs in the past, and marijuana being a gateway to heavier drug use.

#### COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

#### A. CONSENT CALENDAR: (Action Items) (A.1. - A.5.)

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion.

### A.1. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of the following City Council meetings, September 9 and September 23, 2020.

Approved Minutes <a href="http://www.ci.solana-beach.ca.us/index.asp?SEC=F0F1200D-21C6-4A88-8AE1-0BC07C1A81A7&Type=B">http://www.ci.solana-beach.ca.us/index.asp?SEC=F0F1200D-21C6-4A88-8AE1-0BC07C1A81A7&Type=B</a> BASIC

**Motion:** Moved by Councilmember Zito and second by Councilmember Harless to approve. **Approved 5/0.** Ayes: Edson, Hegenauer, Becker, Harless, and Zito. Noes: None. **Motion carried unanimously.** 

#### **A.2.** Register of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for September 26, 2020 – October 9, 2020.

#### Item A.2. Report (click here)

**Motion:** Moved by Councilmember Zito and second by Councilmember Harless to approve. **Approved 5/0.** Ayes: Edson, Hegenauer, Becker, Harless, and Zito. Noes: None. **Motion carried unanimously.** 

#### A.3. General Fund Adopted Budget Changes for Fiscal Year 2020/21. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2020-2021 General Fund Adopted Budget.

### Item A.3. Report (click here)

**Motion:** Moved by Councilmember Zito and second by Councilmember Harless to approve. **Approved 5/0.** Ayes: Edson, Hegenauer, Becker, Harless, and Zito. Noes: None. **Motion carried unanimously.** 

# A.4. Closing City Hall Between the Christmas and New Year's Holidays. (File 0110-75)

Recommendation: That the City Council

Adopt Resolution 2020-138 authorizing the closure of City Hall and all non-public safety facilities on Monday, December 28th, Tuesday, December 29th, and Wednesday, December 30th for miscellaneous, confidential and management employees, and approve 12-hours of additional leave to the fire employees' leave banks and 24-hours of additional leave to the marine safety employees' leave banks.

#### Item A.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**Motion:** Moved by Councilmember Zito and second by Councilmember Harless to approve. **Approved 5/0.** Ayes: Edson, Hegenauer, Becker, Harless, and Zito. Noes: None. **Motion carried unanimously.** 

#### B. PUBLIC HEARINGS: None

## **C. STAFF REPORTS: (C.1. – C.4.)**

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

#### C.1. 6<sup>th</sup> Cycle Housing Element Update Discussion. (File 0610-10)

Recommendation: That the City Council

1. Discuss and provide guidance regarding the Draft Housing Element Update.

#### Item C.1. Report (click here)

#### Item C.1. Supplemental Docs (Updated 10-28 at 525pm)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Joe Lim, Community Development Dir., presented a PowerPoint (on file).

Council and Staff discussed the November 12th public workshop, identification and

modification of sites, affordable/junior accessory dwelling units (ADUs), parking requirements and calculation of ADUs (Accessory Dwelling Units) towards meeting the housing needs allocation.

Shawna McGarry said she submitted a letter prior to the meeting with most of her comments, that the challenge to locate space for 875 units was difficult and that some of the methodology and data did not make sense for such a small town, and that she supported a housing seminar on ADUs to educate the community.

Tracy Richmond spoke about the lack of funds to build local affordable housing, the State needing to return funds/abilities to cities that was taken away years ago, difficulty in solving at a local level, and the need to equitably distribute the needed units between different sides of town.

Greg Wade, City Manager, responded to some public comments stating that the map was based primarily on existing multi-family zoning, that fewer areas on the east side of town were zoned for multi-family, that the funding of affordable housing was challenging due to the elimination of Redevelopment, as well as small lots, high land values and limited vacant land.

Council and Staff discussed site development, sites east of I-5 such as the shopping center, flexibility of site locations, affordable units in commercial zones that would allow for residential, the census data, high vacancy rate and low overcrowding factors that impact housing allocations, and ADUs allowed within Home Owner Associations (HOA).

Council, Staff, and Consultant (Nick Chen, Kimley-Horn) discussed the census data used by SANDAG, that overcrowding assessments are often due to the number of households that are primary residences rather than second homes and the number of people per household, and how each housing cycle affected a new allocation process.

Council discussed considering identifying the Vons shopping center for potential affordable housing, avoiding zoning changes to meet housing allocations, the disproportionate allocation between different cities, affordable requirement of 20 units per acre, goal of housing or units (i.e. vacation rentals) from Housing and Community Development (HCD), HOA's ability to restrict but not prohibit ADUs, and concern for number of units identified in southwest quadrant of City.

Greg Wade, City Manager, stated that he understood direction and Staff would review some slight revisions to the map/list including looking at the East side, staff would further research ADU development, and that public comment would be received at the November 12<sup>th</sup> public workshop.

#### C.2. Senate Bill 1383 Organic Waste Requirements and Impacts. (File 1030-50)

Recommendation: That the City Council

1. Receive a presentation from Staff on SB 1383 and provide direction to Staff as appropriate. Direction could include to draft regulations and ordinances as required by SB 1383 for Council to consider and to explore options to



# STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers

**FROM:** Gregory Wade, City Manager

MEETING DATE: October 28, 2020

**ORIGINATING DEPT:** Community Development

SUBJECT: 6th Cycle Housing Element Update Discussion

#### **BACKGROUND:**

The Housing Element is a State-mandated policy document. The Housing Element is required by State Housing law to be updated every eight years. The City's current Housing Element is for the 5<sup>th</sup> Cycle planning period which covers 2013-2021. The next planning period is the 6<sup>th</sup> Cycle which covers 2021-2029.

Housing Element Law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems which provide opportunities for, and do not unduly constrain, housing development.

All California municipalities are required by Article 10.6 of the Government Code (Sections 65580-65590) to adopt a Housing Element as part of their General Plan. Distinct from the other General Plan elements, the Housing Element is subject to detailed statutory requirements and mandatory review by the California Department of Housing and Community Development (HCD).

This item is before the City Council to discuss and provide guidance regarding the Draft Housing Element Update.

## **DISCUSSION:**

COUNCIL ACTION:		

The Housing Element is a guiding document that is used to implement goals, policies, objectives and programs that further the development of housing for all income levels in the City. The Housing Element is one of seven mandatory Elements of the General Plan that identifies ways to address housing needs of current and future residents.

As mandated by state law, the City is required to include specific content within the Housing Element in an effort to provide each jurisdiction's "fair share" of regional housing needs. The San Diego Association of Governments (SANDAG) is responsible for preparing the Regional Housing Needs Assessment (RHNA) for all jurisdictions within the SANDAG region. For the 6<sup>th</sup> Cycle planning period (April 15, 2021 to April 15, 2029), the City of Solana Beach was allocated a total 875 units, including 316 very low-income units, 159 low-income units, 160 moderate income units, and 240 above-moderate income units.

The City has conducted two workshops (March 5, 2020 and October 15, 2020), during which, City Staff and Kimley-Horn Associates, the City's Housing Element consultant, updated the community about the State's requirements for the Housing Element Update process and solicited input from the community regarding various housing challenges, facilitation of housing programs, and housing opportunities within the community. Comments received from the community and City Council have contributed to the draft Housing Plan section of the Housing Element which lays out the goals, policies and programs aimed to facilitate housing development in the community.

The draft Housing Element also includes a map and list of candidate sites where the housing for each income category could be developed. After review and evaluation of the City's existing zoning and General Plan land use capacity, it has been determined that the City can accommodate the 2021-2029 RHNA allocation through a variety of methods and among the candidate sites identified without the need to rezone any properties in the City. While the City has very little vacant/undeveloped land, the draft Housing Element identifies vacant and City-owned properties suitable for development of housing, identifies additional capacity on existing residentially zoned and commercially zoned sites, and identifies future development capacity for accessory dwelling units (ADUs) throughout the City. Details of this analysis are contained in Appendix B – Candidate Sites Analysis of the Housing Element.

Sites identified to meet the City's very-low and low income housing categories were selected based on factors established by the State (AB 1397), which include a default density of 20 dwelling units per acre and a minimum parcel size of ½ acre, but not greater than 10 acres. There were some exceptions to the minimum parcel size requirement either where there had been examples of recent development on similarly sized sites or where sites were identified as having common ownership to adjacent parcels that could possibly be combined into suitable site for housing or mixed use development. Due to City's existing land use and zoning designations, the candidate sites analysis resulted in a greater concentration of very low and low-income housing sites being located in the southwestern quadrant of the City, where higher density zoning designations currently exist.

For moderate-income and above moderate-income housing, sites were identified based on properties that had the greatest possibility to be redeveloped on existing medium- and low-density zoned properties. In most instances, the sites identified would allow for development of one or more units based on the permitted densities.

As noted in the draft Housing Element, the RHNA allocation of residential units by income category is summarized in the following table:

		the state of the s			
	Extremely Low/ Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
2021-2029 RHNA	316	159	160	240	875
RHNA Credit (Units Built)				2	2
Total RHNA Obligations	316	159	160	238	873
Sites Available					
Existing Residentially Zoned Properties	23		44	34	107
Existing Commercially Zoned Properties	506		-	190	650
Total Potential Capacity Based on Existing GP and Zoning	529		44	224	757
Accessory Dwelling Unit Production	43		120	29	192
Total Sites Available	572		164	253	949
Potential Unit Surplus	97		4	15	76

The draft Housing Element is being made available for public comment on October 22, 2020 through November 23, 2020. Comments from the public and City Council will be incorporated into the final draft of the City's 2021-2029 Housing Element which is scheduled to be forwarded to HCD in December 2020. HCD will provide comments to the final draft within 60 days of City submittal. Based on HCD comments, edits will be made for final consideration and adoption by City Council prior to April 15, 2021.

## **CEQA COMPLIANCE STATEMENT:**

This discussion item is not a project as defined by CEQA.

## **FISCAL IMPACT**:

There is no fiscal impact as a result of this item.

### **OPTIONS:**

City Council may wish to consider including any number of policies that would further housing development. The following are a list of items that City Council may consider:

- Suggest, modify, and/or comment on candidate sites.
- Incentives to encourage affordable ADU construction.
- Less restrictive development standards for ADU development.
- Explore zoning modifications that would support ADU and affordable housing development.

## **DEPARTMENT RECOMMENDATION:**

Staff recommends that the City Council discuss and provide guidance regarding the Draft Housing Element Update.

#### **CITY MANAGER'S RECOMMENDATION:**

Approve Department Recommendation.

Gregory Wade, City Manager

#### Attachments:

- 1. Legislative Fact Sheet
- 2. SANDAG RHNA Allocation Per Income Category
- 3. Solana Beach Candidate Housing Sites
- 4. Draft Housing Element Update

From: Shawna McGarry

To: <u>EMAIL GRP-City Clerk"s Ofc</u>
Subject: Cool Article on ADU opportunities
Date: Wednesday, October 28, 2020 4:19:08 PM

## Hello Angela,

This might be of interest to Council/Staff with regard to ADUs, <a href="https://www.dwell.com/article/tiny-home-no-cost-construction-roundup-c58d3abe">https://www.dwell.com/article/tiny-home-no-cost-construction-roundup-c58d3abe</a>.

Thanks! Shawna

CAUTION: External e-mail. Do not click links or open attachments unless you recognize the sender and know the content is safe.

## C.6 City Council Study Session #2 Notes

The City held a City Council Study Session on March 24, 2021. This section contains all associated materials of the study session.



## **CITY OF SOLANA BEACH**

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCING AUTHORITY, AND HOUSING AUTHORITY

## **ACTION AGENDA**

The Action Agenda of the City Council Meeting is a document provided immediately following the Council Meeting in order for staff and the public to be aware of the business transacted and actions taken by Council. This is a preliminary draft and not a public record. The meeting's legal record is the Minutes approved by the City Council.

## **Joint REGULAR Meeting**

Wednesday, March 24, 2021 \* 6:00 p.m.

Teleconference Location Only-City Hall/Council Chambers, 635 S. Highway 101, Solana Beach, California This meeting will be conducted in accordance with Governor Newsom's Executive Order N-29-20 related to the COVID-19 virus.

#### MEETING LOCATION WILL NOT BE OPEN TO THE PUBLIC

Due to the Executive Order to stay home, in person participation at City Council meetings will <u>not</u> be allowed at this time. In accordance with the Executive Order to stay home, there will be <u>no</u> members of the public in attendance at Council Meetings. Alternatives to in-person attendance for viewing and participating in City Council meetings are being provided under provided below.

#### **AGENDA MATERIALS**

A full City Council agenda packet including relative supporting documentation is posted online <a href="https://www.cityofsolanabeach.org">www.cityofsolanabeach.org</a> Closed Session Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings.

#### WATCH THE MEETING

- <u>Live web-streaming:</u> Meetings web-stream live on the City's website on the City's <u>Public Meetings</u> webpage. Find the large Live Meeting button.
- <u>Live Broadcast on Local Govt. Channel:</u> Meetings are broadcast live on Cox Communications Channel 19 / Spectrum (Time Warner)-Channel 24 / AT&T U-verse Channel 99.
- <u>Archived videos online:</u> The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's <u>Public Meetings</u> webpage.

#### **PUBLIC COMMENTS**

- Written correspondence (supplemental items) regarding an agenda item at an open session meeting should be submitted to the City Clerk's Office at <a href="mailto:clerkoffice@cosb.org">clerkoffice@cosb.org</a> with a) Subject line to include the meeting date b) Include the Agenda Item # as listed on the Agenda.
- Correspondence received after the official posting of the agenda, but before 3:00 p.m. (or 3 hrs. prior to the meeting start time) on the meeting day, will be distributed to Council and made available online along with the agenda posting. All submittals received before the start of the meeting will be made part of the record.
- Written submittals will be added to the record and not read out loud.
- The designated location for viewing supplemental documents is on the City's website www.cityofsolanabeach.org on the posted Agenda under the relative Agenda Item.

OR

<u>Verbal comment participation</u>: If you wish to provide a live verbal comment during the meeting, attend the virtual meeting via your computer or call in.

Before Meeting

- Sign up (register) to speak at the virtual meeting for the Zoom webinar as early as possible and at least 3 hours prior to the start of the meeting so that Staff can manage the speaker list.

  Public Participation Link: https://us02web.zoom.us/webinar/register/WN\_MugaK8NYR1urX4Ly83lxlg
  - Follow the prompts to enter your name and email address and identify the item you are speaking on.
- Join the meeting by locating your confirmation email, that was sent immediately following registration, which will provide your log-in link.
- Join/Log-In to the meeting at least 15 minutes prior to the start time so that the City Clerk can verify
  you are ready to speak before the meeting begins.
- o If your computer does not have a mic to speak or you have sound issues, you can use the call-in audio information (Zoom ID, Participant ID) from a landline or cell phone to join the meeting for the audio accessibility.
- o If you call in as well for better audio, mute your computer's speakers to eliminate feedback so that you do not have two audios competing when you are speaking.

#### During Meeting:

- o Choose Gallery View to see the presentations, when applicable.
- Participants will be called upon from those who have Registered and their name is identified by the City Clerk calling from the registration list. You will be called on by name and unmuted by the meeting organizer and then you may provide comments for the allotted time. Allotted speaker times are listed under each Agenda section.

#### **SPECIAL ASSISTANCE NEEDED - AMERICAN DISABILITIES ACT TITLE 2**

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's office (858) 720-2400 <a href="mailto:clerkoffice@cosb.org">clerkoffice@cosb.org</a> at least 72 hours prior to the meeting.

CITY COUNCILMEMBERS						
Lesa Heebner, Mayor						
Kristi Becker Deputy Mayor	Kelly Harless Councilmember	<b>David A. Zito</b> Councilmember District 1	Jewel Edson Councilmember District 3			
Gregory Wade City Manager		na Canlas Attorney	Angela Ivey City Clerk			

#### SPEAKERS:

See Public Participation on the first page of the Agenda for publication participation options.

