

# **2020-2028 HOUSING ELEMENT**

COUNTY OF SAN LUIS OBISPO  
GENERAL PLAN



Adopted November 17, 2020  
Board of Supervisors Resolution No.  
2020-262

**Board of Supervisors**

John Peschong	District 1
Bruce Gibson	District 2
Vacant	District 3
Lynn Compton	District 4
Debbie Arnold	District 5

**Planning Commission**

Jay Brown	District 1
Michael Multari	District 2
Dawn Ortiz-Legg	District 3
(Vacant)	District 4
Don Campbell	District 5

**Originally Adopted**

October 12, 1982	Resolution 82-391
------------------	-------------------

**Amended**

May 6, 1986	Resolution 86-184
December 9, 1986	Resolution 86-546
April 25, 1989	Resolution 89-228
September 7, 1993	Resolution 93-360
December 16, 2003	Resolution 2003-466
July 20, 2004	Resolution 2004-241
August 25, 2009	Resolution 2009-279
December 8, 2009	Resolution 2009-412
June 17, 2014	Resolution 2014-154

## TABLE OF CONTENTS

---

<b>Chapter 1: Introduction</b>	<b>Page 1-1</b>
Context in San Luis Obispo County	Page 1-1
What is the Housing Element?	Page 1-2
Purpose of Updating the Housing Element	Page 1-3
<b>Chapter 2: Glossary</b>	<b>Page 2-1</b>
<b>Chapter 3: The Need for Housing is a Regional Issue</b>	<b>Page 3-1</b>
An Urgent Need for Affordable Housing	Page 3-1
Regional Approach	Page 3-2
Affordable Housing	Page 3-5
Role of the County	Page 3-9
Preparation of this Housing Element	Page 3-11
<b>Chapter 4: Goal, Objectives, Policies, and Programs</b>	<b>Page 4-1</b>
Overview	Page 4-1
Goal	Page 4-2
Objectives and Policies	Page 4-3
Programs	Page 4-6
<b>Chapter 5: Evaluation of Previous Housing Element</b>	<b>Page 5-1</b>
Overview	Page 5-1
Coastal Zone Information	Page 5-2
Review of Programs from Previous Housing Element	Page 5-3

## **Chapter 6: Housing Needs Assessment**

**Page 6-1**

Overview

Page 6-1

Population, Employment, and Housing Trends

Page 6-2

Household Characteristics

Page 6-13

Existing Housing Supply

Page 6-18

Constraints to Housing

Page 6-28

Special Housing Needs

Page 6-52

## **Chapter 7: Sites Analysis**

**Page 7-1**

Overview

Page 7-1

Housing Needs Share Allocations

Page 7-1

Remaining Share of Housing Needs

Page 7-3

Analysis for Vacant Sites

Page 7-5

Summary of Identified Vacant Sites

Page 7-8

Inventory of Sites

Page 7-9

Environmental Constraints

Page 7-21

Water and Wastewater Service Capacity

Page 7-22

## **Appendix A: Maps of Identified Vacant Sites**



# CHAPTER 1: INTRODUCTION

## CONTEXT IN SAN LUIS OBISPO COUNTY

The Housing Element provides opportunities for the public to help shape San Luis Obispo County to better serve its current and future residents:

**Participation.** This Housing Element provides information on planned County actions. Understanding the actions that the County plans on taking and the timeframe of those actions allow you to participate and provide input on what matters to you.

**Awareness.** This Housing Element provides information on the housing shortage, its impacts on our communities, and how it can be addressed. Understanding and sharing this information increases public awareness, which paves the path for greater collaboration between the community members, developers, and the County.

The lack of housing affordability has lasting impacts on what San Luis Obispo County will be like for decades to come.

**Low Affordability.** San Luis Obispo County is one (1) of the least affordable housing markets in the United States (National Association of Home Builders, 2019).

**High Home-Purchasing Costs.** According to a report by the National Association of Home Builders (2019 Fourth Quarter Housing Opportunities Index), only 16.5 percent of families can afford to purchase a median priced home in San Luis Obispo County.

**High Home-Rentals Costs.** A study by Apartment List (a real estate rental site) determined that 52 percent of San Luis Obispo County renters spent more than 30 percent of their salaries on rent in 2017.

**Homelessness.** A 2019 count of persons experiencing homelessness throughout San Luis Obispo County estimates that approximately 1,483 persons were homeless at some point during 2019.

