CHAPTER 6 **Housing Element**

Introduction

The State of California identifies the provision of decent and affordable housing for every Californian as a statewide goal. This Housing Element strives to meet that goal through the provision of appropriately designated land, which provides opportunities for developing a variety of housing types, and through policies and programs designed to assist the development of housing for all income levels and special needs.

This Housing Element covers the planning period of July 1, 2005, through June 30, 2010; however its effective date may be longer based on the start of the next planning period. The Element must be reviewed for compliance with State law by the State Department of Housing and Community Development (State HCD).

To meet housing demands, the General Plan accommodates 80 percent of the unincorporated County's future population in communities located within the County Water Authority (CWA) boundary, where water and other public services are more readily available. The CWA boundaries are shown on Figure H-1 (Areas Served by Sewer), which also shows areas with existing sewer infrastructure within the unincorporated County. The plan also establishes efficient and cost effective land use through compact development patterns that form distinct communities. This approach is consistent with planning trends and regional growth objectives, which are indicated in Figure H-2 (Smart Growth Opportunity Areas [SANDAG]). Within the CWA, the Land Use Plan has designated more land for multi-family units, thereby increasing the number of future residential sites as well as providing a larger variety of homes. Minimum lot size restrictions have been removed from the General Plan to allow for clustering consistent with the Zoning Ordinance (and Community Plans) and to decrease land and infrastructure costs for new development.

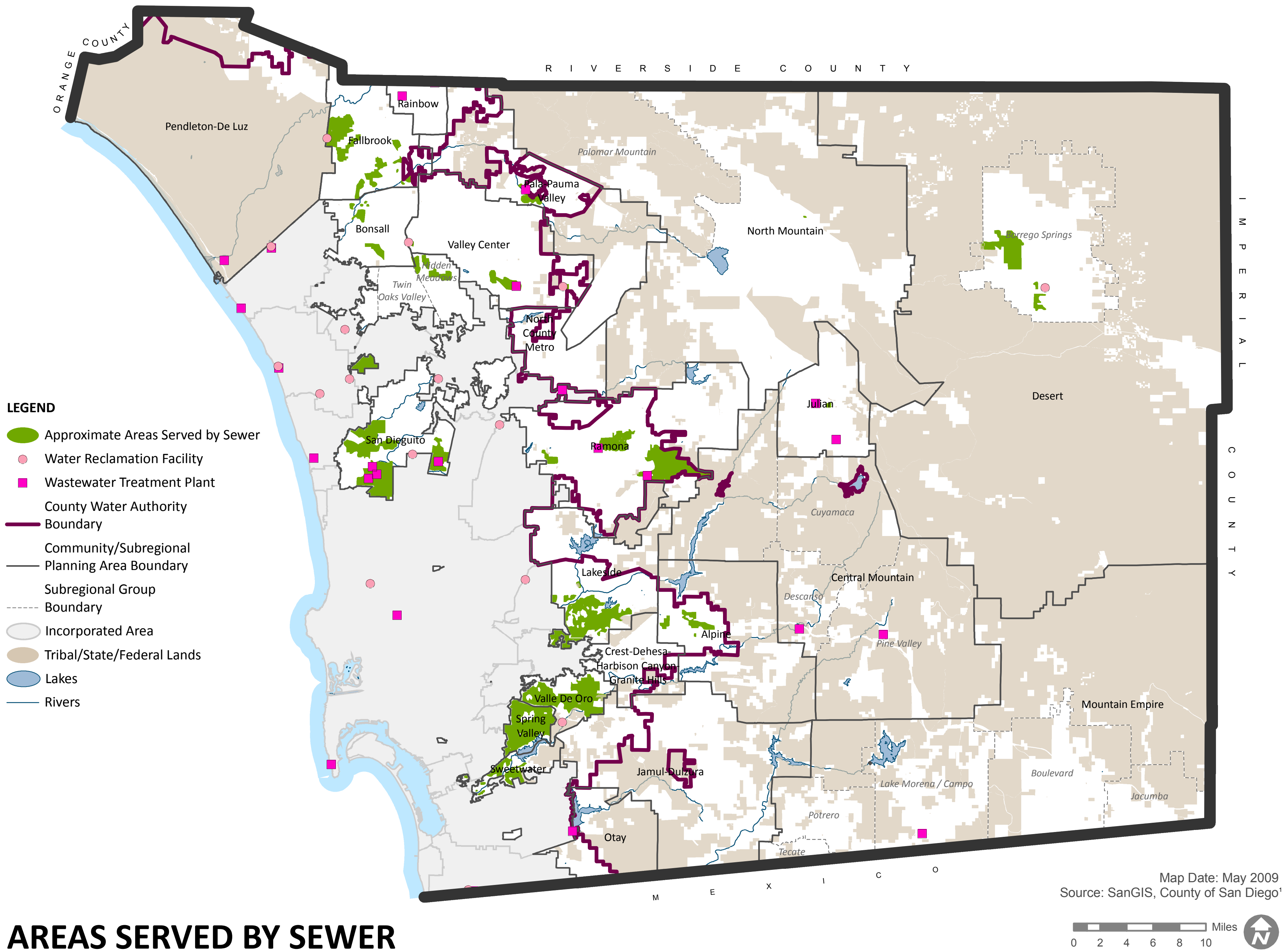
The County's Land Use Plan provides adequate housing capacity to meet this cycle's overall Regional Housing Needs Allocation (RHNA) of 12,358 residential units.[1] However, the County faced challenges when meeting its allocation for lower income households due to new State laws and the RHNA process in the San Diego region. (Refer to the Housing Element Background Report for additional information concerning the challenges in meeting the RHNA.)