#### **READING OF ORDINANCES AND RESOLUTIONS:**

Pursuant to <u>Solana Beach Municipal Code</u> Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

#### **CALL TO ORDER AND ROLL CALL:**

#### **CLOSED SESSION REPORT:**

#### FLAG SALUTE:

#### APPROVAL OF AGENDA:

**COUNCIL ACTION: Approved 5/0** 

#### **ORAL COMMUNICATIONS:**

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by having submitted written comments for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda.

Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

#### COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

## A. CONSENT CALENDAR: (Action Items) (A.1. - A.8.)

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion.

Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

## A.1. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of the February 24, 2021 City Council meetings.

Approved Minutes <a href="http://www.ci.solana-beach.ca.us/index.asp?SEC=F0F1200D-21C6-4A88-8AE1-0BC07C1A81A7&Type=BBASIC">http://www.ci.solana-beach.ca.us/index.asp?SEC=F0F1200D-21C6-4A88-8AE1-0BC07C1A81A7&Type=BBASIC</a>

**COUNCIL ACTION: Approved 5/0** 

## A.2. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for February 20, 2021– March 05, 2021.

Item A.2. Report (click here)

**COUNCIL ACTION: Approved 5/0** 

#### A.3. General Fund Budget Adjustments for Fiscal Year 2020/21. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2020-2021 General Fund Adopted Budget.

Item A.3. Report (click here)

**COUNCIL ACTION: Approved 5/0** 

#### A.4. Housing Element Annual Progress Report (File 0610-10)

Recommendation: That the City Council

 Adopt Resolution 2021-032 approving the 2020 Housing Element Annual Progress Report and the 2019/20 Housing Successor Annual Report as submitted and direct City Staff to file the report with the California Department of Housing and Community Development and the Governor's Office of Planning and Research.

#### Item A.4. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

#### A.5. Destruction of Obsolete Records. (File 0170-50)

Recommendation: That the City Council

 Adopt Resolution 2021-036 authorizing the destruction of officially obsolete records.

#### Item A.5. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

### A.6. National Wildlife Federation's Mayors' Monarch Pledge. (File 0480-75)

Recommendation: That the City Council

1. Adopt **Resolution 2021-034** authorizing the Mayor to Sign the National Wildlife Federation's Mayors' Monarch Pledge.

### Item A.6. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

## A.7. Temporary Art Compensation Increase (File 0910-41)

Recommendation: That the City Council

1. Adopt **Resolution 2021-035** authorizing a modification to the Temporary Public Arts Program artist compensation from \$500 to \$1,500 for a one-year loan.

#### Item A.7. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

#### A.8. SEA Long-Term Renewable Power Purchase. (File 1010-45)

Recommendation: That the City Council

 Approve Resolution 2021-039 authorizing the City Manager to execute a long-term power purchase agreement, in a form approved by the City Attorney, with Shell Energy to satisfy SEA's long-term procurement obligation under SB 350.

#### Item A.8. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

### **B. PUBLIC HEARINGS:** (B.1. – B.2.)

Note to Public: Refer to Public Participation for information on how to submit public comment.

Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

An applicant or designee(s) for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each.

After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record.

# B.1. Public Hearing: 537 North Granados Ave., Applicant: Gladnick, Case DRP20-005/SDP20-009. (File 0600-40)

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP. Therefore, Staff recommends that the City Council:

- 1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
- 2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
- 3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2021-033 conditionally approving a DRP and SDP to demolish a single family residence, construct a replacement two-story, single-family residence with an attached two-car garage and single carport, and perform associated site improvements at 537 North Granados Avenue, Solana Beach.

Item B.1. Report (click here)

Item B.1. Updated Report #1 (added 3-24 at 4:30pm)

Item B.1. Supplemental Docs (added 3-24 at 1:26pm)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** with the update d landscape plan and additional language that states conditions would not supersede the conditions of the City's water efficient landscape regulations.

### **B.2.** Solana Energy Alliance Rate Schedule. (File 1010-45)

Recommendation: That the City Council

- 1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
- Adopt Resolution 2021-038 amending the rate schedule for Solana Energy Alliance.

#### Item B.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

### C. STAFF REPORTS: (C.1. - C.2.)

Note to Public: Refer to <u>Public Participation</u> for information on how to submit public comment. Any member of the public may address the City Council on an item of concern by submitting written correspondence for the record to be filed with the record or by registering to join the virtual meeting online to speak live, per the Public Participation instructions on the Agenda. The maximum time allotted for each speaker is THREE MINUTES (SBMC 2.04.190).

## C.1. 6<sup>th</sup> Cycle Housing Element Update Status. (File 0610-10)

Recommendation: That the City Council

1. Provide comments and direction on the proposed Draft 6<sup>th</sup> Cycle Housing Element Update changes.

#### Item C.1. Report (click here)

#### Item C.1. Updated Report #1 (added 3-24 at 10:00am)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Discussion.

#### C.2. La Colonia Park/Fletcher Cove Park Playground Design. (File 0720-30, 0730-40)

Recommendation: That the City Council

 Adopt Resolution 2021-030 authorizing the City Manager to execute a Professional Services Agreement, in an amount not to exceed \$111,250, with Van Dyke Landscape Architects for design of a new playground at La Colonia Park and design of new playground equipment at Fletcher Cove Park.

#### Item C.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

**COUNCIL ACTION: Approved 5/0** 

#### **WORK PLAN COMMENTS:**

Adopted June 12, 2019

#### **COMPENSATION & REIMBURSEMENT DISCLOSURE:**

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency "City" at the next regular meeting of the legislative body.

## **COUNCIL COMMITTEE REPORTS: Council Committees**

## REGIONAL COMMITTEES: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) Primary-Heebner, Alternate-Edson
- b. Clean Energy Alliance (CEA) JPA: Primary-Becker, Alternate-Zito
- c. County Service Area 17: Primary- Harless, Alternate-Edson
- d. Escondido Creek Watershed Authority: Becker /Staff (no alternate).
- e. League of Ca. Cities' San Diego County Executive Committee: Primary-Becker, Alternate-Harless. Subcommittees determined by its members.
- f. League of Ca. Cities' Local Legislative Committee: Primary-Harless, Alternate-Becker
- g. League of Ca. Cities' Coastal Cities Issues Group (CCIG): Primary-Becker, Alternate-Harless
- h. North County Dispatch JPA: Primary-Harless, Alternate-Becker
- i. North County Transit District: Primary-Edson, Alternate-Harless
- j. Regional Solid Waste Association (RSWA): Primary-Harless, Alternate-Zito
- k. SANDAG: Primary-Heebner, 1<sup>st</sup> Alternate-Zito, 2<sup>nd</sup> Alternate-Edson. Subcommittees determined by its members.
- I. SANDAG Shoreline Preservation Committee: Primary-Becker, Alternate-Zito
- m. San Dieguito River Valley JPA: Primary-Harless, Alternate-Becker
- n. San Elijo JPA: Primary-Zito, Primary-Becker, Alternate-City Manager
- o. 22<sup>nd</sup> Agricultural District Association Community Relations Committee: Primary-Edson, Primary-Heebner

## STANDING COMMITTEES: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee Zito, Edson.
- b. Fire Dept. Management Governance & Organizational Evaluation Harless, Edson
- c. Highway 101 / Cedros Ave. Development Committee Edson, Heebner
- d. Parks and Recreation Committee Zito, Harless
- e. Public Arts Committee Edson, Heebner
- f. School Relations Committee Becker, Harless
- g. Solana Beach-Del Mar Relations Committee Heebner, Edson

#### CITIZEN COMMISSION(S)

a. Climate Action Commission: Primary-Zito, Alternate-Becker

#### **ADJOURN:**

#### Next Regularly Scheduled Meeting is April 14, 2021

Always refer the City's website Event Calendar for Special Meetings or an updated schedule.

Or Contact City Hall 858-720-2400

www.cityofsolanabeach.org

#### AFFIDAVIT OF POSTING

STATE OF CALIFORNIA
COUNTY OF SAN DIEGO
CITY OF SOLANA BEACH

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the March 24, 2021 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on March 17, 2021 at 1:20 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 6:00 p.m., May 24, 2021, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk \* City of Solana Beach, CA

#### **CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:**

Regularly Scheduled, or Special Meetings that have been announced, are posted on each Citizen Commission's Agenda webpage. See the <u>Citizen Commission's Agenda webpages</u> or the City's Events <u>Calendar</u> for updates.

- Budget & Finance Commission
- Climate Action Commission
- Parks & Recreation Commission
- Public Arts Commission
- View Assessment Commission

## C.7 Community Workshop #3

This section contains all available public comments provided during the third Community Workshop, as well as, provided workshop materials and handouts. Public comments were received in written and oral form.



The City of Solana Beach is hosting a Community Meeting following the release of the City's Public Review Draft Housing Element. Please join us to discuss the draft 2021-2029 Housing Element and ask any questions you have.

WHEN: November 12th, 6 p.m.

WHERE: Please visit [www.ci.solana-beach.ca.us] for a link to access the Community Meeting.

For questions, please contact Joseph Lim at (858) 720-2434 or by email at jlim@cosb.org.





La Ciudad de Solana Beach está organizando una reunión comunitaria después de la publicación del Borrador de Revisión Publica del Elemento Vivienda. Por favor únase a nosotros para discutir el borrador del Elemento Vivienda 2021-2029 y hacer cualquier pregunta que tenga.

CUÁNDO: 12 de Noviembre, 6 p.m.

**DÓNDE**: Por favor visite [www.ci.solana-beach.ca.us] para obtener un enlace para tener acceso a la reunión comunitaria.

Si tiene preguntas, comuníquese con Joseph Lim al (858) 720-2434 o a jlim@cosb.org.



# **C.8** Public Comments

This section contains all available public comments provided during the Public Review Draft open comment period and any additional comments received by the City relating to the Housing Element update process. Public comments were received in written form.



Greg Wade City Manager City of Solana Beach, CA 92075

This is Sean MacLeod. As you know, I have been a property owner, developer and redeveloper of commercial and residential projects in Solana Beach since 1992.

i can confirm that code requirements and development regulations have not been constraints in getting my projects in Solana Beach approved.

Sincerely,

Sean MacLeod

South Cedros Associates, LLC

From: Margaret Walker

Date: November 10, 2020 at 4:37:30 PM PST

To: Joseph Lim >

**Cc:** Judi Strang < >, Barbara Gordon <

Subject: Housing Element Workshop #3

То:

RE: Smoke-free/Vape-free Policies in Solana Beach Housing Element Update

As work continues on updating the city's housing element plan, San Dieguito Alliance for Drug Free Youth would like to respectfully recommend that the city adopt and enforce a comprehensive smoke-free/vape-free ordinance for multifamily housing (MUH) properties as part of the Housing Element Update 2021-2029.

We fully support the suggestion of Dr. Wilma J. Wooten, Public Health Officer and Director for San Diego County, that all cities, including Solana Beach, consider such an ordinance and incorporate language into Housing Element goals and policies to:

Reduce secondhand and thirdhand smoke and vapor death and disability, and that such policy "cover all exclusive-use areas, exterior areas (such as private balconies and decks) and interior unit spaces, as well as common areas not already covered by state law."

We believe this action is critical as it will impact housing developed in the city over the next nine years far for all income levels.

As Dr. Wooten pointed out, this action provides an opportunity to increase health equity for all residents, sparing them exposure to harmful chemicals from secondhand smoke/vapor and its lingering residues (thirdhand smoke/vapor). Inclusion of the wording *vape-free* will spare MUH occupants from chemicals and vapor resulting from vaping aerosols, known to be equally as harmful as secondhand smoke.

The U.S. Surgeon General has stated there is no safe level of secondhand smoke and the risk of harm is most <u>acute</u> in MUH. Thank you.

Respectfully,

Peggy Walker San Dieguito Alliance for Drug Free Youth Public Health Educator Solana Beach Resident From: Peggy Walker > Sent: Wednesday, November 18, 2020 8:21 AM

To: Joseph Lim
Subject: Re Housing Update

Hello Joe,

Thanks for a great public workshop last week on the Housing Element Update. In checking with the county, it appears a letter from Dr. Wilma Wooten, the County's Public Health Officer, regarding Smoke-free Multi Unit Housing (MUH) policy was sent to Solana Beach but it went to Greg Wade -- and that was back in August. I can understand that with all the fray around putting such a complicated plan together it may have missed your desk or been overlooked.

I've attached below Dr. Wooten's August 7th letter to the City below for your information, and do so with all due respect for the work that's been done.

Our organization and others associated with the San Diego County Tobacco Coalition are concerned about the adverse health effects of secondhand and thirdhand smoke on MUH residents, especially the low-income populations targeted. In a move toward environmental equity, many cities including Berkeley, Long Beach and Pasadena have already implemented exemplary smoke-free policies that may be of interest to you.

Another aspect of social equity associated with smoke-free MUH policies is that those of lower income levels and/or families with children disproportionately live in MUH complexes. I've attached a sample smoke-free ordinance for your perusal.

Thank you again, for considering smoke-free MUH policy as you move forward.

Please let me know if I can provide you with further information regarding the value of smoke-free MUH.

Regards,
Peggy Walker
San Dieguito Alliance for Drug Free Youth
Public Health Educator, Youth Program Development
San Diego County Tobacco Control Coalition

Letter from Dr. Wooten to City of Solana Beach August 7, 2020

TO: Greg Wade City Manager

FROM: Wilma J. Wooten, M.D., M.P.H.,

Public Health Officer & Director, Public Health Services

# **RE:** Smoke-free Housing in Housing Element Update

As the Public Health Officer for the San Diego County, I am contacting you to discuss your City's mandated housing element update. The update of the housing element is an opportunity to increase health equity by ensuring all residents live in safe and healthy conditions. As the Governor's Office of Planning and Research has stated, in its recent guidance on environmental justice in general plans, exposure to harmful chemicals from secondhand smoke and its lingering residues (thirdhand smoke) is a threat to safe housing. The U.S. Surgeon General has declared that there is no safe level of exposure to secondhand smoke, which annually causes an estimated 41,000 deaths by people who do not smoke. The risk of harm is most acute in multifamily housing, where drifting smoke from one person can contaminate many living units and is expensive and difficult to clean up.

As you work on updating your housing element, we would ask that you consider incorporating the following language into your goals and policies:

To reduce secondhand and thirdhand smoke death and disability, adopt and enforce a comprehensive smoke-free ordinance for multifamily housing properties that covers all exclusive-use areas, both exterior areas (such as private balconies and decks) and interior unit spaces, as well as common areas not already covered by state law.

Attached is the document, entitled *Prohibiting Smoking in Multifamily Housing: Model Language and Rationale Statement for Inclusion in General Plan Housing Elements, July 2020.* This document explains the rationale for including tobacco elements in general plan housing elements. Also, included for your reference are two information fact sheets, from the California Department of Public Health, on the dangers of secondhand and thirdhand smoke.

Staff from the Public Health Services Tobacco Control Resource Program, in the County of San Diego Health and Human Services Agency, would be happy to discuss opportunities to include tobacco protections in your city's housing element. For further information of questions, please feel free to contact Parke Troutman at a center of . Additionally, San Diego County is a center of research on thirdhand smoke. Staff would be pleased to connect you with leading local scientists if you would like a presentation on the state of current research on this topic.

Sincerely,

**Wilma J. Wooten, M.D., M.P.H.,** Public Health Officer and Director, Public Health Services

<u>County of San Diego Health and Human Services Agency</u>

From: Don Glatthorn <

Sent: Thursday, October 15, 2020 3:29 PM

To: Joseph Lim >
Cc: Tiffany Wade >
Subject: Housing Element Workshop #2

Joseph,

I am the Owner and Manager for South Tracy Land Partners LLC (STLP) and VDM 383 LLC (VDM).