Through the Housing Element and its policies and programs, the County can facilitate strategic residential development to meet housing demand and increase affordability. San Luis Obispo County will be shaped by where housing developments will be located and the type of housing produced.

## WHAT IS THE HOUSING ELEMENT?

As one (1) of the required elements of the County of San Luis Obispo General Plan, this Housing Element is the overarching strategic housing plan for the unincorporated county. It serves four (4) main purposes:

**Establish Framework.** Provide the framework to facilitate housing development and address current and projected housing needs. This framework will shape how the unincorporated county will grow, from a housing standpoint, through 2028. The framework comprises the Housing Element goal, objectives, policies, and programs. For more information on this, see Chapter 4 (Goal, Objectives, Policies, and Programs).

**Assess Housing Needs.** Provide an assessment of the housing needs for the unincorporated county, along with information on demographics, trends, and other housing-related data. For more information on this, see Chapter 6 (Housing Needs Assessment).

**Report on Progress.** Report on the County's progress in implementing the programs of the previous Housing Element (2014-2019 Housing Element). For more information on this, see Chapter 5 (Evaluation of Previous Housing Element).

**Qualify for Funding.** Qualify the County for certain funding programs offered by the State of California. This requires the Housing Element to satisfy State Housing Element Law and achieve State certification. This process includes addressing the unincorporated county's share of the Regional Housing Needs Allocation and establishing an inventory of sites for potential housing development. For more information on this, see Chapter 7 (Sites Analysis).

Although each local government within San Luis Obispo County – the unincorporated county and each of the seven (7) incorporated cities – has its own Housing Element to address housing needs within their respective jurisdictional boundaries, the County and the incorporated cities have been working together to apply a coordinated regional approach to addressing housing needs throughout San Luis Obispo County. In addition to working with the incorporated cities, the County sought and considered input from the public, stakeholders, and industry professionals, such as the Housing Coalition, to develop this Housing Element. For more information on this, see Chapter 3 (The Need for Housing is a Regional Issue).

## **PURPOSE OF UPDATING THE HOUSING ELEMENT**

The unincorporated county setting is dynamic and the demand for housing continues to increase. As such, the framework needs to adapt in order to properly serve current and future residents of the unincorporated county. The Housing Element update process allows the public, stakeholders, developers, decision makers, and staff to work together to develop a framework that achieves this purpose.

Generally, the State requires the Housing Element to be updated every eight (8) years. This Housing Element will guide planning, development, and funding related to housing, through December 2028. At the end of this eight (8) year planning period, the Housing Element will be updated once again.



## CHAPTER 2: GLOSSARY

### **AB**

Assembly Bill.

### **ADU**

Accessory dwelling unit. An attached or detached residential dwelling that provides complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation. An accessory dwelling is an accessory use to the permitted primary residential use and shall be located on the same parcel as the primary residential use.

### **Affordable Housing**

For the purpose of this Housing Element, affordable housing means housing that is affordable to very low-, low-, moderate-, or workforce-income households. In the context of meeting the unincorporated county's allocation of regional housing needs share, dwelling units typically must be deed restricted to limit rental or purchase of the dwelling units to households that qualify at extremely low-, very low-, and low-income levels.

### **County**

County of San Luis Obispo.

### **Density**

For the purpose of this Housing Element, density means number of permanent dwelling units per acre.

### **Density Bonus**

An increase in maximum allowable density for qualifying projects, in accordance with California Density Bonus Law (California Government Code Sections 65915-65918).

### **HCD**

California Department of Housing and Community Development (State agency).

### **HUD**

U.S. Department of Housing and Urban Development (Federal agency).

### **Income Categories for Households**

**Extremely low-income category:** No more than 30 percent of county median income. Defined by the State of California.

**Very low-income category:** Greater than 30 percent but no more than 50 percent of county median income. Defined by the State of California.

**Low-income category:** Greater than 50 percent but no more than 80 percent of county median income. Defined by the State of California.

**Moderate-income category:** Greater than 80 percent but no more than 120 percent of county median income. Defined by the State of California.

**Workforce-income category:** No more than 160 percent of county median income. Defined by the County of San Luis Obispo.

**Above moderate-income category:** Above 120 percent of county median income. Defined by the State of California.

### **Land Use Category**

Any of the districts defined by Chapter 7, Part I of the LUE, which are applied to the unincorporated portions of San Luis Obispo County for the purpose of identifying areas of land suitable for particular land uses. Commonly referred to as “zone”.