Purpose and Scope

Pursuant to State Housing Element law (Section 65580) of the Government Code, this Housing Element must contain local commitments to the following:

- Provide sites with appropriate zoning and development standards and with services and facilities to accommodate the jurisdiction's RHNA for each income level.
- Assist in the development of adequate housing to meet the needs of lower and moderate income households.

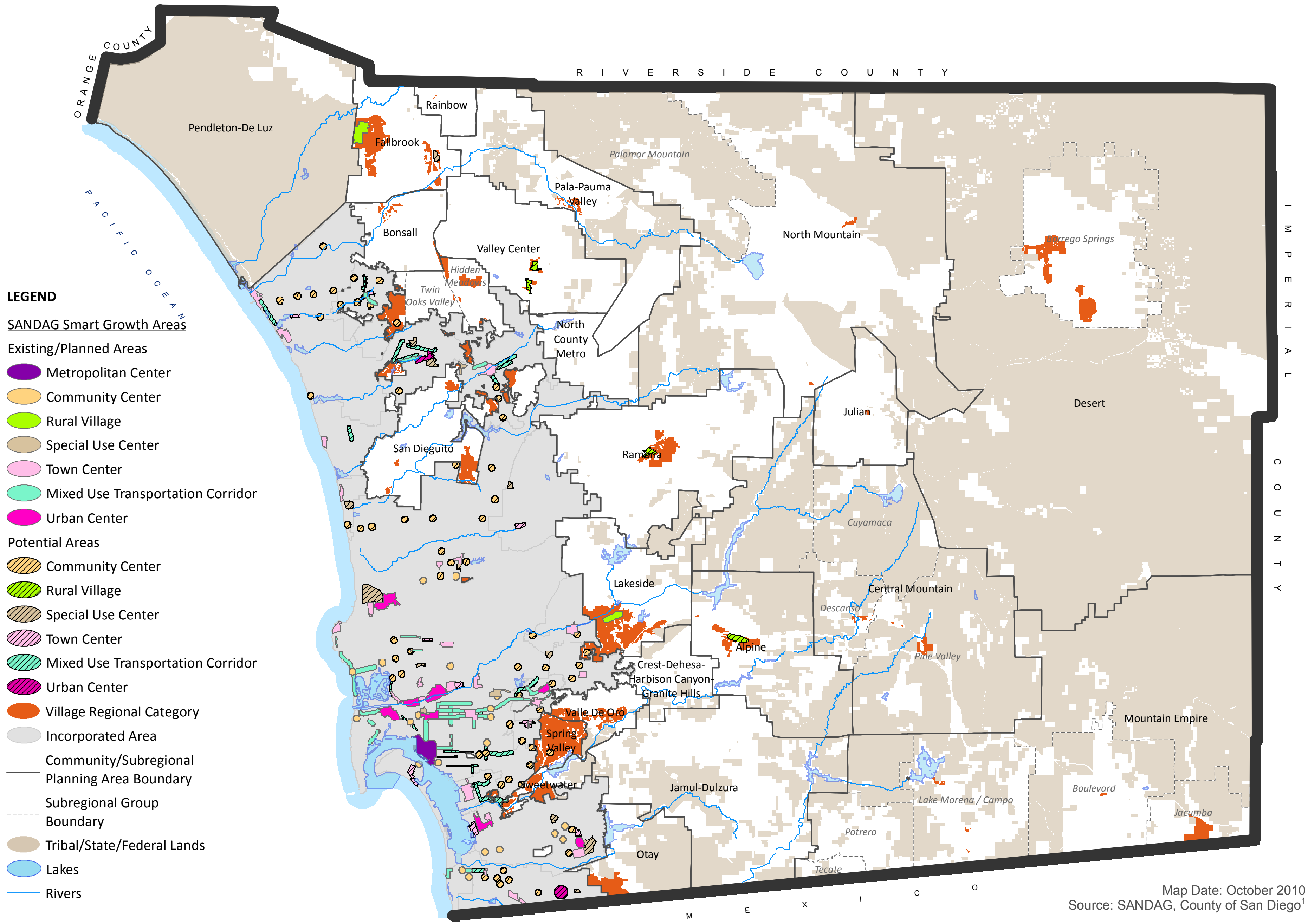
[1] The RHNA is a state-supervised process by which a regional planning agency, here the San Diego Association of Governments (SANDAG), allocates to its local jurisdictions their share of a five-year projected housing need at various affordability levels. That need must be accommodated by each jurisdiction's housing element.