STLP and VDM are the tenants in common owners of the property at and the vacant land on all located in Solana Beach, Ca.

I have a sincere interest in furthering housing opportunities in north county San Diego and intend to bring a development application forward on the above referenced properties at some point in the future. I am fairly well informed on Housing Element programs and State guidelines for incentivizing the construction of new market rate and affordable units. I also understand the ongoing controversy on RHNA allocations to small coastal cities.

My experience in developing housing is largely based on my recent and ongoing attempts to bring housing to the City of Del Mar. After seven years of effort, our Del Mar results have been a mix of good and very bad. We have been successful in gaining approval of the 941 Camino Del Mar project which will build two affordable and six market rate units with a groundbreaking of summer 2021. If interested, you can view a video of the project on the 941caminodelmar website. Unfortunately our efforts to gain approvals for the Watermark project in Del Mar have been unsuccessful to date. We remain undaunted and are continuing our efforts to seek approvals for Watermark despite the recent failure of the Del Mar City Council to amend the Community Plan allowing residential in the NC Zone and refusal to adopt reasonable development standards to incentivize the construction of housing which address unique the physical constraints of the NC Zone. All of which are required pursuant to the 2013 certified Del Mar Housing Element.

The Watermark project could bring 38 market rate plus 10 affordable housing units to the City of Del Mar if approvals are gained.

I provide the background on my Del Mar efforts in order to color my unique insights into the extreme housing challenges facing cities and property owners in affluent coastal communities. My experience in Del Mar highlights many challenges and include the following:

- 1. Many members of the public have incorrect misconceptions regarding the realities of affordable housing. Those misconceptions include: the income levels and jobs of affordable occupants, a perception of diminished property values to adjacent neighboring properties, higher traffic counts, extreme noise impacts, poor maintenance and diminished curb appeal.
- 2. Property owners use affordable housing law as a "get rich quick" scheme to circumvent local control. State required development standard incentives which balance the economic challenges of integrating affordable components such as increases for FAR, height and others will ruin the character of a community in appearance and soul.
- 3. Affordable housing will overcrowd schools and diminish the quality of education in those schools.

All of the above are flagrantly incorrect and often times based on rumor and ignorance.

I am proud to live Solana Beach and fully support the efforts of the our Planning Department and City Council to do educate the public public on the importance and benefits of a more integrated community both socially and economically. The public outreach for the HE update has been robust and effective.

I applaud the inclusive and honest dialogue regarding housing challenges in Solana Beach and the sincere efforts of staff and City Council to incentivize new housing opportunities across all income levels. Generally the City of Solana Beach currently establishes reasonable development standards to facilitate housing construction with the notable exception of height. About four years ago the City amended the Highway 101 Specific Plan to reduce height from three stories to two stories. In my opinion this was done without sufficient public outreach, specifically failure to notify each individual property owner. I believe the catalyst to this botched and rushed literal down zoning was the Solana 101 project. I encourage the City to revisit height measurement in the Highway 101 Specific Plan and reset it back to three stories to incentivize housing construction in mixed use projects along Highway 101.

With respect to my Solana Beach properties referenced above and the City of Solana Beach Housing Element I have the following comments.

1. I have attempted to look at the HE online and believe the reference to size and capacity may be
incorrect. I emphasize MAY be incorrect because I am not 100% sure. The document is extremely large
and I may be missing some things. My property consist of five different parcels APN's
Those parcels total about 27,000 SF and are ideal
candidates for redevelopment of a mixed use project with housing including an affordable component
Please confirm the proper size and density calculations in the HE if not already correct. They very well
may be correct and I am simply missing the information.

2. Please consider height amendments and reverting back to 3 stories in the Highway 101 Specific Plan area.

Thank you for your consideration of my comments. I appreciate your outreach for comments and sincerely appreciate our City Council for its honesty and a desire to be inclusive and do housing right.

Sincerely

Don Glatthorn

Manager STLP and VDM From: Rev. Gerard Lecomte CJM

Sent: Wednesday, October 14, 2020 11:46 AM

To: Joseph Lim < Cc: deacon Peter Subject: City of SB

To whom it may concern,

Joseph Lim, Community Development Director, City of Solana Beach

Re: Solana Beach Housing Element Update

St. James Catholic Parish, located at 625 S. Nardo Avenue in Solana Beach, has been working with the San Diego chapter of Catholic Charities in identifying potential uses for available land we possess at the south end of our property. We would like to go on record expressing an interest in developing this land for public benefit, specifically housing to support low-income individuals. Please consider including this intention in your Housing Element Update.

Sincerely,

Fr. Gerard Lecomte

**Pastor** 

From: Heather Dinsmore <

Sent: Thursday, October 8, 2020 9:55 AM

To: Joseph Lim

Subject: bring flag lots back to SB

Hi, Joe-

Regarding the virtual workshop next week, I wanted to suggest the idea of bringing back the option to do flag lots and relaxing the restrictions for people wanting to split them. It would be a win for the landowner that could sell a portion of their property and it would create another lot that would pay property taxes.

I also love that ADU's are being allowed now and I think that SB should follow suit of some of the other local cities by offering free building plans, loosing restrictions, and waiving fees to encourage homeowners to build them.

Just my two cents. I'll try and listen in on the call. I hope that you are doing well and staying healthy.

Best, Heather Dinsmore 247 South Rios Ave October 28, 2020

Mr. Joseph Lim
Community Development Director
City of Solana Beach
635 S. Highway 101
Solana Beach, CA
Submitted via email:

Re: Draft 6th Cycle Housing Element

Dear Mr. Lim:

On behalf of the San Diego Housing Federation, we are writing to provide comments and feedback on the draft 6<sup>th</sup> Cycle Housing Element for the City of Solana Beach.

The draft Housing Element contains several actionable items that will help Solana Beach make progress toward meeting its housing goals. We applaud these components of the draft Housing Element and would like to make some additional recommendations to strengthen the plan's impact on achieving housing goals.

# **Implementing State Legislation**

The San Diego Housing Federation was a proud co-sponsor of AB 1486, a bill that strengthened and clarified the state's Surplus Land Act. City implementation of this bill will advance Housing Goal #1 (page 4-2) to accommodate Solana Beach's share across all income levels. Identifying unused City-owned sites for housing can help to ensure the City is compliant with the State Surplus Land Act and helps support the development of affordable housing.

We are pleased to see Housing Program 1J (page 4-5) included in this plan to update the City's Density Bonus Ordinance. We recommend that the City move quickly to implement AB 1763, a bill we supported which provides a density bonus for developments that are 100 percent affordable, to serve as a tool for building affordable housing. The City should also work to implement AB 2345, a bill we supported that builds on the success of the City of San Diego's Affordable Homes Bonus Program (AHBP) by taking the program statewide. A report by Circulate San Diego, "Equity and Climate for Homes," found that 63 percent of AHBP projects were located in high and highest resource census tracts, demonstrating the program's role in affirmatively furthering fair housing. Just passed and signed into law this year, AB 2345 is a valuable tool to achieve the City's housing goals.

# Local funding for affordable housing

The draft Housing Element recognizes the need for funding to build housing that is affordable to low-income individuals and families. As is recognized throughout the draft Housing

Element, federal and state funding is a critical piece to the resources puzzle. We recommend that the Housing Element specifically include a goal to prioritize funds made available through the Permanent Local Housing Allocation (PLHA), also known as the Building Homes and Jobs Act (SB 2, 2017), for the development of deed-restricted affordable housing. Maximizing the use of these funds to build housing for extremely low-, very low-, and moderate income households will help the City meet its RHNA obligations. Additionally, as local gap financing is critical, we encourage the City to consider dedicating former redevelopment funds, sometimes called "boomerang funds," as a local source of funding for affordable housing.

# Affirmatively furthering fair housing and equity

As noted in the housing element, the majority of the City of Solana Beach is classified as a high opportunity zone as identified by the Regional Opportunity Index (Figures 3-2, page 3-50) and the city is predominantly White with the White population 12.6 percent higher than San Diego County (page 2-3). The City of Solana Beach should take the opportunity in its Housing Element to recognize the role that the City has played in segregation on a regional level. In particular, constraints on increasing housing supply such as the Growth Management Measures described on pages 3-9 to 3-10 should be examined for their role in creating exclusion.

We recommend that the City review the California Department of Housing and Community Development (HCD) 2020 Analysis of Impediments to Fair Housing Choice and include the recommendations and actions outlined in the report. We additionally recommend that the City work with HCD on AFFH recommendations as they relate specifically to Housing Elements and incorporate those recommendations in the plan.

#### **Housing and Climate Change**

Our September 2016 report, "Location Matters: Affordable Housing and VMT Reduction in San Diego County," found that lower-income households are more likely to live in transit-rich areas, own fewer cars, are likely to live in larger building and smaller units, all factors that make affordable housing near transit a key greenhouse gas reduction strategy. In addition, the City's Climate Action Plan calls for reducing average commuter trip distances (Measure T-3) and increasing commuting by mass transit (Measure T-4). However, the few mentions of the Climate Action Plan in the Housing Element are in relation to energy conservation measures and makes no mention of dense, deed-restricted affordable housing as a greenhouse gas reduction tool. We urge the City to examine the role of affordable housing in helping the City to meet both its RHNA obligations and its Climate Action Plan goals.

We thank you for consideration of our feedback and comments. We appreciate the time and effort that Planning Department staff have dedicated to the draft Housing Element document and look forward to supporting the City of Solana Beach in adopting a robust plan that will help to meet the City's housing goals.

Sincerely,

Laura num

Laura Nunn Director of Policy & Programs

# Santa Fe Irrigation District



March 8, 2021

Gregory Wade, City Manager City of Solana Beach

Via Email Transmission Only

Subject: City of Solana Beach 6th Cycle Housing Element - Availability of Water Supply

Dear Mr. Wade,

This letter is to confirm that Santa Fe Irrigation District and its regional water supplier, the San Diego County Water Authority, have sufficient water supply to continue to serve the Solana Beach community and the additional planned 875 units over the next 8 years of the Housing Element cycle.

Please note that depending on the details of the proposed development(s), supplemental hydraulic analyses may be required to confirm the adequacy of the existing water distribution infrastructure to meet the service and fire protection requirements (set forth by the Fire Department).

Should you have any questions, please contact Engineering Services Manager, Rania Amen at (858) 227-5796.

Sincerely,

//signed//
Albert C. Lau, P. E.
General Manager

#### **BOARD OF DIRECTORS**



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#### **ADMINISTRATION**

Michael T. Thornton General Manager

April 13, 2021

Gregory Wade City Manager City of Solana Beach 635 S Highway 101 Solana Beach, CA

Subject: Capacity to Provide Wastewater Service

Dear Mr. Wade.

The San Elijo Joint Powers Authority (San Elijo JPA) has reviewed the City's inquiry for available wastewater service for 875 new housing units identified with the City's Housing Element update. The City owns 2.625 million gallons per day (MGD) of wastewater treatment and disposal capacity; although, 0.425 MGD of that capacity if leased to other agencies leaving 2.2 MGD available. Currently, the City has 8,110 connected Equivalent Dwelling Units (EDUs) that have contributed an average daily flow of 0.973 MGD to the San Elijo JPA over the last five years. The proposed 875 new dwelling units represent a potential new wastewater flow of approximately 0.105 MGD (average dry weather flow) that could increase the City's average dry weather flow to 1.08 MGD, which is well within the City's available capacity of 2.2 MGD.

Therefore, it is our conclusion that the City has the capacity rights for wastewater treatment and disposal/recycling for the potential addition of 875 dwelling units.

Sincerely,

SAN ELIJO JOINT POWERS AUTHORITY

Michael T. Thornton, P.E.

General Manager



YIMBY Law 1260 Mission Street San Francisco, CA 94103 hello@yimbylaw.org

04/05/2021

City Manager Gregory Wade City of Solana Beach 635 South Highway 101 Solana Beach, CA 92075

gwade@cosb.org, jlim@cosb.org, auruburu@cosb.org, Jose.Ayala@hcd.ca.gov, Suzanne.Hemphill@hcd.ca.gov Via Email

Re: Solana Beach 6th Cycle RHNA Final Draft Housing Element and March 2021 Revisions

Dear Mr. Wade:

This letter is a detailed analysis of the City of Solana Beach's 2021-2029 Final Draft Housing Element for the 6th Cycle RHNA. We wish to express our concern regarding a myriad of issues in that document, including the city's public outreach efforts, the likelihood of development, forecasted ADU production and the affordability of those ADUs, AFFH, constraints on development, the site inventory, and a few other topics. Please note that we have also emailed this letter to the community development director, as well as the executive assistant for the city manager's office to be disseminated to the city council. We have also forwarded a copy of this letter and its enclosure to the city's housing element reviewer at HCD, as well as to HCD's Fair Housing Office in its Housing Policy Division.

#### **Public Participation**

State law requires that every city and county "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." In HCD's February 16, 2021 letter to Solana Beach, it reminds the city of this obligation. While the city reported the number of attendees to its first workshop—13 individuals—it did not report the number of attendees in either of its subsequent workshops. Assuming 13 different individuals attended all the workshops, as well as the city council study session, 52 different people attended various housing element-related events, or 0.4% of the city's population. Additionally, while the city reported it circulated a Spanish-language flyer for its second and third workshops, it did not report such accommodation for any other public outreach event, nor did it report that Spanish-language translation

<sup>&</sup>lt;sup>1</sup> Government Code § 65583(c)(7)

<sup>&</sup>lt;sup>2</sup> U.S. Census Bureau, Population Estimates Program



services—or translation services for the 7% of city residents who speak a language other than English or Spanish in their home—were available at any of the workshops or at the council study session.<sup>3,4</sup>

Another concern about the city's reporting of its outreach efforts is that its housing element survey only listed responses as percentages, not the actual number of responses, so it is unclear how many people truly participated. If this is incorrect and the unlabeled, unnumbered page immediately preceding Page C-6 of the housing element is the summary of survey participants, that only 19 survey responses were received is cause for alarm and an indication of a failure of this tool to produce meaningful data.<sup>5</sup> Moreover, not a single person from Council District 3 participated in the survey; Council Districts 1 and 2 were significantly overrepresented amongst those who responded.<sup>6</sup> This is particularly troubling because, according to Exhibit A of City of Solana Beach Ordinance 488, Council District 3 has the fewest white voters, the most immigrants, the most language diversity and isolation, the least amount of residents with graduate degrees, and the highest proportion of lower-income households.<sup>7</sup> A simple fix to this problem would have been focused outreach to households in that district. Furthermore, when the city receives comments to its draft housing element, it must actually incorporate them into its thinking and manifest them as housing element policies and programs, or otherwise justify not doing so.

Last, it does not appear as though the City of Solana Beach made a serious effort to solicit input from key stakeholders, such as the public housing authority; affordable housing developers; civic organizations, like NAACP, LULAC, and AAPI groups; disability advocates; the area Continuum of Care; the area chamber of commerce; the area workforce development board; local and area daycares, school districts, colleges, and universities; public interest lawyers; and tenants' rights groups, to name but a few. Any housing element that lacks solid grounding in the needs of its community is prima facie deficient and HCD should not certify such an element. To be clear, *community* is an inclusive term meaning those who work, live, work and live, and own property in the city, as well as and especially those who cannot afford to live in the city because of the arbitrarily exclusionary and constrained land use decisions that make the city unaffordable to lower-income households. For reference, the median home price in Solana Beach was \$1,623,242 as of February 2021.8

#### **Likelihood of Development**

An accurate assessment of the site inventory's zoned capacity is necessary in order for the housing element to support sufficient housing production. The site capacity estimate should account for the following two factors:

- What is the likelihood that the site will be developed during the planning period?
- 2. If the site were to be developed during the planning period, how many net new units of housing are likely to be built on it?