### **Multi-Family Dwelling**

A building or a portion of a building used and/or designed as a residence for two (2) or more families living independently of each other. Includes: duplexes, triplexes, and apartments; attached ownership units, such as planned developments, condominiums, and townhouses; and rooming and boarding houses (a residential structure where rooms are rented for short or long-term lodging where at least one meal daily is shared in common dining facilities, with 10 or fewer beds for rent).

### **RHNA**

Regional Housing Needs Allocation. The Regional Housing Needs Allocation establishes the total number of housing units that the County and each of the seven (7) cities must plan for within the planning period.

### **SB**

Senate Bill.

### **Single-Family Dwelling**

A building designed for and/or occupied exclusively by one family. Also includes attached ownership units using common wall development, airspace condominium ownership, and factory-built housing.

### **Site**

For the purpose of this Housing Element, site means a parcel or lot.

### **Unincorporated County**

Unincorporated areas of San Luis Obispo County, outside of the seven (7) incorporated cities. Examples: Communities of San Miguel, Templeton, Los Osos, Oceano, and Cambria.

## CHAPTER 3: THE NEED FOR HOUSING IS A REGIONAL ISSUE

### AN URGENT NEED FOR AFFORDABLE HOUSING

San Luis Obispo County is one (1) of the least affordable housing markets in the United States (National Association of Home Builders, 2019). The chronic undersupply of housing that is affordable and suitable for current and future residents has economic, social, and environmental impacts on the San Luis Obispo region. In Fall 2019, the County Board of Supervisors identified housing as one (1) of its top priorities for the Fiscal Year 2019-2020 budget and continues to focus on local policies and actions to create more housing and improve affordability. However, the affordability of housing in the San Luis Obispo region stems from numerous constraints and challenges, such as high development costs, high land costs, and limited resources and infrastructure.

In light of these constraints and challenges, this urgent need for housing warrants a coordinated regional approach to facilitate effective public and private actions that achieve an adequate supply of housing that is not only safe and decent, but also affordable to current and future residents. Implementing a regional approach allows for a more comprehensive planning process and for more efficient use of limited funding and resources.

In early 2020, the County, San Luis Obispo Council of Governments, and seven (7) incorporated cities adopted the San Luis Obispo Countywide Regional Compact, which serves to guide collaboration among the agencies and will support development of the region's first Regional Infrastructure and Housing Strategic Action Plan. The purpose of this joint effort is to work together to address not only the San Luis Obispo region's inadequate supply of affordable housing, but also the underlying need for resilient water, wastewater, and transportation resources and infrastructure.

The Regional Infrastructure and Housing Strategic Action Plan process served as an additional lens that the County applied to develop policies and programs with a regional approach for the unincorporated county.



## REGIONAL APPROACH

### Regional Vision for Housing

*In early 2020, local agencies adopted a San Luis Obispo Countywide Regional Compact to establish a united regional framework to unlock our potential to develop an adequate supply of housing and infrastructure that support our economic prosperity.*

San Luis Obispo County is a rural coastal county with seven (7) vibrant cities and numerous unincorporated communities that depend on collaborative relationships between and among government agencies, community organizations, and residents to solve the region's significant issues, including inadequate supply of affordable housing and resilient water, wastewater, and transportation infrastructure and resources.

The County and all seven (7) cities are working collaboratively to develop the region's first Regional Infrastructure and Housing Strategic Action Plan ("Regional Plan") that will identify actions to address these issues. A key component of the Regional Plan is the integration of efforts to address critical housing and related infrastructure needs. As part of the Housing Element update process, representatives of the County, seven (7) cities and San Luis Obispo Council of Governments ("SLOCOG") developed this section to showcase the ongoing commitment of each agency to this collaborative effort. This section presents a regional vision and policies focused specifically on fostering regional collaboration to plan and develop housing and supportive infrastructure.

### Alignment with Regional Compact

This effort is guided by the San Luis Obispo Countywide Regional Compact ("Regional Compact"). The Regional Compact, adopted by each jurisdiction in early 2020, outlines six (6) shared regional goals to guide collaborative resolution of underlying housing and infrastructure needs:

#### Goal 1 – Strengthen Community Quality of Life

We believe that our Region's quality of life depends on four cornerstones to foster a stable and healthy economy for all: resilient infrastructure and resources, adequate housing supply, business opportunities, and educational pathways.

#### Goal 2 – Share Regional Prosperity

We believe that our Region should share the impacts and benefits of achieving enduring quality of life among all people, sectors and interests.