AREAS SERVED BY SEWER

San Diego County General Plan

Figure H-1



Smart Growth Opportunity Areas (SANDAG)

San Diego County General Plan

Figure H-2

- Address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities.
- Conserve and improve the condition of the existing affordable housing stock.
- Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability.
- Preserve assisted housing developments for lower income households.

State Housing Element law mandates specific topics and issues that must be addressed in the Housing Element. These include the following:

- An analysis of population and employment trends, documentation of projections, and quantification of existing and projected housing needs for all income levels.
- An analysis and documentation of household characteristics, such as the age of housing stock, tenancy type, overcrowded conditions, and the level of payment compared to ability to pay.
- An analysis and documentation of special needs, such as female-headed households, homeless individuals, persons with disabilities, large households, farmworkers, and the elderly.
- A regional share of the total regional housing need for all income categories.
- An inventory of land suitable for residential development, including vacant land and infill/redevelopment opportunities. This analysis also looks at potential residential sites and their accessibility to adequate infrastructure and services.
- Identifying actual and potential governmental and non-governmental constraints that could potentially impede the maintenance, improvement, and development of housing for all income groups.
- Identifying and analyzing opportunities for energy conservation in residential developments.
- An inventory of at-risk affordable units that have the possibility of converting to market rate.
- A statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the improvement, maintenance, and development of housing.[2]

State law requires that adequate opportunity for participation be solicited from all economic segments of the community towards preparation of the Housing Element. Specifically, the jurisdiction must reach out to lower and moderate income persons and persons with special needs. Preparation of the Housing Element must also be coordinated with other local jurisdictions within the regional housing market area.

Guiding Principles for Housing

The foundation for Housing Element policy is based on the defined objectives of the General Plan update as well as the initiatives of the County's Strategic Plan. The objectives of improving housing affordability, assigning densities based on characteristics of the land, and locating growth near infrastructure, services, and jobs were of particular significance. Policies respond to the characteristics and challenges of both urban and rural community development.

[2] State law recognizes that the total housing need may exceed available resources and a jurisdiction's ability to satisfy identified needs. As a result, quantified objectives do not need to match the total housing need. However, a jurisdiction is required to establish the maximum number of housing units by income category that can be constructed, rehabilitated, and conserved over a five-year time period.

In general, housing affordability is addressed through policies intended to increase the supply of housing and decrease housing costs. Both approaches are applicable to urbanized centers with access to infrastructure, services, and jobs, but in rural areas, the lack of infrastructure and services dictates maintaining low densities. Thus, policies affecting rural areas emphasize lowering housing costs.