<sup>&</sup>lt;sup>3</sup> Exh bit A, Ordinance 488, City of Solana Beach

<sup>&</sup>lt;sup>4</sup> U.S. Census Bureau, Population Estimates Program

<sup>&</sup>lt;sup>5</sup> Unlabeled, unnumbered page of City of Solana Beach Final Draft Housing Element (December 2020), p. 158 of PDF document

<sup>&</sup>lt;sup>6</sup> City of Solana Beach Final Draft Housing Element (December 2020), p. 5 of Appendix C

<sup>&</sup>lt;sup>7</sup> Exh bit A, Ordinance 488, City of Solana Beach

<sup>&</sup>lt;sup>8</sup> Zillow



These are the **likelihood of development** and **net new units if developed** factors, as required by HCD guidelines.<sup>9,10</sup> The portion of the jurisdiction's RHNA target that a site will realistically accommodate during the planning period is:

#### (likelihood of development) x (net new units if developed) = realistic capacity

The City of Solana Beach's site inventory identifies 82 candidate sites; only 11 of all 82 sites are vacant, and only 2 out of 53 total residential sites, both nonvacant, are appropriate to accommodate the very low-and low-income RHNA.<sup>11</sup> These 82 sites' total zoned capacity is 513 dwelling units for very low- and low-income households and 260 dwelling units for moderate- and above moderate-income households, or 773 total dwelling units, but there is no estimate at all of the likelihood of development.<sup>12,13</sup> Instead, the December 2020 Final Draft Housing Element and the March 2021 revisions thereto assume all sites have a 100% probability for (re)development, which is to say the draft housing element assumes every single site will be (re)developed, with no quantitative evidence to support this assumption.

Additionally, all but 2 of the 32 very low- and low-income candidate sites are envisioned to be built on commercially zoned sites, with only 10 units of lower-income housing—out of the city's total lower-income RHNA of 475 units and claimed total lower-income capacity of 513 units—planned on residentially zoned land. 14,15 Moreover, the city claims a "development factor" of 80% for its commercial and special commercial zones, assuming that the commercial component and requisite site improvements of mixed-use projects will use only 20% of the buildable area of those sites. That such a calculation exists is proper; however, the city fails to demonstrate that this 80% factor is a verifiable, evidence-based metric. In the one example the city provides to substantiate its past performance in nonvacant site development, only one of the four example sites includes information about the maximum number of dwelling units the site could have accommodated. Specifically, 636 Valley Avenue was redeveloped from a single-family home into a commercial use with three dwelling units. 16 Since 636 Valley Avenue could have developed four dwelling units but instead only developed three, the development factor the city claims should be 75%, not 80%.17 Additionally, since there was already a residential use at this site and the number of net new units is only two, the net development factor is two out of four, or 50%. The city should include this level of detail for 625 Valley Avenue, 330 S. Cedros Avenue, and 343 S. Highway 101 if it wishes to claim a development factor greater than 75% for nonresidential nonvacant sites and 50% for residential nonvacant sites.

Nevertheless, there is no consideration for the likelihood of development that these sites will be developed during the 6th Cycle, especially considering many were not developed in the 5th Cycle. This is evidenced by the city confusing *realistic capacity* and *likelihood of development* when discussing the past redevelopment of commercial sites, for which they report "that an 80% factor is appropriate to realistically

<sup>&</sup>lt;sup>9</sup> HCD Site Inventory Guidebook, p. 20

<sup>&</sup>lt;sup>10</sup> HCD Site Inventory Guidebook, p. 21

<sup>11</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. B-9 through B-22

<sup>&</sup>lt;sup>12</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. B-2

<sup>&</sup>lt;sup>13</sup> Tables B-1 and 3-16 were not updated to reflect the increase in zoned capacity from 756 to 773 total dwelling units between the December 2020 final draft and the March 2021 revisions.

<sup>&</sup>lt;sup>14</sup> California Government Code § 65583.2(c)(3)(B)

<sup>&</sup>lt;sup>15</sup> City of Solana Beach Final Draft Housing Element (December 2020), pp. 3-3, 3-42, and 3-43

<sup>&</sup>lt;sup>16</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-51

<sup>&</sup>lt;sup>17</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. B-3 and B-4



gauge the residential development potential."<sup>18</sup> This describes realistic capacity, not the <u>likelihood</u> that any of these nonvacant sites would be redeveloped at all, which is made clear when they write in the next sentence, "the City has a past history of developing residential uses within the general commercial and special commercial zones at approximately 80% of the maximum capacity."<sup>19</sup> If this is incorrect and the city believes both its realistic capacity and likelihood of development of nonvacant sites are 80%, there is no calculation within the housing element to account for such.

Another area of concern is that the draft housing element identifies high residential zoning as a maximum of 20 dwelling units per acre when, according to HCD's *Building Blocks*, a suburban city within a metropolitan jurisdiction should have a lower-income density of "at least 20 dwelling units per acre."<sup>20</sup> Moreover, the city reported that its Highway 101 Corridor Specific Plan "promotes the development of mixed-use residential and commercial uses along Highway 101 at a range of densities;" however, if those densities are less than at least 20 dwelling units per acre, they are neither in compliance with state law nor a development incentive.<sup>21</sup>

Specifically, of the 295 residential units that were forecasted to be developed on nonvacant sites in the 5th Cycle Housing Element, only 30 units in total were entitled, permitted, or constructed before June 30, 2020. Of those 30 units, 25 were assigned to a project that included five APNs, four of which were developed and one of which will remain undeveloped and available on the 6th Cycle Housing Element site inventory. Since the mixed-use project with 25 units used only four of five APNs, we credit that site as only 80% developed, before applying the development factor, and, thus, reduce for the following calculation the number of units from 25 to 20. That said, the aggregate amount of units developed on nonvacant sites was 25, out of a total of 295 dwelling units of total zoned capacity—just 8.475%. Therefore, the 6th Cycle Housing Element should be bound to the local, evidence-based trend of 8.475% of all nonvacant sites in the site inventory being redeveloped, which would, consequently, require the city to identify enough parcels where the RHNA target can be achieved, whether through rezoning existing sites or expanding the site inventory. If the city were to realistically plan for 475 very low- and low-income units during the 6th Cycle, it would need to identify sites to plan for 5,605 units, based on its own data that support such a statistically low likelihood of development.

For instance, 100 Border Avenue, which is Site 4.46 on the site inventory, is a two-story commercial building on a 0.60-acre site.<sup>23</sup> There are currently no residential units at this site, and the site inventory identifies it as appropriate for 20 dwelling units per acre, which would support affordable housing in a suburban city within a metropolitan area, so long as that is <u>at least</u> 20 dwelling units per acre, not a maximum of 20 dwelling units an acre. The site inventory properly applies a development factor of 80% to satisfy curb, gutter, sidewalk, landscaping, setbacks, and other improvements, which results in:

0.60 acres \* 20 dwelling units per acre \* 0.80 development factor = 9.6 dwelling units

<sup>&</sup>lt;sup>18</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 3-44 and 3-45

<sup>19</sup> bid.

<sup>20</sup> HCD Building Blocks, Analysis of Sites and Zoning; City of Solana Beach Final Draft Housing Element (December 2020), p. 3-3; City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 3-45 and 3-47

<sup>&</sup>lt;sup>21</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-45

<sup>&</sup>lt;sup>22</sup> Of note, this project was approved in 2017, but as of the date of this comment letter, no construction activity has begun.

<sup>&</sup>lt;sup>23</sup> Non-Residential Sites Draft 10/21/20



Additionally, with a true development factor of 75%, not 80%, the correct number of units is:

0.60 acres \* 20 dwelling units per acre \* 0.75 development factor = 9.0 dwelling units

However, the city failed to include the likelihood of development in its calculation, which drastically changes this site's realistic capacity. When including the likelihood of development calculation, and when using the more accurate development factor of 75%, the true site capacity equals:

0.60 acres \* 20 dwelling units per acre \* 0.75 development factor \* 0.08475 likelihood of development = **0.76275 dwelling units** 

When factoring the likelihood of development, as calculated from the city's own data about development of nonvacant sites during the city's 5th Cycle Housing Element, this site that was assumed to yield nine dwelling units instead yields less than one. Importantly, no density bonus applies to projects with only one unit, so relying on State Density Bonus Law or policies and programs championing the success of a local density bonus are of little value in such circumstances. This calculation is a critical step that is not only called for in HCD's own guidance but must be strictly adhered to in order for the city and the state to have a truly realistic assumption about how much constructed, habitable housing a local agency's housing element will accommodate.<sup>24</sup> While the statewide housing crisis is not the fault of any one city, unrealistic or incomplete calculations not grounded in reality will not produce a meaningful amount of new homes, which will continue to perpetuate homelessness and segregation.

Solana Beach must, therefore, include the calculation of the likelihood of development for all candidate sites in its site inventory and make the subsequent adjustments to its housing element. The City of Sacramento's <u>draft site inventory</u> provided a high-quality, numerical analysis of the likelihood of their sites' development through a "tiered classification system to classify the non-vacant underutilized sites." This approach offers a model for Solana Beach to adapt to its unique circumstances. Additionally, Table 3-11, *Project Timing from Entitlements to Building Permits*, identifies the number of projects entitled and permitted since 2018. In 2018, two-thirds of entitled projects received building permits, in 2019, it was less than two-thirds of entitled projects, and in 2020, it was exactly one-half of entitled projects. These data further support the reality that the likelihood of development is well below 100% in Solana Beach.

Frustratingly, the city totally misinterpreted market conditions with regard to Millennials and Generation Z, the latter also known as "Zoomers" and being born after 1996. While it is certainly true that Millennials, as a group, wish to purchase homes and build wealth like every other generation before them, that so many live and rent homes in suburbs like Solana Beach instead of main downtown areas is a function of cost, not desire—as was misunderstood by the city. That 63% of Millennials live in suburbs and "other city neighborhoods" is related to the unaffordability crisis, not a desire to commute long distances, need a car at all, or live exclusively in single-family homes. Consequently, when Millennials, and, soon, Zoomers, are pushed into suburbs and exurbs to find housing, the communities they settle in are not exempt from

<sup>&</sup>lt;sup>24</sup> HCD Site Inventory Guidebook, p. 21

<sup>&</sup>lt;sup>25</sup> Public Review Draft, City of Sacramento Housing Element 2021-2029, p. H-2-15

<sup>&</sup>lt;sup>26</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-34

<sup>&</sup>lt;sup>27</sup> bid.

<sup>&</sup>lt;sup>28</sup> Pew Research Center

<sup>&</sup>lt;sup>29</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-52



their duty to plan for, entitle, and permit more affordable and market-rate housing stock. This is important because the city's housing element admits that, without more affordable housing choices, Millennials and Zoomers will continue to be pushed farther away and will likely also be excluded from the city due to the rising cost of housing.<sup>30</sup>

Furthermore, it is ironic if not tragic that Solana Beach describes itself as "built out" when it provides *estate residential* zoning with a maximum density of 1 and 2 dwelling units per acre, depending on location; *low residential* with a maximum density of 3 dwelling units per acre; *low medium residential* with a maximum density of 4 dwelling units per acre; and *medium residential* with a maximum density of 7 dwelling units per acre.<sup>31</sup> This is a particularly jarring reality when one considers that approximately 25% of all zoned land within the city is set aside for estate residential zones; approximately 50% of all zoned land within the city is set aside for low, low medium, and medium residential zones; and approximately 15% of all zoned land within the city is set aside for zones that allow 8 or more dwelling units per acre.<sup>32</sup>

Last, the city reported that its 5th Cycle Housing Element RHNA was 43 units of extremely low-, 42 units of very low-, 65 units of low-, and 59 units of moderate-income housing; however, during that period, it permitted no units of extremely low- or very low-income housing, 6 units of low-income housing, and 14 units of moderate-income housing.<sup>33</sup> That the previous planning period yielded only 6 out of 150 planned extremely low-, very low-, and low-income homes is incredibly instructive, and a 4% likelihood of development for these income categories during the previous planning period should be taken into consideration when estimating how much housing the city can reasonably anticipate during the 6th Cycle planning period. This is not a unique circumstance within California, and the housing crisis is a direct result of this arbitrary zoning constraint that perpetuates unaffordability and reinforces segregation.

# Forecasts of ADU Development and Affordability of ADUs

The city reported that it permitted 6 ADUs in 2018, 10 ADUs in 2019, and 12 ADUs in 2020; two of the ADUs permitted in 2020 were claimed to be affordable to households with lower incomes. Unfortunately, while the city acknowledged HCD's safe harbor guidelines for estimating ADU production, it failed to properly perform the safe harbor calculation. The correct safe harbor calculation in forecasting ADU production is the average of production in 2018, 2019, and 2020, which results in 9 ADUs per year (6 + 10 + 12 = 28; 28 / 3 = 9.33). Therefore, the appropriate estimate is 75 ADUs during the planning period, not 128 as stated (12 \* 9.33 = 74.64). Even if the city estimated that it would permit 28 ADUs every 3 years (9.33 \* 3 = 28), this forecast calculation does not change, and the city should therefore amend its *Summary of RHNA Status and Sites Inventory* as listed in Tables B-1 and 3-16.37

This more accurate forecast will likely result in the city failing to plan for a sufficient amount of moderate-income housing. If the city wishes to claim a higher number, it must present findings and

<sup>&</sup>lt;sup>30</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-52

<sup>&</sup>lt;sup>31</sup> City of Solana Beach Final Draft Housing Element (December 2020), p. 3-3

<sup>32</sup> City of Solana Beach Official Zoning Map

<sup>33</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-78

<sup>&</sup>lt;sup>34</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-54

<sup>35</sup> HCD Site Inventory Guidebook, p. 31

<sup>&</sup>lt;sup>36</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-48

<sup>&</sup>lt;sup>37</sup> City of Solana Beach Final Draft Housing Element (December 2020), pp. B-2 and 3-49



substantial evidence that its local programs and policies incentivize the development of ADUs more than current state law, and, should the city demonstrate success in exceeding their recent performance, it can amend the relevant sections of its housing element. Program 1C anticipates this permitting shortfall but conditions action on said shortfall being 20% or more of the anticipated number of permitted ADUs. This is insufficient because if the number of ADUs actually permitted falls below the number of ADUs anticipated to be permitted, the city will likely drop below its relevant RHNA income category and would automatically be noncompliant with Housing Element Law and subject to housing element decertification.

Similar to the city's claims regarding its forecasted production of ADUs, the data Solana Beach relies upon to determine the affordability of ADUs should be included in the housing element. The city's report about affordability casually explains that 2 out of 12 ADUs permitted in 2020 were affordable, but there is no evidence of the circumstances that result in these ADUs' affordability to lower-income households. Are those affordable ADUs rented at below market rate-rents to friends or family members of the owner of the ADU, are those ADUs rented at no charge to friends or family of the owner of the ADU, or is there some other circumstance, such as access to or favorable terms for construction financing in exchange for a certain term of affordability? If the city wishes to claim 15 ADUs affordable to lower-income households throughout the planning period, it must provide some evidence that such a prediction is valid and not a sweetheart deal for a small, exclusive group of people personally known to the owner of the ADU or who otherwise have special access to the homeowner's social network.<sup>39</sup> On balance, an ADU that is not held out for rent to the public rental market is not affordable within the meaning of affordable housing. We do not contest that all new housing relieves pressure on the housing market; however, rental housing that is not accessible to all renters only skews the data related to the amount of affordable housing in a region.

Additionally, in Table 3-14, *Approved Entitlements Counted as Credit Towards 2021-2029 RHNA*, the city reported it issued 10 ADU permits in the current planning period that began June 30, 2020, but, interestingly, all 10 ADUs were counted as affordable to moderate-income households, even when the new single-family home they accompany was counted toward being affordable to above moderate-income households. Barring a deed restriction, how can the city know the affordability of a permitted-but-unbuilt ADU, and why were all of these ADUs counted toward the moderate-income RHNA category? If the city has evidence that all ADUs that are simultaneously permitted when a building permit for a single-family home is issued, it should provide it; otherwise, claiming all new ADUs are affordable to moderate-income households is improper and should be disallowed.