#### Goal 3 – Create Balanced Communities

We believe that our Region should encourage new development that helps to improve the balance of jobs and housing throughout the Region, providing more opportunities to residents to live and work in the same community.



**Goal 4 – Value Agriculture & Natural Resources**

We believe that our Region’s unique agricultural resources, open space, and natural environments play a vital role in sustaining healthy local communities and a healthy economy, and therefore should be purposefully protected.

**Goal 5 – Support Equitable Opportunities**

We believe that our Region should support policies, actions, and incentives that increase housing development of all types, available to people at all income levels.

**Goal 6 – Foster Accelerated Housing Production**

We believe that our Region must achieve efficient planning and production of housing and focus on strategies that produce the greatest impact.

**Regional Policies**

It will take regional collaboration and local actions to realize the vision and goals outlined in the Regional Compact. Below is an initial list of aspirational regional policies that further the Regional Compact vision, in addition to local policies. By listing these below, it does not mandate any individual agency to implement actions, but rather offers ways that the County, cities, SLOCOG, and other partners can consider moving forward, together. In addition, and consistent with each Housing Element cycle, each of the seven (7) cities and the County has the opportunity to choose to implement local policies and programs that help to support their achievement of its share of the Regional Housing Needs Allocation, and if an agency chooses to, can also support the Regional Compact vision and goals in a way that works for its jurisdiction and community. See Chapter 4 (Goal, Objectives, Policies, and Programs) for the County’s anticipated actions during this Housing Element cycle.

- R-1. Promote awareness and support of regional efforts that further housing and infrastructure resiliency by utilizing community engagement, and consistent and transparent communication.
- R-2. Encourage an adequate housing supply and resilient infrastructure, services, and resources to improve the balance of jobs and housing throughout the Region.
- R-3. Develop inter-agency partnerships as appropriate to implement goals and policies related to housing and infrastructure.
- R-4. Coordinate State, Federal, and other funding opportunities for housing and infrastructure development throughout the Region.
- R-5. Encourage developers to sell newly constructed housing units to individuals residing or employed within the area of the development (a city or the County) first before selling to individuals from outside the County, to promote local preference.

- R-6. Encourage rental units be prioritized for long term residents rather than short term users or vacation rentals.
- R-7. Support housing development that is located within existing communities and strategically planned areas.
- R-8. Encourage regional collaboration on a menu of housing types, models, and efforts to support streamlined approvals for such developments (i.e. Accessory Dwelling Units, etc.).

### **Moving Forward**

The County, cities, SLOCOG, and other partners engaged in housing and infrastructure development will continue to collaborate on efforts moving forward – recognizing the benefits of working together to achieve an enduring quality of life among the region’s people, sectors, and interests. This ongoing collaboration will include learning from each other and sharing possible tools, policies, and actions that can allow the collective region to move towards our adopted Regional Compact vision. Ongoing collaborative efforts will be described in the Regional Plan, anticipated to be complete in 2021, and related regional efforts will live outside of each individual agency’s Housing Element.

## **AFFORDABLE HOUSING**

Affordable housing and high-density housing benefit entire communities in many ways:

- Enabling workers to live near jobs, services, and other frequently visited places can reduce traffic congestion.
- Enabling people to spend more of their income on goods and services, rather than housing, strengthens the local economy and supports local businesses.
- Providing options for families to live in high-density housing, such as in urban areas, helps protect sensitive habitat areas, agricultural lands, and scenic landscapes.

Although not all high-density housing is affordable housing, more dwelling units per acre equates to lower land costs per dwelling unit. As such, it is generally more efficient and financially feasible to develop affordable housing at higher densities.

### **Myths and Facts**

Table 3.1 provides common myths and facts on affordable and high-density housing found in a report published by the California Department of Housing and Community Development (Myths and Facts About Affordable & High Density Housing, 2002). For more information on the myths and facts shown below, please refer to the full report found on the official website of the California Department of Housing and Community Development.