Key Issues

This Housing Element seeks to balance housing requirements with infrastructure deficiencies, safety issues, and the rural character of many of the County's unincorporated communities. It also seeks to reconcile housing needs with competing land use interests. For example, agriculture is a major sector within the regional economy, and most agricultural operations are located within the unincorporated County. The County of San Diego also has the greatest number of endangered species of any county within the continental United States, and most of those species are located within unincorporated areas. Retaining agricultural and environmental resources, therefore, must be reconciled with a housing allocation that is the third largest share within the region for the 2005–2010 Housing Element cycle.

COMPLIANCE WITH STATE REQUIREMENTS

Multifamily residential development within the unincorporated County is typically constructed at densities ranging from 10.9 to 30 dwelling units per acre. The County's development history demonstrates that residential densities exceeding 20 or 30 units per acre (depending on location) are not likely to be constructed, even when permitted, due to infrastructure limitations, environmental resource locations, and market conditions. In addition, densities above 15 or 20 dwelling units per acre are not consistent with the rural character of the County's communities.

State law assumes that land zoned for multi-family residential development presents the best opportunity for the future construction of housing affordable to lower-income households. The Land Use Element identifies a density range of 10.9 to 30 dwelling units per acre for multi-family development. However, recent changes in State law now stipulate that in the unincorporated County only zoning with a minimum density of 30 units per acres may be presumed to be dense enough to support future lower-income housing. Because the unincorporated County has very little land appropriate for development at 30 units per acre, this element has been required to demonstrate that lower-income housing can be built in the unincorporated County at densities less than 30 units per acre.

REGIONAL HOUSING NEEDS ALLOCATION PROCESS

The issue of density was compounded with a RHNA process that allocated to the unincorporated County the third highest number of low and very low income units in the region. The RHNA process distributed an equal percentage (40 percent) of lower-income housing to each of its 19 member jurisdictions,[3] an allocation that failed to consider the rural character of unincorporated County communities. The RHNA process also failed to consider infrastructure capacity and locations—including transit, roads, and water/sewer systems. Finally, the RHNA process occurred prior to changes in State laws that increased the County's default density for lower-income housing from 20 to 30 dwelling units per acre.

[3] Minor adjustments were made to reflect job locations and existing lower income family percentages.

Unless the RHNA process is substantially changed, the unincorporated County will need to rely on a wider range of residential densities—ranging from 15 to 30 dwelling units per acre—to meet its allocations for lower income households.

VILLAGE ISSUES

Communities located within the County Water Authority (CWA) boundary will accommodate most of the County's future population and most of its housing. Many of these communities face common issues:

- *Housing Choice:* Zoning requirements for density, lot size, building type and parking requirements have made it difficult for developers to provide a variety of housing choices for different age or economic groups. Those same restrictions also limit the use of density bonus programs.
- *Achieving Planned Densities:* Minimum lot sizes, height restrictions, and other regulations have reduced development yields to well below planned densities. For example, two-story height restrictions typically limited density to 15 or 20 units per acre.
- *Infrastructure and Services:* Providing roads, sewer, and other infrastructure to support urban or suburban development is a challenge in many communities, particularly in the County's outlying communities. Additionally, in many of the rural villages certain higher multi-family residential densities cannot be supported due to equipment limitations in many fire districts.
- *Community Acceptance:* Some community resistance to high-density housing is based on existing, poorly designed development. In addition, most unincorporated communities resist new types of higher intensity development unless it includes sufficient common open space, landscaping, and other amenities that help retain rural character.
- *Redevelopment Funds/Activities:* Redevelopment districts provide a source of funding for affordable housing, and a means for revitalizing blighted areas. The unincorporated County, however, only has two redevelopment districts and one of those districts lies outside its boundary.

In the unincorporated County, environmental conditions also may limit development potential. Although the designations assigned in the land use plan were designed to reflect the carrying capacity of the land, a project level analysis was not possible due to the regional nature and scope of the plan update. Special circumstances, such as the vernal pools in the Village area of Ramona, will require creative and careful planning from future developers. The County also contains a Village area outside the CWA in Borrego Springs. Located next to Anza Borrego State Park, this desert community fosters a tourism-based economy that presents unique housing issues.

SEMI-RURAL AND RURAL LANDS ISSUES

Many of the County's lower income families live in remote, rural communities as shown on Figure H-3 (Median Household Income). However, locating future growth in these areas is not consistent with the County's multiple planning objectives.