Furthermore, for ADUs permitted and built since January 1, 2018, has the city claimed credit in its Annual Progress Reports more than once, e.g., one ADU being permitted in October 2019 and built in July 2020, with the former's building permit counted in the 5th Cycle planning period's April 2020 APR and the latter's certificate of occupancy counted in the 6th Cycle Housing Element? Moreover, reducing the number of ADUs counted as affordable to moderate-income households would likely cause the city to fail to plan for enough dwelling units to accommodate its moderate-income RHNA obligation, precluding HCD from certifying the city's housing element and also having No Net Loss consequences. Even more, the city claims that all ADUs not affordable to very low- and low-income households will automatically be affordable to moderate-income households, but without

<sup>&</sup>lt;sup>38</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-3

<sup>&</sup>lt;sup>39</sup> bid.

<sup>&</sup>lt;sup>40</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-47



findings or substantial evidence, we find this to be an unjustifiable claim.<sup>41</sup> This is further supported by the city identifying that it has several unpermitted ADUs within its community and that it has a track record of converting one per year into a legal, permitted use.<sup>42</sup> While the city offers no evidence of this, it should be noted that all eight of these unpermitted ADUs are, when brought into compliance, expected to be affordable to above moderate-income households, signifying the city is well aware that not all of its ADUs are naturally affordable to moderate-income households.

Additionally, the city has authorized its city manager to reduce "development impact fees by 75 percent for accessory dwelling units (ADU)...provided that a deed restriction for state law affordability provisions is recorded for the term of 99 years."43 However, earlier in the same chapter of the housing element, the city states that it will consider offering incentives to owners of ADUs who "elect to file a 30-year deed restriction to rent the unit to lower income households."44 Those incentives include waiving fees and reducing parking and development standards or "or providing other incentives consistent with the Costa Hawkins Act."45 We are confused by this conflicting information about ADU development incentives, not understanding whether the city requires 99- or 30-year deed restrictions to receive an incentive or whether these are in fact parallel incentive programs with the more lengthy deed restriction having fewer and the shorter having a greater suite of options. Moreover, after examining the relevant Solana Beach Municipal Code section, we are unable to locate any mention of 30-year deed restrictions and what incentives they might be coupled with. 46 In addition to relying upon the 99-year timeframe for ADU development incentives, as described in Title 17 of the Solana Beach Municipal Code, we are uncertain as to what precisely the city believes Program 1B will accomplish, since the city will only "continue to incentivize and promote the construction of Accessory Dwelling Units, especially those that may be leased at affordable rates" and "develop outreach collateral for public dissemination, including updates to the City's website, information at City Hall and via other appropriate print and digital media."47,48 The city goes on to state that "[t]he intent of [Program 1B] is to make sure residents are aware of this incentive and have information readily available that may ease the development of ADUs at affordable levels."49 Without clear, actionable objectives, Program 1B will have little if any value.

While this is superficially a good policy, in actuality, it has no practical benefit. First, reducing or waiving fees is a public benefit, which makes the ADU "paid for in whole or in part out of public funds" and triggers prevailing wage law; second, while the city manager is *authorized* to reduce fees, they are not required to; third, a 99-year period of rental affordability would make almost any ADU project infeasible; and fourth, ADUs smaller than 800 square feet are exempt from development impact fees. For instance, if a person took out a \$200,000 commercial loan with a repayment period of 20 years and an interest rate of 5%, they would have a monthly payment of \$1,320. Assuming prevailing wage adds 30% to construction costs, that would increase the loan amount to \$260,000; however for this example, we omit that number.

<sup>&</sup>lt;sup>41</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-54

<sup>&</sup>lt;sup>42</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), Table 4-1, Summary of Quantified Objectives

<sup>&</sup>lt;sup>43</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 3-24 and 3-25

<sup>&</sup>lt;sup>44</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-17

<sup>45</sup> bid.

<sup>46</sup> SBMC § 17.20.040(D), as amended by Ordinance No. 508 dated January 23, 2020

<sup>47</sup> SBMC § 17.70.060, as amended by Ordinance No. 500 dated March 29, 2019

<sup>&</sup>lt;sup>48</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-3

<sup>&</sup>lt;sup>49</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-3

<sup>&</sup>lt;sup>50</sup> Prevailing Wage Compliance Monitoring: Practical Advice for City Officials, pp. 3 and 4

<sup>&</sup>lt;sup>51</sup> League of California Cities, Prevailing Wage Compliance Monitoring: Practical Advice for City Officials, pp. 3 and 4



Adding an additional \$200,000 of assessed value—although, it would likely be higher—this example homeowner's insurance and property taxes would also increase by approximately \$200 per month, for a total of \$1,520 per month. Since underwriters typically count 75% of rental income toward a borrowers' debt to income ratio, this example homeowner would need to charge \$2,027 per month to cover the cost of the loan, increased premiums and taxes, and ADU vacancy.<sup>52</sup> If this example homeowner wanted to enjoy positive cashflow and generate passive income, they would ignore these calculations and charge whatever the market would bear; as of April 4, 2021, the median rent for a studio apartment in Solana Beach was \$2,100.<sup>53</sup> If this example homeowner needs \$2,027 per month to break even but can only expect to charge \$2,100 per month in rent, that makes any deed-restricted affordability infeasible and would kill the project. While this ordinance has no practical effect on smaller ADUs, ADUs 800 square feet and larger would be similarly affected because, in addition to costing more but not being rented for more, the development impact fees would be substantial and cost-prohibitive. All of this is to say that the city's ADU development impact fee waiver program is of little if any value and should not be used to justify any development incentive to claim increased rates of production.

With the city's overreliance on ADU production to accommodate its RHNA, as well as the city's overreliance on ADU affordability, we find an automatic biennial review is acceptable, but an automatic annual review is more appropriate. If the city should fail to permit the number of ADUs it claims it will, and if the ADUs it permits do not achieve the anticipated level of affordability it claims they will, not only is it almost certain that No Net Loss would be triggered, but there is also cause for HCD to decertify the city's housing element. An automatic annual review would allow the city to better evaluate Programs 1B and 1C, then work to mitigate constraints and / or incentivize development. Last, we find the city's arbitrary 20% underperformance metric to be insufficient and request the city provide stricter performance standards and program revision timelines. With so few moderate-income dwelling units planned for in the housing element, a 20% shortfall is not appropriately responsive. We also encourage the city to update Page 3-54 to more accurately reflect the language of Program 1C and not use the phrase "mid-cycle" for what will be either four or eight housing element program reviews throughout the planning period.

### **Affirmatively Furthering Fair Housing**

The City of Solana Beach is a community with a wealth of resources, having zero census tracts that qualify as racially and ethnically concentrated areas of poverty under either HUD definition.<sup>54</sup> The other side of that same coin is either a) the city is an egalitarian utopia free of the national and international forces of segregation, racism, and capitalism, or b) the city is an exclusive enclave of wealthy white people. Unfortunately, that latter is true, as it is in many areas of California and most coastal areas of California. In the beginning of its AFFH chapter, the city reported that, according to its Regional Opportunity Index score, three out of its four census tracts were classified as *highest opportunity* and the remaining census tract was classified as *high opportunity*, and, therefore, "the analysis indicates that access to opportunity is not a substantial issue within Solana Beach." This is a misguided interpretation.

<sup>52</sup> Free and Clear

<sup>53</sup> Zumper

<sup>&</sup>lt;sup>54</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-60

<sup>&</sup>lt;sup>55</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 3-62 and 3-63



According to 2019 Census Bureau data, the City of Solana Beach is 76.2% white but not Hispanic or Latino, 0.7% Black, 0.9% Native American, 4.9% Asian, 0% Native Hawiian and Pacific Islander, and 15.5% Hispanic or Latino. There are fewer Black people in Solana Beach than in both Encinitas and Carlsbad, and there are also fewer people who identify as Native Hawiian and Pacific Islander in Solana Beach than in both Encinitas and Carlsbad. Solana Beach has less than half as many Hispanic or Latino residents per capita as the County of San Diego, and aside from white people who do not identify as Hispanic or Latino, Solana Beach is less diverse than the County of San Diego in every racial category. Said clearly, Solana Beach is whiter and less diverse than the county in which it is located.

We dispute the use of the ROI tool as the reference document for AFFH analysis given that it uses data from the 2010 decennial census and was last updated in 2014; there are newer, more robust sources of demographic data available. For instance, the state's *Opportunity Map* categorizes all of the city's census tracts—the entire city—as areas of highest opportunity, and all of the "tract opportunity indicators" in the *Mapping Opportunity in California* map exceed the average score within SANDAG, except for the adult employment rate in Census Tract 173.06, which is, presumably, due to the immense wealth in a mostly estate residential, 1 dwelling unit per acre zone. Additionally, roughly 55% of K-5 students in the SANDAG region live in poverty, but no more than 20% of K-5 students in any census tract in Solana Beach live in poverty. The only census tract that does not have a percentage of adults with bachelor's degrees roughly 75% or higher is Census Tract 173.04, where that number is slightly below 60%. Of note, Census Tract 173.04 includes the majority of both Council Districts 2 and 3, which are 57% and 58% multifamily housing, respectively, compared to Council Districts 1 and 4, which are 29% and 15% multifamily housing, respectively.

Other demographic differences between Census Tract 173.04 and the others—again, Census Tract 173.04 includes the majority of households in Council Districts 2 and 3—include 30% and 32% of households making between \$0 and \$50,000 per year, respectively, while households in Council Districts 1 and 4, primarily in other census tracts, have 14% and 21% making between \$0 and \$50,000 per year, respectively. Council Districts 2 and 3 have 21% and 18% of households making more than \$200,000 per year, but Council Districts 1 and 4 have 36% and 29% of households making more than \$200,000 per year. Council districts 2 and 3 have less than half as many immigrant-residents who have not yet become naturalized citizens, and have the lowest percentage of white residents. Council District 2 is 32% Hispanic or Latino, Council District 3 is 17% Hispanic or Latino, Council District 1 is 8% Hispanic or Latino, and Council District 4 is 5% Hispanic or Latino. Frankly, Census Tract 173.04 is an entirely different community than Census Tracts 173.03, 173.05, and 173.06, which together comprise Council Districts 1 and 4. While there are no statutorily defined RECAPs in Solana Beach, there is clear and obvious segregation and homogeneity throughout the city.

<sup>&</sup>lt;sup>56</sup> U.S. Census Bureau, Population Estimates Program

<sup>57</sup> bid

<sup>58 2021</sup> Tax Credit Allocation Committee and HCD

<sup>&</sup>lt;sup>59</sup> University of California, Berkeley, Othering and Belonging Institute

<sup>&</sup>lt;sup>60</sup> bid.

<sup>61</sup> bid.

<sup>62</sup> Exhibit A, Ordinance 488, City of Solana Beach

<sup>63</sup> bid.

<sup>64</sup> bid.

<sup>65</sup> bid.

<sup>66</sup> bid.



Despite the low quality of the ROI map, we reviewed these data, since they are the dataset analyzed by the city. Even as far back as 2014, all four census tracts in the City of Solana Beach had lowest opportunity housing scores for the ROI Place analysis, meaning all four census tracts were unaffordable as compared to the mean census tract in the region. Additionally, Census Tract 173.04's "civic life" score was also ranked as lowest opportunity, again, as compared to the mean census tract in the region. 67 Civic life is defined as "the relative social and political stability of an area, in the form of neighborhood stability (living in same residence for one year) and US citizenship."68 For the "housing opportunity" metric in the ROI People analysis, which "measures the relative residential stability of a community, in the form of homeownership and housing costs," only Census Tract 173.04 had unaffordable housing, which is likely a function of the high number of households earning between \$0 and \$50,000 per year and more than half of the census tract being composed of households living in multifamily housing.<sup>69</sup> Again, the thesis of the city's AFFH chapter is "everyone in our wealthy enclave has great access to our exclusive resources!", which is flatly untrue, as evidenced by the realities lower-income households face in Census Tract 173.04. As seen in Figure 3-23(b), Regional Opportunity Index, Place, 2014, approximately two miles beyond Solana Beach's eastern boundary lies an area of lowest and low health, environmental, housing, and economic opportunity.<sup>70</sup> This level of resource hoarding and segregation, intentional or unintentional, is anathema to the idea of creating opportunity. To wit, affirmatively furthering fair housing means making some extraordinary effort, beyond whatever legal mandate or obligation exists, to create opportunities for disadvantaged communities and people comprising lower-income households.

With regard to the continued ghettoization of lower-income households, the overwhelming majority of the city's lower-income site inventory candidate sites are located in the southwest quadrant of Solana Beach—Census Tract 173.04 and most of Council Districts 2 and 3. Of the city's 32 very low- and low-income housing candidate sites, only 2 are located to the east of I-5 in Census Tract 173.06, and they are adjacent, nonvacant parcels with newer-construction buildings containing grocery stores, restaurants, and retail stores covering nearly 14 acres. There are also only two very low- and low-income candidate sites located north of Lomas Santa Fe Drive in Census Tract 173.03, and they are both nonvacant commercial uses. 71 That 93.5% of the city's candidate sites for very low- and low-income housing are located in the census tract that already has the lowest income, least housing stability, lowest rate of homeownership, lowest rate of adults with bachelor's and graduate degrees, and most Asian and Hispanic / Latino residents demonstrates the City of Solana Beach is not serious about "replacing segregated living patterns with truly integrated and balanced living patterns."72 Furthermore, we strongly object to the city claim that Programs 1B and 1D, concerning ADUs, AFFH. 73 Again, a local agency cannot claim that it is affirmatively furthering fair housing by complying with established laws. Creating a class of serfs who have no opportunity to become homeowners, build equity, and bequeath generational wealth to their children or other family members is exactly the opposite of AFFH.

<sup>&</sup>lt;sup>67</sup> University of California Davis, Center for Regional Chance

<sup>68</sup> University of California Davis, Center for Regional Chance, Regional Opportunity Index Overview, p. 13

<sup>69 &</sup>lt;u>University of California Davis, Center for Regional Chance</u>; University of California Davis, Center for Regional Chance, <u>Regional Opportunity Index Overview p. 5</u>

<sup>70</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-64

<sup>&</sup>lt;sup>71</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-69

<sup>&</sup>lt;sup>72</sup> Exhibit A. Ordinance 488, City of Solana Beach; City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-68

<sup>&</sup>lt;sup>73</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-77



Figure 3-6, *Candidate Sites – Ethnicity Analysis*, reveals that 10 out of 32 very low- and low-income candidate sites are in areas with a Hispanic / Latino population greater than 13% of the total population, 3 very low- and low-income candidate sites are in areas with a Hispanic / Latino population between 10% and 13% of the total population, and 19 very low- and low-income candidate sites are in areas with a Hispanic / Latino population between 7% and 10% of the total population; 0 very low- and low-income candidate sites are in areas with a Hispanic / Latino population between 2% and 7% or less than 2% of the total population. Furthermore, as seen in Figure 3-7, *Candidate Sites – Racial Analysis*, only 2 very low- and low-income candidate sites are in areas with a nonwhite population between 2% and 4%, and 0 very low- and low-income candidate sites are in areas with a nonwhite population below 1%; 30 candidate sites are located in areas with larger nonwhite populations. Population below 1%; 30 candidate sites are located in areas with larger nonwhite populations.

Furthermore, in Figure 3-8, *Candidate Sites – Income Level*, the city continues to prove our point that it will continue to segregate lower-income households. This graphic shows that 10 out of 32 very low- and low-income candidate sites are in areas that already have more than 22% of the city's low- and moderate-income households, 14 out of 32 very low- and low-income candidate sites are in areas that already have between 16% and 22% of the city's low- and moderate-income households, and 5 out of 32 very low- and low-income candidate sites are in areas that already have between 10% and 16% of the city's low- and moderate-income households; 1 very low- and low-income candidate site is in areas that already have between 9% and 10% of the city's low- and moderate-income households, and 2 very low- and low-income candidate site is in areas that already have less than 9% of the city's low- and moderate-income households.<sup>77</sup>

While we wish to give the city the benefit of the doubt, we fundamentally disagree that "[t]he data shows [sic] that the proposed candidate sites to meet the very-low and low income RHNA need are evenly dispersed throughout the community with an emphasis on locating units where there is a high level of access to important public services and transit." Again, it is facially nonsensical to claim such a thing when there is not a single unit of lower-income housing integrated into any area of estate residential (ER-1, ER-2), low residential (LR), low medium residential (LMR), medium residential (MR), or medium high residential (MHR) zones anywhere in the city. Placing 98.5% of the city's lower-income RHNA capacity on nonvacant sites zoned as commercial and special commercial is not affirmatively furthering fair housing, and simply saying it is does not make it true.

# **Constraints**

#### <u>ADUs</u>

The city's draft housing element identifies medium high residential- and high residential-zoned sites as requiring conditional use permits for the construction of ADUs; however, the housing element states "all residential zones also allow one Accessory Dwelling Unit on lots with existing or proposed single-family

<sup>&</sup>lt;sup>74</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-71

<sup>&</sup>lt;sup>75</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-73

<sup>&</sup>lt;sup>76</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-72

<sup>77</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-75

<sup>&</sup>lt;sup>78</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-70



homes or multifamily developments."<sup>79,80</sup> Which is it? Regardless of whether MHR- and HR-zoned sites are areas for multifamily housing, a requirement for CUPs runs counter to state law providing relief for construction of ADUs on any residentially zoned parcel, including parcels with multifamily housing.<sup>81</sup> Furthermore, the draft housing element describes conditions the city requires by ordinance for the entitlement of ADUs, including minimum lot sizes, prohibition on detached ADUs, maximum square footage, aggregate FAR calculation, owner occupancy requirements, impact fees, and parking replacement, all of which are now incompatible with and preempted by state law. While the city acknowledges its ordinance is preempted by state law, it commits only to "develop outreach collateral for public dissemination, including updates to the City's website, information at City Hall and via other appropriate print and digital media" and lists the timeline for revision to its ordinance as within 12 months of housing element adoption.<sup>82</sup> A simple, efficient, and prompt solution to this unenforceable law is simply a rescission of the ordinance; however, if the city chooses to schedule revisions to their ADU law, no more than three years to complete that work is appropriate and twelve months is preferred.

#### **Land Use Element**

The city's land use element provides for special overlay zones, which the city claims will not be a constraint. Practically, all development restrictions and requirements are a constraint to some degree, so we reject the city's claim that its Scenic Area Overlay Zone "is not considered a constraint to the development of housing currently as recent development applications indicate that proposed projects are able to meet density assumptions."83 The Solana Beach Municipal Code constrains ADU development by requiring a development review permit for all ADUs that exceed the floor area ratio of the primary structure and "any development on properties along Highway 101 or Lomas Santa Fe Drive, which is not visible from Highway 101 or Lomas Santa Fe Drive."84 This permit, for ADUs and especially for multifamily projects, adds time and cost to development, which is incompatible with state law and reduces project feasibility, respectively. Additionally, this overlay zone requires that the "placement of buildings and structures shall not detract from the visual setting or obstruct significant views," which interferes with and is preempted by by-right development laws for ADUs on residential parcels.85 The intent of the Scaled Residential Overlay Zone is to "preserve and enhance the existing community character and aesthetic quality of the City of Solana Beach, by providing regulations to ensure and protect the character of established residential neighborhoods; and by preserving the traditional scale and seaside orientation of residential areas in the City of Solana Beach."86

Given the history of race- and protected class-based hosuing discrimination, the implementation of programs and policies that are described by the use of the phrase *neighborhood character* or *community character* may very well constitute a Fair Housing Law violation. Furthermore, both the SAOZ and SROZ include candidate sites from the city's site inventory, but the city claims "the SROZ does not apply to any of the site [*sic*] the City has identified to meet their lower income RHNA need." Without a separate ordinance or a revision to Title 17 of the city's municipal code to exempt very low-and low-income

<sup>&</sup>lt;sup>79</sup> City of Solana Beach Final Draft Housing Element (December 2020), p. 3-13

<sup>80</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-6

<sup>81</sup> California Government § 65852.2 et seq.

<sup>82</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-3

<sup>83</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-4

<sup>84</sup> SBMC §§ 17.48.010.C, D2, and D5

<sup>85</sup> SBMC § 17.48.010.F2

<sup>&</sup>lt;sup>86</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-4

<sup>&</sup>lt;sup>87</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-5



candidate sites from the provisions of these overlay zones, these overlays zones substantially constrain the likelihood of development and the realistic capacity of development.

## Minimum Lot Size

Minimum lot sizes generally constrain the ability to build denser housing. The city provides no analysis of how much of any one category of zoning exists within its boundaries, so it is difficult to assess whether there is a fair and equitable distribution of residential sites in Solana Beach. Also, larger minimum lot sizes reduce walkability and auto-independent travel options, resulting in reduced pedestrian and bicyclist safety, higher greenhouse gas emissions, and sprawl into the wildland-urban interface. Furthermore, it is completely detached from reality to insist that state law that preempts local control concerning the development of ADUs acts as relief to the substantial constraint of more than half of Solana Beach's zoning being less than 7 dwelling units per acre. If Solana Beach truly wished to remove this development constraint, it would legalize plex zoning on all of its residential parcels, especially in the estate residential zones. Having between two and six attached homes on parcels half an acre and one acre in size is both a smarter and more practical use of land, especially as it concerns AFFH.

Setbacks play a significant role in limiting the developable area of a parcel, and we disagree with the city's claim that "there is enough flexibility in the current ordinances that setback requirements do not constitute a significant constraint on residential development." As described in Table 3-3, *Residential Development Standards in Solana Beach - Setbacks* and the city's zoning map, the setback for a parcel in the medium high residential zone is 25 feet to the front and to the rear, 5 feet to the side, and 10 feet to the streetside. The minimum lot size in the medium high residential zone is 5,000 square feet, and, according to Table 3-2, *Residential Development Standards in Solana Beach - Dimensions*, the minimum lot dimensions are 50 feet wide and 100 feet long for interior lots. For a typical lot in the interior medium high residential zone the buildable area is 40 feet wide and 50 feet deep or 2,000 square feet—only 40% of the lot size. The medium high residential zone supports a maximum density of 12 dwelling units per acre, but with a floor area ratio of 75%, the maximum allowable square footage of all site improvements is 1,500 square feet. Practically speaking, a development on this example site could fit four 375 square foot efficiency units; however, the project would be denied because of the required 1.5 parking spots per unit required for studios, efficiency units, and single-room occupancy, plus one additional spot because this hypothetical development has four dwelling units.

However, even on a 5,000 square foot medium high residential interior lot with no setbacks and 100% FAR, the maximum allowable square footage of all site improvements would be 5,000 square feet. To accommodate the on-site parking requirements for twelve 416 square foot efficiency units, a developer would need to plan for 22 parking spaces.<sup>94</sup> At 8.5 feet wide by 19 feet long, 22 parking spots would consume 3,553 square feet of the 5,000 square foot lot.<sup>95</sup> If the city had an ordinance exempting parking from FAR calculations for multifamily development—it does not—a developer would be able to build a

<sup>88</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-6

<sup>89</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-8; City of Solana Beach Official Zoning Map

<sup>90</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7

<sup>&</sup>lt;sup>91</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-3

<sup>92</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7

<sup>93</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-10

<sup>94</sup> bid.

<sup>95</sup> City of Solana Beach Off-Street Parking Design Manual, p. 6



four-story building with three 416 square foot efficiency units on each floor. Unfortunately, the medium high residential zone has a height limit of 25 feet, so the remaining 1,447 square feet of buildable area would be enough to build 3.48 of the 12 homes allowable in that zone on one floor or two larger studios or one-bedroom apartments on a bottom floor and one on a second floor. If FAR was ignored and all 12 units were permissible, the city would still require a CUP to exceed the 25-foot height limit, but this would be a fool's errand because the CUP permits a maximum height of 30 feet. These scenarios present polar opposite development goals: maximizing units or maximizing parking. In reality, only a fraction of the density allowed in each zone can actually be built, which presents a significant government constraint.

## **Setbacks**

Aside from both variations of estate residential zones, all residential lots are required to be no less than 100 feet long in depth. <sup>97</sup> All residential lots except for those located in the estate residential zones have *Setback Designators* C and D, both of which have front and back setbacks of 25 feet each. <sup>98</sup> For interior lots, Setback Designator C requires 10-foot side setbacks, and Setback Designator D requires 5-foot side setbacks. <sup>99</sup> While low medium residential zoning has 10,000 square foot lots, which allows for 4,000 square feet of buildable area, the maximum density in this zone is four dwelling units per acre. Requiring parcels to be more than 50% private open space constitutes a significant governmental constraint.

#### Lot Coverage and FAR

The city's FAR requirements are incompatible with the site characteristics necessary for the construction of affordable housing. While the city says it uses lot coverage and FAR standards "to control bulk, mass, and intensity of a use," arbitrarily requiring so much private open space—at the expense of building more housing—for no other reason than *because it can*, reduces the likelihood of development and realistic capacity of affordable housing. <sup>100</sup> What is the virtue of a public park, and why does the entire city lie within the Coastal Zone, if it is so necessary to consume more than half of a given parcel with private open space? Concerning residential development, the city writes "these standards may only limit the size of dwelling units, and do not limit the number of units…"; however, it then writes immediately thereafter that "FAR, combined with height limitations, can potentially prevent maximum density from being achieved in certain cases." <sup>101</sup> It is deeply concerning that the city can identify and describe such a substantial governmental constraint but then fail to acknowledge that the constraint only exists because the city created it, and, thus, the city must be the one to mitigate it.

#### Maximum Building Height

In its description of this government constraint, the city writes, "[a]|Il properties within the City of Solana Beach are located within the Coastal Zone as defined in the California Coastal Act. Therefore, the City's Local Coastal Program, as approved by the California Coastal Commission, restricts the maximum building height within the City to 25 feet in residential zones." This is illogical: Not only was the city not required to develop, adopt, and have certified a Local Coastal Program, but when it pursued creating an LCP, the city invented this 25-foot height limit of its own volition. To use the same logic as the city does in

<sup>&</sup>lt;sup>96</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7

<sup>&</sup>lt;sup>97</sup> bid.

 $<sup>^{98}</sup>$  City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-8  $^{99}$ 

<sup>100</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-6

 $<sup>^{101}</sup>$  City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7  $^{102}$  ibid.



justifying this self-imposed height limit, one might say "all of my money is deposited in my savings account; therefore, I can't buy groceries because I don't have any money in my checking account." This sounds ridiculous for the same reason the city's explanation about its maximum building height does. The simple solution to this metaphorical problem is for the individual to move some of their money from their savings account to their checking account, just like the simple solution to the city's actual problem is to increase its maximum building height in its LCP.

The city reported that its "maximum building height may be increased to 30 feet pursuant a Development Review Permit" and "35 feet for civic uses" with a CUP for projects in the medium high residential and high residential zones. <sup>103</sup> That such a variation exists demonstrates that there is no adverse impact on public health or safety related to taller buildings. Since the city created its LCP and the city controls its zoning code, the only valid activity that would mitigate this substantial governmental constraint is the city amending its LCP to allow an increase in maximum building height. If the city is concerned about visual corridors and viewsheds, a uniform maximum building height of 45 feet—and 50 feet with a DRP—makes coastal resources no less accessible than a uniform maximum building height of 25 feet—and 30 feet with a DRP—since no human being has ever grown to be 25 feet tall, much less 45 feet tall.

#### Parking Standards

One of the greatest failures of the planning profession is the steadfast belief that every car is entitled to a home but not every person is. The corrupted prioritization of auto-centric planning has led to the City of Solana Beach requiring an unreasonably high amount of parking, such that it makes infeasible affordable housing. In addition to these project-bankrupting parking requirements, the city has chosen to maintain its parking standards for ADUs, even though they could have chosen to eliminate them under SB 1069. Not only is the requirement to provide replacement parking for garage-conversion ADUs and new parking for new-construction ADUs, but the overzealous parking requirements for multifamily housing, as well as the type of deed-restricted single-family homes a nonprofit developer like Habitat for Humanity would build, make it a near impossibility to build affordable housing in Solana Beach.

Specifically, requiring 1.5 parking spaces for efficiency units, studios, and SROs is unreasonable. <sup>105</sup> Not only are efficiency units typically occupied by a single individual and SROs legally occupied by only a single individual, but, oftentimes, occupants of these types of homes are in transition between various life events, need supportive services, or intend to live in such accommodations for a limited amount of time. <sup>106</sup> Occupants of these housing types should not be assumed to own or have cars without such a constraint on development being supported by evidence. Furthermore, studios are smaller homes, typically suitable for one person, so while it *may* be appropriate to require parking for studios, requiring more than 1.0 parking spaces per studio—and more than 1.0 parking spaces per efficiency unit and SRO unit—is a substantial government constraint.

Furthermore, requiring two parking spaces for apartments with two or more bedrooms, plus an additional parking space for guests for every four dwelling units, is phenomenally cost-prohibitive. Surface parking costs approximately \$20,000 per space and garages and covered parking spaces cost approximately

<sup>&</sup>lt;sup>103</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7

<sup>104</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-7; California Government § 65852.2 et seq.

<sup>&</sup>lt;sup>105</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-10

<sup>&</sup>lt;sup>106</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-19



\$50,000 per space. 107 Underground parking costs an astronomically high \$80,000 per space. 108 For a 12-unit affordable housing development, the city would require 27 parking spaces, costing more than half a million dollars. This amount is likely more than 10% of the entire project's cost, making development designed for very low- and low-income development nearly infeasible. The very existence of the parking concession in SDBL seeks to remedy this issue, and the city's unwillingness to reduce its parking requirements actively constrains development. This might explain the dearth of affordable housing in Solana Beach, and until the city removes this substantial constraint, that condition will remain unchanged.

### **Growth Management**

SB 166, the Housing Crisis Act of 2019, renders moot growth management controls and residential caps under certain conditions. Those conditions include that the enacting local agency's electors approved the ordinance before January 1, 2005 and that the local agency is located in a predominantly agricultural county, defined as one that is composed of at least one-half agricultural land and that has more than 550,000 acres of agricultural land. According to most recent version of the California Farmland Conversion Report, not only does the County of San Diego have just 340,111 acres of important farmland, well below the threshold of 550,000 acres, but the entire county measures 2,712,200 acres in size, placing the proportion of county farmland at just 12.5%. Therefore, Ordinance No. 251 and Proposition T are deficient, making both laws null and void. While unenforceable laws do not necessarily create a government constraint, the city should nevertheless conspicuously advertise that, until the Housing Crisis Act of 2019 sunsets, prospective housing developers should ignore these laws.

#### **Zoning Controls**

According to Table 3-6, *Permitted, Conditional, and Prohibited Uses in Solana Beach*, single-family homes are allowed in <u>all</u> residential zones, including medium high and high residential zones. <sup>113</sup> Not surprisingly, the city appears to be totally oblivious to the segregated conditions it perpetuates when it defined a single-family home as "[a]ny building designed and used to house not more than one family including all domestic employees of such family." <sup>114</sup> Both group residential facilities and senior citizen and congregate care housing with any number of units are forbidden in both estate residential, the low residential, and the low medium residential zones. <sup>115</sup> Group residential facilities with any number of units are forbidden in the medium residential zone but allowed with a CUP issued by the planning director in the medium high and high residential zones. Senior citizen and congregate care housing with any number of units is permitted with a CUP issued by the city council in the medium residential, medium high residential, and high residential zones. Since senior citizen and congregate care housing requires discretionary approval by the city council, and, thus, the city council may deny this type of housing from ever being constructed in the City of Solana Beach, regardless of the zone type or the number of units the development would have, we find this subjective condition affecting a protected class to be a facial violation of Fair Housing Law.