The comprehensive General Plan update reduced housing capacity in rural or "backcountry" communities that lack water, sewer, roads, and fire or emergency medical services. Communities where future housing capacity was reduced include Palomar/North Mountain, Desert/Borrego Springs, Julian, Central Mountain (Cuyamaca, Descanso, and Pine Valley) and Mountain Empire (Jacumba, Boulevard, Campo/Lake Morena, and Potrero). The update also designated low densities within the County's major agricultural areas, areas with significant biological sensitivity or diversity, and areas with significant physical or environmental constraints.

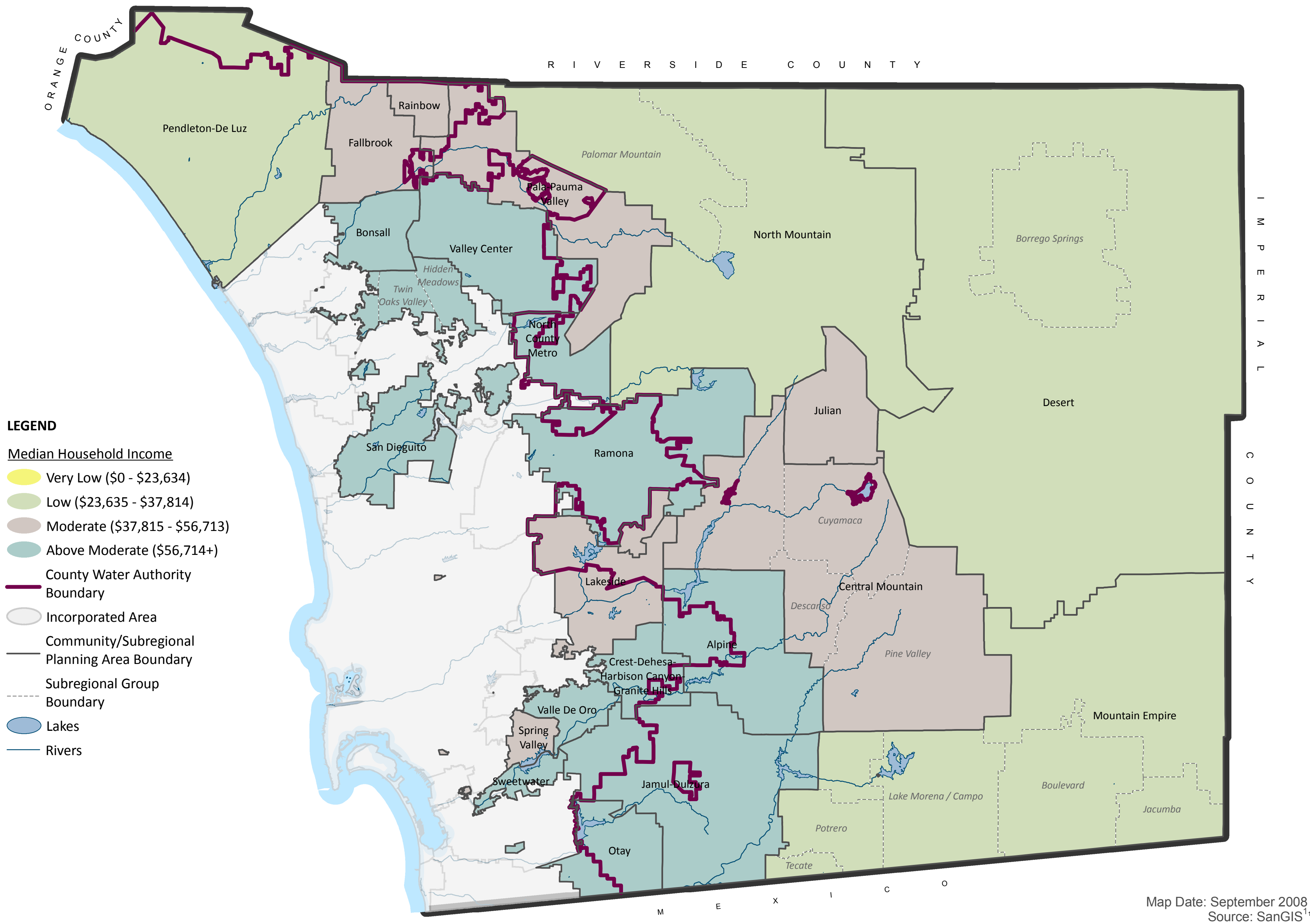
Improving housing affordability in Semi-Rural and Rural Lands is a challenge because high-density housing cannot be accommodated in these locations. In addition, residential growth should be directed away from rural and remote areas with minimal or nonexistent public services. Housing-related issues include:

- *Affordability:* Existing zoning requirements for large lot sizes increase costs for land and infrastructure in Semi-Rural areas. These same regulations limit developers' use of bonus programs.
- *Housing choice:* Affordable housing that is consistent with rural character includes mobile or manufactured homes, second units, and farmworker housing. Existing regulations should facilitate this type of development.
- *RHNA requirements for lower income households:* Although the State encourages the use of higher density zoning to meet RHNA requirements for lower income families, multi-family densities cannot be supported in rural locations.

Relationship to Other GP Elements

The 2005–2010 County of San Diego Housing Element has been prepared in conjunction with the comprehensive General Plan update. As such, the goals and policies contained in this Housing Element are designed to be consistent with other elements of the General Plan.

When updating the Housing Element, the County evaluated the vision set forth for the General Plan and revised and augmented the existing housing goals, policies, and action programs for consistency with that vision. Policies, programs, and actions were crafted to address specific constraints and to maximize opportunities. However, the Housing Element does not determine the intensity and distribution of residential growth; such policy direction is established in the Land Use Element. The Housing Element sets forth policies and programs to further implement the residential component of the Land Use Element and that will be supported by the transportation network identified in the Mobility Element. The Housing Element also recognizes the safety constraints identified in the Safety Element, such as limitations in fire protection services, as well as the compatibility criteria of the Noise Element. Housing policies and programs also reflect a need to preserve and conserve the County's valuable open space, agricultural, and habitat resources as defined by the Conservation and Open Space Element.



MEDIAN HOUSEHOLD INCOME

San Diego County General Plan

Figure H-3

Unlike other General Plan elements, which are updated every 10 to 20 years, the Housing Element is typically updated every five years. When this Housing Element is updated for the next housing cycle, the County will evaluate the policies and programs for internal consistency with the rest of the General Plan. Conversely, as other elements (particularly the Land Use Element) are amended, the County is required by State law (Government Code Section 65863) to make findings that such amendments will not impede the County from meeting its housing needs.

Policy Framework

As part of the 2005-2010 Housing Element cycle, the County is allocated a share of the region's housing needs that is equivalent to 12,358 units. The County must, through appropriate zoning and development standards, accommodate these units through a variety of housing types and various income groups. The discussion below provides information and background regarding the County's commitment to providing its regional fair share of housing opportunities and affordable housing within the context of maintaining the rich diversity of natural environments while strengthening the community character of its diverse neighborhoods.

Housing Development

Most of the existing housing stock within the unincorporated County is composed of single-family residences. The largest portion of the jurisdiction lies outside the CWA boundary where residents rely on groundwater and septic systems. These constraints will only permit single-family homes. Consequently the development pressure for affordable homes at high densities centers on those few unincorporated communities with access to sewer and imported water.

The County's policies seek to explore several approaches that could lower the cost of housing. To meet the State's required RHNA, the supply of vacant land zoned at high densities has been increased and this limited supply must be efficiently used. Yield should be maximized through the use of flexible zoning standards and housing types. Major new developments that have access to sewer should provide housing opportunities for a range of household incomes by offering both a variety of housing types, ranging from multi-family to single-family, and a variety of lot sizes.

Variety of housing types in Lakeside include single family mobile homes on small lots

In areas without access to sewer, major new developments will continue to rely on single-family units but should utilize clustering and small lots to reduce land and infrastructure costs. Also the permitted use of mobile/manufactured homes affords lower single-family prices in these rural areas.

Community Character and Environment

The rural character of the unincorporated communities is a result of necessity as well as choice. The portions of the County that lie outside the CWA boundary lack the infrastructure to support urban densities and development. The additions of new roads and sewer capacity, which must be provided by private development, often make projects cost prohibitive. Even communities like Ramona, Fallbrook, and Alpine which lie within the CWA have retained the rural character which emerged during the early stages of growth.