<sup>107</sup> New CA Database Shows How Much Parking Costs and How Little It's Used

<sup>&</sup>lt;sup>108</sup> ibid.

<sup>109</sup> California Government Code § 66300 et seq.

<sup>110</sup> ibid.

<sup>&</sup>lt;sup>111</sup> California Department of Conservation

<sup>112</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 3-10 and 3-11

<sup>113</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-13

<sup>114</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-14

<sup>&</sup>lt;sup>115</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-13



Additionally, the city described its compliance with employee housing laws, stating that while it believes its ordinances comply with California Health and Safety Code §§ 17021.5 and 17021.6, it will complete Program 1M to update its codes and make explicitly clear that it is not in violation of these laws. However, the city failed to update Table 3-6, *Permitted, Conditional, and Prohibited Uses in Solana Beach*, omitting pertinent information required to be published in the housing element. Disappointingly, the city also continues to demonstrate a fundamental misunderstanding of how access to opportunity works, stating with regard to farmworker housing, "[a]ccording to the American Community Survey, less than two percent of Solana Beach's workforce was employed in the farming industry. Therefore, there is no need for farmworker housing in Solana Beach." We find this statement and the subsequent regulatory environment it produces to be discriminatory and a facial violation of Fair Housing Law.

Local agencies are prohibited not only from exercising bias based on race, sex, familial status, age, or religion, but from discriminating against any individual or group of individuals the enjoyment of residence, landownership, tenancy, or any other land use because the residential development is subsidized, multifamily, or occupancy will include low- or moderate-income persons. <sup>119</sup> Local agencies may also not impose different requirements on assisted developments than those imposed on non-assisted developments. <sup>120</sup> However, local agencies may extend preferential treatment to local, state or federally assisted developments, and developments intended for occupancy by low- and moderate-income households or agricultural employees. This preferential treatment may include, but is not limited to, reduction of fees, changes in architectural requirements, site development and property line adjustments, building setback requirements, or vehicle parking requirements that reduce development costs of these developments. <sup>121</sup>

Additionally, the city makes no distinction between senior citizen and congregate care housing with six or fewer units and those with seven or more units. 122 Again, the legal requirement described in California's AFFH law means "taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws." 123

Last, Table 3-6, *Permitted, Conditional, and Prohibited Uses in Solana Beach*, identifies where group residential facilities are permissible within the city, but it does not distinguish between those facilities that have six or fewer units from those with seven or more.<sup>124</sup> This is curious because the city distinguishes between various unit sizes of residential care facilities and family day care homes, but neither of those uses received any revisions in the subsequent pages of the March 2021 update to the Final Draft Housing Element whereas the information about group residential facilities was significantly revised.<sup>125</sup>

<sup>&</sup>lt;sup>116</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-14

<sup>117</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-13

<sup>118</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-15

<sup>119</sup> California Government Code §§ 65008(b)(1)(D) and (d)(1) and (2)

<sup>120</sup> ibid.

<sup>121</sup> California Government Code § 65008(e)(2)

<sup>122</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-15

<sup>&</sup>lt;sup>123</sup> California Government Code §§ 8899.50 and 65583 et seg.

<sup>&</sup>lt;sup>124</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-13

<sup>&</sup>lt;sup>125</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-15



#### People with Disabilities

Program 4C affects people with physical and developmental disabilities, and through this program, the city commits to "continue to take actions to accommodate the approval of group homes, ADA retrofit efforts, ADA compliance and/or other measures through the implementation of Title 24 as well as amend its procedures to provide more flexibility in the development of accommodations for persons with physical and developmental disabilities by eliminating the need for a variance." The city relies on this passive construction in many of its housing element programs, and we contend that continuing to do something that produces no or limited positive results is useless. The city should amend this program's objectives and, in service of the dozens of people with physical and developmental disabilities, issue an RFP for one of the city-controlled candidate sites to develop very low- or low-income housing to support this group of residents.

#### **Development Fees and Impact Fees**

The housing element does not include a comparison of the city's development fees and impact fees to those charged in nearby cities, such as Carlsbad, Encinitas, Del Mar, and the City of San Diego, so reviewers of the housing element are unable to readily discern whether \$122,500 in combined fees for a single-family home is commensurate with combined fees charged in those neighboring jurisdictions. <sup>127</sup> In August 2019, the International Code Council "estimated that the average per square-foot cost for good-quality housing in the San Diego region was approximately \$117 for multi-family housing and \$129 for single-family homes." <sup>128</sup>

To use the city's example of a 3,000 square foot single-family home, the cost of construction would be approximately \$387,000. Since construction costs have increased since August 2019, a rough estimate of a 25% increase would change that cost for a 3,000 square foot single-family home to \$483,750. With combined fees of \$122,500 for that 3,000 square foot single-family home, a residential developer would be paying more than 25% of the project's construction costs in fees alone. This is a different assessment than the city provides in the last paragraph of Page 3-25, which we assume is due to the city factoring in land costs. We disagree with this method of calculating the proportional burden of development fees and impact fees, since no two parcels are likely to have their land appraised or assessed at the same value, such a calculation does not account for the speculative value of land, and the cost for "good-quality" construction, as defined by the ICC, is static regardless of where that good-quality construction occurs in the San Diego region.

Furthermore, the city reports it would charge an estimated \$1,143,800 in combined fees for a 13-unit apartment development, or nearly \$88,000 per unit. Unfortunately, however, while the city reports the ICC's estimate of good-quality multifamily construction costs, the city does not offer either the per-unit or combined square footage of this example multifamily development. Omitting that information makes it impossible for the reviewer to assess the proportional burden of multifamily development fees and impact fees, so we are unable to discern whether those fees constitute a substantial governmental burden. The city does however disclose an upper estimate of the proportional burden of development fees and impact

<sup>&</sup>lt;sup>126</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-10

<sup>127</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-25

<sup>&</sup>lt;sup>128</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-1

<sup>&</sup>lt;sup>129</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021)

<sup>130</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-25



fees for multifamily housing that is approximately 50% than the amount disclosed for single-family home development fees and impact fees, so, presumably, the proportional burden of those fees for multifamily housing is greater than 25%.<sup>131</sup> Nevertheless, regardless of whether the Solana Beach's single-family home development fees and impact fees are commensurate with neighboring jurisdictions' fees, we find this proportional fee burden to be a substantial governmental constraint in the development of housing in Solana Beach.

## Local Processing and Permit Procedures

The housing element does not include a comparison of the city's performance in processing applications for development to the performance in nearby cities, such as Carlsbad, Encinitas, Del Mar, and the City of San Diego, so reviewers of the housing element are unable to readily discern whether six to eight months to process an application is commensurate with application processing performance in those neighboring jurisdictions. The city also fails to disclose its application processing performance for the multifamily development designated Project Number 17-14-08 and located at 343 S. Highway 101. On November 13, 2019, the city council unanimously approved applicant-requested modifications to an earlier-approved entitlement. The city should provide clarification regarding its performance in processing the various applications for this nonvacant site redevelopment to support its claimed six-to-eight month performance. Without further information, this level of performance may constitute a governmental constraint that would certainly be (partially) mitigated by reducing the regulatory burden associated with applications for development within multiple overlapping overlay zones and a Coastal Zone.

#### **Site Inventory**

With regard to the February 16, 2021 letter from HCD, the city must provide significantly more detailed "findings based on substantial evidence that the existing use is not an impediment and will likely discontinue in the planning period."<sup>135</sup> Additionally, HCD also explained in that same letter that sites smaller than 0.50 acres are not eligible for inclusion in the site inventory absent substantial evidence that the city has both experience and a track record of supporting development on small sites. <sup>136</sup> Alarmingly, almost a third of the site inventory—32 of 83 sites—is sites smaller than 0.50 acres. <sup>137</sup> In its revised housing element, the city includes three example sites to summarize the type of evidence it relies upon to demonstrate the site's small size will not be an impediment and the site's use will likely discontinue in the planning period. We find these explanations are not findings, not substantial, and not adequate within the plain meaning of these words and phrases. <sup>138</sup>

For instance, Site 4.73 is a city-owned parking lot adjacent to a privately held parcel identified as Site 4.40. The city does not report that the owner or person in control of the business located at Site 4.40 has made any indication they wish to buy Site 4.73, nor has the city demonstrated that the owner or person in control of the business located at Site 4.40 has residential development experience or the

<sup>131</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-25

<sup>132</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-32

<sup>133</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. B-4

<sup>134</sup> City of Solana Beach City Council Meeting Staff Report, City of Solana Beach City Council Meeting Minutes

<sup>&</sup>lt;sup>135</sup> HCD letter to City of Solana Beach, Appendix p. 3

<sup>136</sup> ibid

<sup>&</sup>lt;sup>137</sup> City of Solana Beach, Non-Residential Sites, Draft 10/21/2020

<sup>&</sup>lt;sup>138</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. B-5

<sup>139</sup> City of Solana Beach, Non-Residential Sites, Draft 10/21/2020



capital necessary to redevelop Site 4.73. Additionally, Sites 4.68 and 4.69 are separate, adjacent parcels held by the same private owner, and the city has assumed that each site being less than 0.50 acres is of no concern because they can be consolidated. While such a lot consolidation is of course possible, the city fails to present any evidence that the owner plans to consolidate the parcels themselves, intends to sell both parcels together to a residential developer, or presently desires to sell the parcels at all.

Surprisingly, the city relies upon the effects of the pandemic to catalyze the residential redevelopment of nonvacant sites within the city. This is a curious approach, especially considering that the city has done no focused outreach to owners, renters, and lessors of those sites to make any realistic assumptions about the likelihood of those parcels being redeveloped. The city provides no evidence whatsoever to support its assumption that temporarily or permanently closed sites will be redeveloped as housing instead of a different commercial use. While the city directs the reader to Appendix A for copies of correspondence with owners, renters, and lessors, the version of Appendix A in the December 2020 Final Draft Housing Element is entirely composed of the city's evaluation of the performance of programs in the previous planning period and does not include copies of letters, emails, or other documents that would support its claims about nonvacant site redevelopment. (Perhaps there is an updated version of Appendix A that was inadvertently excluded from the staff report for the recent city council meeting where these revisions were discussed?) At best, the city claims to have engaged in "discussions with those property owners who came forward as interested in developing their properties for affordable housing through the planning period;" however, the city uses this passive grammatical construction, presumably, because it did not proactively initiate this type of outreach.

In addition to the above concerns, the city includes in its site inventory several candidate sites that are facially unlikely to redevelop, such as a veterinary clinic, two bank branches, and city hall. 143 Throughout the pandemic, the need for people to access financial institutions and receive medical care for themselves and their pets has remained steady, and as of the date of this letter, in addition to 40% of adults being vaccinated in California, the economy added 916,000 jobs in March, the latter of which lowered nationwide unemployment to 6% and signals an imminent increase in economic activity. 144 Additionally, we are unpersuaded that the city is serious in having Solana Beach City Hall redeveloped, and this site should not be included in the site inventory without an accompanying RFP and active legislative measures to support by-right development of this nonvacant nonresidential site. To our knowledge, no city anywhere in California has redeveloped an existing, actively used city hall for the purpose of adding housing, so the inclusion of city hall as a feasible candidate site should be disallowed without significant, substantial incentives. It seems almost unfathomable that a majority of a local agency's elected officials would vote to allow its seat of government to be redeveloped for residential use, since it would be cost prohibitive to lease replacement office space for the displaced city employees and the infrastructure to support public meetings would be dismantled, to name just the first two challenges that come to mind. Even if a parking lot were used for the development of homes on the nonvacant city hall site, the city would then need to accommodate off-site parking facilities and transportation for its workforce, as well as accommodate however many new tenants it shared its remaining parking area with. Without completing

<sup>&</sup>lt;sup>140</sup> City of Solana Beach, Non-Residential Sites, Draft 10/21/2020

<sup>141</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), Appendix A and p. 3-51

<sup>142</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), Appendix A and pp. 3-51 and B-3

<sup>&</sup>lt;sup>143</sup> City of Solana Beach Final Draft Housing Element (December 2020), Appendix B

<sup>144 40%</sup> of California adults at least partially vaccinated against COVID-19, data show – The Sacramento Bee; Strong U.S. Job Growth in March Fuels Optimism on Recovery – The New York Times



even that basic first step, or the more serious step of issuing an RFP, city hall is unequivocally inappropriate to include as a candidate site in the site inventory.

The city also reported that its reliance on small sites is appropriate because it has a track record of allowing development on nonvacant sites; however, it defends that track record by describing programs to subdivide existing residential parcels. We are confused as to how subdividing residential parcels supports the redevelopment of nonvacant, commercially zoned sites smaller than 0.50 acres in size, both active and temporarily or permanently closed. A more appropriate program would be one that supported lot consolidations at low- or no-cost and / or with expedited application processing times. Additionally, the site inventory omits information about whether a candidate site was included in either of the last two planning periods, making it unnecessarily difficult for reviewers to discern whether by-right development conditions exist at any of the identified sites, pursuant to state law, such as Site 4.70, which "has been considered for residential uses in the past." 146,147

Last, Site 4.63 with APN 263293-6000, included in the *Non-Residential Sites, Draft 10/21/2020* document, and APN 2632935900 (no unique site identifier), included in the *Revised Final Draft Housing Element*, are together the Loma Santa Fe Plaza. Site 4.63 is listed as being 3.98 acres in size, and APN 2632935900 is listed as being 9.85 acres in size. However, according to the *Parcel Lookup Tool*, Site 4.63 is actually 4.22 acres in size and APN 2632935900 is actually 13.2 acres in size. Unless the city has evidence demonstrating these sites are not the size reported by SANDAG, which relies on county assessor data, APN 2632935900 is larger than 10.0 acres and must undergo a similar analysis about feasibility for nonvacant sites as the many sites smaller than 0.50 acres also in the city's site inventory.

### **Other Concerns**

Housing Program 1G, *Federal and State Funding Programs*, binds the city to maintain an ongoing effort to obtain federal and state funding programs; Housing Program 1O binds the city to pursuing external funding for lower- and moderate-income funding sources, "as opportunities arise." These programs' objectives are weak. Program 1G requires the city to only review funding opportunities and conditionally work with developers to support their applications to said subsidy programs. A stronger, more actionable program would include more affirmative language, using words like "shall," as well as commitments to pursue HOME funds, which the city discusses but does not disclose whether it applies for, CalHome funds, Infill Infrastructure Grant funds, California Emergency Solutions and Housing funds, Emergency Solutions Grants Program funds, Homkey funds, and Affordable Housing Sustainable Communities funds. Program 1O requires only that the city "seek to partner with local agencies that may provide funding opportunities or other resources that can assist in the development of housing

<sup>&</sup>lt;sup>145</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-51

<sup>&</sup>lt;sup>146</sup> HCD Site Inventory Guidebook, p. 11

<sup>&</sup>lt;sup>147</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. B-15

<sup>148</sup> City of Solana Beach

<sup>149</sup> City of Solana Beach

<sup>150</sup> City of Solana Beach, Non-Residential Sites, Draft 10/21/2020

<sup>&</sup>lt;sup>151</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. B-16

<sup>152</sup> SANDAG SanGIS

<sup>&</sup>lt;sup>153</sup> HCD Site Inventory Guidebook, pp. 17-18

<sup>154</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), pp. 4-4, 4-5, and 4-7

<sup>&</sup>lt;sup>155</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-4

<sup>&</sup>lt;sup>156</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-55



affordable at the lower and moderate income levels." *Seeking to partner as opportunities arise* is exactly the level and intensity of commitment that has led to the bottomless chasm that is the housing affordability crisis. We implore the city to develop more actionable objectives.

The citation for the location of the Scaled Residential Overlay Zone is incorrect. 158

Figure 3-5, *Existing and Proposed Affordable Housing Locations in Solana Beach*, is incorrect because it does not include a yellow star for the candidate site located at 607 Lomas Santa Fe Drive. 159

#### Conclusion

We are grateful for the opportunity to review the city's Final Draft Housing Element and the subsequent revisions directed by HCD, and we look forward to seeing the city's response to the concerns we raised. It is our hope that the city takes our concerns seriously and makes another round of substantial revisions to comply with the strengthened Housing Element Law and various other relevant sections of Government Code. We would be delighted to meet with city officials to discuss the contents of this letter and work together on improving the draft housing element to better serve the residents and city.

Sincerely,

Jon Wizard Housing Elements Coordinator

YIMBY Law

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<sup>&</sup>lt;sup>157</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 4-7

<sup>&</sup>lt;sup>158</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-4

<sup>159</sup> City of Solana Beach Revised Final Draft Housing Element (March 2021), p. 3-69

# Appendix D: Glossary of Housing Terms

**Above-Moderate-Income Household**. A household with an annual income usually greater than 120% of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available legibility limits established by the U.S. Department of housing and Urban Development (HUD) for the Section 8 housing program.

**Acreage, Net.** The total land area within the lot lines of a lot or parcel minus land area which will be required for public streets, easements or other areas to be dedicated or reserved for public use or open space (including undevelopable slopes, bluffs, and sensitive lands).

Affirmatively Furthering Fair Housing (AFFH): Affirmatively Furthering Fair Housing (AFFH) is a legal requirement that federal agencies and federal grantees further the purposes of the Fair Housing Act. AFFH means "taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

**Apartment**. An apartment is one (1) or more rooms in an apartment house or dwelling occupied or intended or designated for occupancy by one (1) family for sleeping or living purposes and containing one (1) kitchen.

Assisted Housing. Generally multi-family rental housing, but sometimes single-family ownership units, whose construction, financing, sales prices, or rents have been subsidized by federal, state, or local housing programs including, but not limited to Federal state, or local housing programs including, but not limited to Federal Section 8 (new construction, substantial rehabilitation, and loan management set-asides), Federal Sections 213, 236, and 202, Federal Sections 221 (d) (3) (below-market interest rate program), Federal Sections 101 (rent supplement assistance), CDBG, FmHA Sections 515, multi-family mortgage revenue bond programs, local redevelopment and in lieu fee programs, and units developed pursuant to local inclusionary housing and density bonus programs.

**Below-Market-Rate (BMR)**. Any housing unit specifically priced to be sold or rented to low- or moderate-income households for an amount less than the fair-market value of the unit. Both the State of California and the U.S. Department of Housing and Urban Development set standards for determining which households qualify as "low income" or "moderate income." (2) The financing of housing at less than prevailing interest rates.

**Build-Out**. That level of urban development characterized by full occupancy of all developable sites in accordance with the General Plan; the maximum level of development envisioned by the General Plan. Build-out does not assume that each parcel is developed to include all floor area or housing units possible under zoning regulations.

Community Development Block Grant (CDBG). A grant program administered by the U.S. Department of Housing and Urban Development (HUD) on a formula basis for entitled communities and administered by the State Department of Housing and Community Development (HCD) for non-entitled jurisdictions. This grant allots money to cities and counties for housing rehabilitation and community development, including public facilities and economic development.

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**Condominium**. A development consisting of an undivided interest in common for a portion of a parcel, coupled with a separate interest in space in a residential or commercial building on the parcel.

Covenants, Conditions, and Restrictions (CC&Rs). A term used to describe restrictive limitations that may be placed on property and its use, and which usually are made a condition of holding title or lease.

Deed. A legal document which affects the transfer of ownership of real estate from the seller to the buyer.

**Density Bonus**. The allocation of development rights that allow a parcel to accommodate additional square footage or additional residential units beyond the maximum for which the parcel is zoned, usually in exchange for the provision or preservation of an amenity at the same site or at another location.

Density, Residential. The number of dwelling units per net acre.

**Developable Land**. Land that is suitable as a location for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas.

**Down Payment**. Money paid by a buyer from his own funds, as opposed to that portion of the purchase price which is financed.

**Duplex**. A detached building under single ownership that is designed for occupation as the residence of two families living independently of each other.

**Dwelling Unit (DU)**. One or more rooms including bathrooms(s) and a kitchen, designed as a unit for occupancy by one family for living and sleeping purposes.

Emergency Shelter. A facility that provides immediate and short-term housing and supplemental services for the homeless. Shelters come in many sizes, but an optimum size is considered to be 20 to 40 beds. Supplemental services may include food, counseling, and access to other social programs. (See "Homeless" and "Transitional Housing.")

**Extremely Low-Income Household.** A household with an annual income equal to or less than 30% of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Fair Market Rent**. The rent, including utility allowances, determined by the United States Department of Housing and Urban Development for purposed of administering the Section 8 Program.

Family. Two or more persons living together as a bona fide single housekeeping unit.

**General Plan**. The city of Solana Beach general plan as adopted by the city council.

Goal. A general, overall, and ultimate purpose, aim, or end toward which the City will direct effort.

**Green Building.** Green or sustainable building is the practice of creating healthier and more resource-efficient models of construction, renovation, operation, maintenance, and demolition. (US Environmental Protection Agency)

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**Historic Preservation**. The preservation of historically significant structures and neighborhoods until such time as, and in order to facilitate, restoration and rehabilitation of the building(s) to a former condition.

Historic/Cultural Landmark (Site). Any building, structure, or site (including significant trees or other plant life located thereon) which has been determined by the city council, pursuant to SBMC 17.60.160, to have significant historical, cultural, architectural or archaeological value.

Household. All those persons—related or unrelated—who occupy a single housing unit. (See "Family.")

Housing and Community Development Department (HCD). The State agency that has principal responsibility for assessing, planning for, and assisting communities to meet the needs of low-and moderate-income households.

**Housing Element.** A State-mandated element of a local general plan, it assesses the existing and projected housing needs of all economic segments of the community, identifies potential sites adequate to provide the amount and kind of housing needed, and contains adopted goals, policies, and implementation programs for the preservation, improvement, and development of housing. Under State law, Housing Elements must be updated every eight years.

**Housing Payment**. For ownership housing, this is defined as the mortgage payment, property taxes, insurance and utilities. For rental housing this is defined as rent and utilities.

**Housing Ratio**. The ratio of the monthly housing payment to total gross monthly income; also called Payment-to-Income Ratio or Front-End Ratio.

**Housing Unit**. The place of permanent or customary abode of a person or family. A housing unit may be a single-family dwelling, a multi-family dwelling, a condominium, a modular home, a mobile home, a cooperative, or any other residential unit considered real property under State law.

Housing and Urban Development, U.S. Department of (HUD). A cabinet-level department of the federal government that administers housing and community development programs.

**Implementing Policies**. The City's statements of its commitments to consistent actions.

**Implementation**. Actions, procedures, programs, or techniques that carry out policies.

**Infill Development**. The development of new housing or other buildings on scattered vacant lots in a built-up area or on new building parcels created by permitted lot splits.

Land Use. A description of how land (real estate) is occupied or utilized.

**Live-Work Units**. Buildings or spaces within buildings that are used jointly for commercial and residential purposes where the residential use of the space is secondary or accessory to the primary use as a place of work.

**Low-Income Household**. A household with an annual income usually no greater than 51%-80% of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

# City of Solana Beach 2021-2029 Housing Element

**Low-income Housing Tax Credits**. Tax reductions provided by the federal and State governments for investors in housing for low-income households.

Manufactured Housing. Residential structures that are constructed entirely in the factory, and which since June 15, 1976, have been regulated by the federal Manufactured Home Construction and Safety Standards Act of 1974 under the administration of the U.S. Department of Housing and Urban Development (HUD). (See "Mobile home" and "Modular Unit.")

**Mixed-Use Development**. The development of a parcel(s) or structure(s) with two or more different land uses such as, but not limited to, a combination of residential, office, manufacturing, retail, public, or entertainment in a single or physically integrated group of structures.

**Moderate-Income Household**. A household with an annual income usually no greater than 81%-120% of the area median family income adjusted by household size, as determined by a survey of incomes conducted by a city or a county, or in the absence of such a survey, based on the latest available eligibility limits established by the U.S. Department of Housing and Urban Development (HUD) for the Section 8 housing program.

**Monthly Housing Expense**. Total principal, interest, taxes, and insurance paid by the borrower on a monthly basis. Used with gross income to determine affordability.

**Multifamily**. Multiple separate housing units for residential (i.e., noncommercial) inhabitants contained within one building or several buildings within one complex. Includes multi-bedroom units, one-bedroom units, efficiency units, studios, and single room occupancy.

Ordinance. A law or regulation set forth and adopted by a governmental authority, usually a city or county.

**Overcrowded Housing Unit**. A housing unit in which the members of the household, or group are prevented from the enjoyment of privacy because of small room size and housing size. The U.S. Bureau of Census defines an overcrowded housing unit as one which is occupied by more than one person per room.

**Parcel**. A parcel of land under one ownership that has been legally subdivided or combined and is shown as a single parcel on the latest equalized assessment roll.

**Planning Area**. The area directly addressed by the general plan. A city's planning area typically encompasses the city limits and potentially annexable land within its sphere of influence.

**Policy**. A specific statement of principle or of guiding actions that implies clear commitment but is not mandatory. A general direction that a governmental agency sets to follow, in order to meet its objectives before undertaking an action program. (See "Program.")

**Poverty Level**. As used by the U.S. Census, families and unrelated individuals are classified as being above or below the poverty level based on a poverty index that provides a range of income cutoffs or "poverty thresholds" varying by size of family, number of children, and age of householder. The income cutoffs are updated each year to reflect the change in the Consumer Price Index.

**Program**. An action, activity, or strategy carried out in response to adopted policy to achieve a specific goal or objective. Policies and programs establish the "who," "how" and "when" for carrying out the "what" and "where" of goals and objectives.

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**Redevelop**. To demolish existing buildings; or to increase the overall floor area existing on a property; or both; irrespective of whether a change occurs in land use.

**Regional**. Pertaining to activities or economies at a scale greater than that of a single jurisdiction and affecting a broad geographic area.

**Regional Housing Needs Assessment**. A quantification by the local council of governments of existing and projected housing need, by household income group, for all localities within a region.

Rehabilitation. The repair, preservation, and/or improvement of substandard housing.

**Residential**. Land designated in the General Plan and zoning ordinance for building consisting of dwelling units. May be improved, vacant, or unimproved. (See "Dwelling Unit.")

Residential Care Facility. A facility that provides 24-hour care and supervision to its residents.

**Retrofit**. To add materials and/or devices to an existing building or system to improve its operation, safety, or efficiency. Buildings have been retrofitted to use solar energy and to strengthen their ability to withstand earthquakes, for example.

**Rezoning**. An amendment to the map to effect a change in the nature, density, or intensity of uses allowed in a zoning district and/or on a designated parcel or land area.

Section 8 Rental Assistance Program. A federal (HUD) rent-subsidy program that is one of the main sources of federal housing assistance for low-income households. The program operates by providing "housing assistance payments" to owners, developers, and public housing agencies to make up the difference between the "Fair Market Rent" of a unit (set by HUD) and the household's contribution toward the rent, which is calculated at 30% of the household's adjusted gross monthly income (GMI). "Section 8" includes programs for new construction, existing housing, and substantial or moderate housing rehabilitation.

**Senior Housing**. Typically, one- and two-bedroom apartments or condominiums designed to meet the needs of persons 62 years of age and older or, if more than 150 units, persons 55 years of age and older, and restricted to occupancy by them.

**Shared Living Facility**. The occupancy of a dwelling unit by persons of more than one family in order to reduce housing expenses and provide social contact, mutual support, and assistance. Shared living facilities serving six or fewer persons are permitted in all residential districts by Section 1566.3 of the California Health and Safety Code.

**Single-Family Dwelling, Attached**. A dwelling unit occupied or intended for occupancy by only one household that is structurally connected with at least one other such dwelling unit. (See "Townhouse.")

Single-Family Dwelling, Detached. A dwelling unit occupied or intended for occupancy by only one household that is structurally independent from any other such dwelling unit or structure intended for residential or other use. (See "Family.")

Single Room Occupancy (SRO). The smallest dwelling unit allowed by the Uniform Building Code which provides full living quarters, including kitchen and bathroom facilities (see current UBC Chapter 12). Also referred to as Efficiency Unit.

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**Subsidize**. To assist by payment of a sum of money or by the granting to terms or favors that reduces the need for monetary expenditures. Housing subsidies may take the forms or mortgage interest deductions or tax credits from federal and/or state income taxes, sale or lease at less than market value of land to be used for the construction of housing, payments to supplement a minimum affordable rent, and the like.

**Substandard Housing**. Residential dwellings that, because of their physical condition, do not provide safe and sanitary housing.

Supportive Housing. Housing with no limit on length of stay, that is occupied by the target population as defined in California Health and Safety Code Section 53260(d), and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. "Target population" means adults with low incomes having one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act and may, among other populations, include families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, or homeless people. [California Health and Safety Code Sections 50675.14(b) and 53260(d)]

**Target Areas**. Specifically, designated sections of the community where loans and grants are made to bring about a specific outcome, such as the rehabilitation of housing affordable by Very-Low and Low-income households.

**Tax Increment.** Additional tax revenues that result from increases in property values within a redevelopment area. State law permits the tax increment to be earmarked for redevelopment purposes but requires at least 20 percent to be used to increase and improve the community's supply of very low- and low-income housing.

**Tenure**. A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is owner-occupied only if the owner or co-owner lives in it. All other occupied units are classified as renter-occupied including units rented for cash rent and those occupied without payment of cash rent.

**Townhouse**. A building subdivided into individual units such that each owner owns the unit structure and the land on which the unit is located, plus a common interest in the land upon which the building is located.

**Transitional Housing.** Shelter provided to the homeless for an extended period, often as long as 18 months, and generally integrated with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a stable income and permanent housing. (See "Homeless" and "Emergency Shelter.")

**Undevelopable**. Specific areas where topographic, geologic, and/or superficial soil conditions indicate a significant danger to future occupants and a liability to the City.

# City of Solana Beach 2021-2029 Housing Element

### Acronyms Used

**ACS:** American Community Survey **BMPs:** Best Management Practices

**CALTRANS**: California Department of Transportation

CEQA: California Environmental Quality Act

**CHAS**: Comprehensive Housing Affordability Strategy

CIP: Capital Improvement Program

**DDS**: Department of Developmental Services

**DIF:** Development Impact Fee **DU/AC**: Dwelling Units Per Acre

EDD: California Employment Development Department

FAR: Floor Area Ratio

**FEMA:** Federal Emergency Management Agency

**HCD:** Department of Housing and Community Development

**HOA:** Homeowners Association

**HUD:** Department of Housing and Urban Development

LAFCO: Local Agency Formation Commission

MFI: Median Family Income

NPDES: National Pollutant Discharge Elimination System

**RTFH**: Regional Task Force on the Homeless

RTP: Regional Transportation Plan

**SANDAG:** San Diego Associations of Governments **SDCAA**: San Diego County Apartment Association

SPA: Sectional Planning Area

**STF:** Summary Tape File (U.S. Census) **TOD:** Transit-Oriented Development

**TDM:** Transportation Demand Management **TSM:** Transportation Systems Management

WCP: Water Conservation Plan