In the undeveloped areas, environmental concerns and laws now take precedence over the sprawl development that occurred in the past. Within the more populated areas, higher densities of 20 to 24 units per acre have existed but the resulting development was often poorly designed and was not compatible with the surrounding areas.

The policies in this Element strive for a balance between land planned for development and land planned for the conservation of important natural resources. Land planned for development should be utilized in an efficient, effective manner. Development should complement in bulk, style, and scale the character of its surroundings while still meeting the needs of its residents.

Housing Affordability

The policies address a range of options to increase housing affordability through both financial and regulatory assistance. A variety of funding opportunities is available through federal, State, and local sources and will be pursued by the County's Department of Housing and Community Development (County HCD). A comprehensive agricultural assistance package is planned to include fee waivers and expedited approval for farmworker housing. Flexible building standards and expedited processing should also be explored as incentives for developers willing to provide housing for lower and moderate income households.

Preservation of Affordable Housing

The allocation of State and federal funds for the rehabilitation of housing in need of repair is handled by the County HCD. Revitalization at the local level is generally a function of redevelopment districts. Community support for new districts should be investigated. In addition, the County can assist communities that are interested in comprehensive town center planning to locate and apply for funds to support the planning effort.

Governmental Constraints

As part of the General Plan update, new direction in land use policies will add flexibility to existing regulations. The flexibility will apply to projects located in Village areas where developers strive to achieve maximum yield. For example, height limitations, private open space requirements, and noise standards may be relaxed in appropriate areas. In addition, the County is in the midst of revising regulatory permitting procedures (business process reengineering) to expedite project processing and decrease costs. As part of this streamlining effort, the process should include prioritizing discretionary decisions which affect the provision of subsidized housing or projects that provide housing reserved for lower and moderate income households.

Delivery of Housing Services

The efforts of the County HCD and the Department of Planning and Land Use should be coordinated to produce a threaded approach to the management and provision of housing-related services. These services include the procurement and distribution of funding, the tracking of housing data, implementation of Housing Element programs, public education, and outreach to affordable housing developers.

Goals and Policies for Housing Element

Housing Development

GOAL H-1

Housing Development and Variety. A housing stock comprising a variety of housing and tenancy types at a range of prices, which meets the varied needs of existing and future unincorporated County residents, who represent a full spectrum of age, income, and other demographic characteristics.

Policies

H-1.1 **Sites Inventory for Regional Housing Needs Allocation (RHNA).** Maintain an inventory of residential sites that can accommodate the RHNA.

H-1.2 **Development Intensity Relative to Permitted Density.** Encourage a development intensity of at least 80 percent of the maximum permitted gross density for sites designated at 15 to 30 dwelling units per acre in development projects.

H-1.3 **Housing near Public Services.** Maximize housing in areas served by transportation networks, within close proximity to job centers, and where public services and infrastructure are available.

H-1.4 **Special Needs Housing near Complementary Uses.** Encourage the location of housing targeted to special needs groups, in close proximity to complementary commercial and institutional uses and services.

H-1.5 **Senior and Affordable Housing near Shopping and Services.** Provide opportunities for senior housing and affordable housing development within town centers, transit nodes, and other areas that offer access to shopping and services.

H-1.6 **Land for All Housing Types Provided in Villages.** Provide opportunities for small-lot single-family, duplex, triplex, and other multi-family building types in Villages.

H-1.7 **Mix of Residential Development Types in Villages.** Support the design of large-scale residential developments (generally greater than 200 dwelling units) in Villages that include a range of housing types, lot sizes, and building sizes.

H-1.8 **Variety of Lot Sizes in Large-Scale Residential Developments.** Promote large-scale residential development in Semi-Rural that include a range of lot sizes to improve housing choice.

H-1.9 **Affordable Housing through General Plan Amendments.** Require developers to provide an affordable housing component when requesting a General Plan amendment for a large-scale residential project when this is legally permissible.

GOAL H-2

Neighborhoods That Respect Local Character. Well-designed residential neighborhoods that respect unique local character and the natural environment while expanding opportunities for affordable housing.

Policies

H-2.1 **Development that Respects Community Character.** Require that development in existing residential neighborhoods be well designed so as not to degrade or detract from the character of surrounding development consistent with the Land Use Element. [See applicable community plan for possible relevant policies.]

H-2.2 **Projects with Open Space Amenities in Villages.** Require new multi-family projects in Villages to be well-designed and include amenities and common open space areas that enhance overall quality of life.

Multi-family housing units in 4S Ranch

Housing Affordability

GOAL H-3

Housing Affordability for All Economic Segments. Affordable and suitable housing for all economic segments, with emphasis on the housing needs of lower income households and households with special needs.

Policies

H-3.1 **Federal Funding to Expand Affordable Housing.** Pursue funding from federal, State, and local sources to expand affordable housing opportunities within the unincorporated County.

H-3.2 **Equitable Share of Federal Funding.** Advocate for an equitable share of available federal and State housing funds for subsidizing affordable housing development within unincorporated County areas.

H-3.3 **Density Bonus as a Means to Develop Affordable Housing.** Provide a local density bonus program to encourage the development of housing affordable to lower income households and special needs households.

H-3.4 **Housing for Moderate-Income Families in Villages.** Facilitate the production of housing for moderate income families within Villages by permitting developments that offer affordable housing to incorporate other compatible housing types within areas zoned for single-family residential development.

H-3.5 **Incentives for Developments with Lower-Income Housing.** Provide zoning and other incentives to support developments that incorporate housing for lower-income households or households with special needs.

H-3.6 **Housing for Special Need Populations.** Support programs that provide housing options for homeless individuals and families, particularly homeless farmworkers and day laborers.

H-3.7 **Alternative Affordable Housing Options.** Provide programs that support the development of alternative types of affordable housing such as farmworker housing, second dwelling units, manufactured or mobile homes, shared housing, and employee or workforce housing.

H-3.8 **Housing Services Support.** Continue to provide fair housing and tenant/landlord services to residents and property owners and managers throughout the unincorporated area pursuant to federal and State Fair Housing laws.

Affordable Housing Preservation

GOAL H-4

Affordable Housing Preservation. Programs that conserve housing currently available and affordable to lower income households, and programs that prevent or reverse deterioration in areas exhibiting symptoms of physical decline.

Policies

H-4.1 **Rehabilitation and Revitalization Strategies.** Promote and support rehabilitation and revitalization strategies aimed at preserving the existing supply of affordable housing.

H-4.2 **Redevelopment of Deteriorated Housing.** Encourage and support residential redevelopment in areas characterized by deteriorated housing.

Governmental Constraints

GOAL H-5

Constraints on Housing Development. Promote governmental policies or regulations that do not unnecessarily constrain the development, improvement, or conservation of market rate or affordable housing.

Policies

H-5.1 **Periodic Review of Housing Regulations.** Periodically review and, if appropriate, revise development standards, regulations, and procedures to facilitate the development of housing, with priority given to low and moderate-income households and households with special needs.

H-5.2 **Permit Processing Time.** Reduce permit processing time and costs for projects with priority given to projects that produce housing for lower income households.

H-5.3 **Fire Protection.** Work with local fire agencies to improve fire protection for multi-story construction.

H-5.4 **Flexibility in Regulations.** Modify regulations, as appropriate, to streamline regulatory processes, remove unnecessary obstacles to planned densities, and to provide flexibility so that development can respond to the unique characteristics of town center areas.

Delivery of Housing Services

GOAL H-6

Delivery of Housing Services. An institutional framework that effectively delivers housing services and programs to implement the goals, policies, and programs of this Housing Element.

Policies

H-6.1 **Coordinated Delivery of Programs.** Coordinate delivery of housing programs and services among various County departments.

H-6.2 **Ongoing Implementation Monitoring.** Monitor progress in implementing the goals and objectives adopted in this Housing Element.

H-6.3 **Legislation That Recognizes Challenges of Unincorporated Communities.** Pursue State-level housing and land use legislation that recognizes the diversity of unincorporated communities and the associated challenges faced by County governments.

H-6.4 **Affordable Housing on Suitable County-Owned Properties.** Facilitate the development of affordable housing on suitable, County-owned surplus properties.

H-6.5 **Redevelopment Districts as a Source of Revenue for Affordable Housing.** Encourage the use of redevelopment districts to provide revenue for affordable housing construction or revitalization projects, and explore opportunities to improve the County's ability to form and manage these districts.

H-6.6 **Outreach for Affordable Housing.** Promote the production and acceptance of affordable housing through educational outreach to developers, non-profit housing groups, the public, community groups, other jurisdictions, and County staff.