Table 3.1: Myths and Facts on Affordable and High-Density Housing

Myths	Facts
High-density and affordable housing will cause too much traffic.	People who live in affordable housing own fewer cars and drive less.
High-density development strains public services and infrastructure.	Compact development offers greater efficiency in use of public services and infrastructure.
People who live in high-density and affordable housing will not fit into my neighborhood.	People who need affordable housing already live and work in your community.
Affordable housing reduces property values.	No study in California has ever shown that affordable housing developments reduce property values.
Residents of affordable housing move too often to be stable community members.	When rents are guaranteed to remain stable, tenants move less often.
High-density and affordable housing undermine community character.	New affordable and high-density housing can always be designed to fit into existing communities.
High-density and affordable housing increase crime.	The design and use of public spaces have a far more significant effect on crime than density or income levels.
Source: Myths and Facts About Affordable & High Density Housing, 2002	

### What is Affordable Housing?

Affordable housing refers to housing that households can rent or purchase while keeping total housing cost within certain limits. Housing is generally considered affordable if total housing costs do not exceed 30 percent of household income.

Affordable housing is commonly categorized based on the income level of the households that can afford to rent or purchase the housing. The following are the County's defined income categories for households:

- Extremely low-income category: no more than 30 percent of county median income.
- Very low-income category: no more than 50 percent of county median income.
- Low-income category: no more than 80 percent of county median income.
- Moderate-income category: no more than 120 percent of county median income.
- Workforce-income category: no more than 160 percent of county median income.

State and Federal housing regulations define income categories as affordable if at or below 80 percent of area median income. Income categories below 80 percent of area median income include the extremely low-, very low-, and low-income categories.

For the purpose of this Housing Element, affordable housing means housing that is affordable to very low-, low-, moderate-, or workforce-income households. In the context of meeting the unincorporated county's allocation of regional housing needs share, dwelling units typically must be deed restricted to limit rental or purchase of the dwelling units to households that qualify at extremely low-, very low-, and low-income levels.

The income limits for San Luis Obispo County are updated yearly by the U.S. Department of Housing and Urban Development and by the State of California. Table 3.2 illustrates example income category limits for San Luis Obispo County from May 6, 2019 through April 29, 2020.

Table 3.2: Income Category Limits by Household Size  
(Effective May 6, 2019 through April 29, 2020)

<b>Persons in Household</b>	<b>Extremely Low Income</b>	<b>Very Low Income</b>	<b>Low Income</b>	<b>County Median Income</b>	<b>Moderate Income</b>	<b>Workforce Income</b>
	30% of County Median Income	50% of County Median Income	80% of County Median Income	County Median Income	120% of County Median Income	160% of County Median Income
1	\$18,900	\$31,500	\$50,350	\$61,250	\$73,500	\$98,000
2	\$21,600	\$36,000	\$57,550	\$70,000	\$84,000	\$112,000
3	\$24,300	\$40,500	\$64,750	\$78,750	\$94,500	\$126,000
4	\$26,950	\$44,950	\$71,900	\$87,500	\$105,000	\$140,000
5	\$30,170	\$48,550	\$77,700	\$94,500	\$113,400	\$151,000
6	\$34,590	\$52,150	\$83,450	\$101,500	\$121,800	\$162,000
7	\$39,010	\$55,750	\$89,200	\$108,500	\$130,200	\$173,000
8	\$43,430	\$59,350	\$94,950	\$115,500	\$138,600	\$184,800

Source: California Department of Housing and Community Development, 2019

Note: The income limits for San Luis Obispo County are updated yearly by the U.S. Department of Housing and Urban Development and by the State of California.

The County Land Use Ordinance and Coastal Zone Land Use Ordinance provides procedures to set rent rates and sale prices based on affordability and adjusted by the bedroom count of the housing. The County Department of Planning and Building issues a monthly bulletin on updated maximum affordable housing rent rates and sale prices based on the procedures, which can be found on the County website. Table 3.3 illustrates example maximum rent rates and sale prices from October 1, 2019 through October 31, 2019.

Table 3.3: Maximum Rent Rates and Sale Prices by Bedroom Count  
(Effective October 1, 2019 through October 31, 2019)

Number of Bedrooms	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Workforce Income
Monthly Maximum Rent Rates <sup>1</sup>					
0 (Studio)	\$459	\$766	\$919	\$1,684	\$2,297
1	\$525	\$875	\$1,050	\$1,925	\$2,625
2	\$591	\$984	\$1,181	\$2,166	\$2,953
3	\$656	\$1,094	\$1,313	\$2,406	\$3,281
4	\$709	\$1,181	\$1,418	\$2,599	\$3,544
Initial Sale Prices <sup>2,3</sup>					
0 (Studio)	\$49,000	\$98,000	\$147,000	\$290,000	\$404,000
1	\$60,000	\$120,000	\$172,000	\$335,000	\$465,000
2	\$70,000	\$133,000	\$196,000	\$335,000	\$527,000
3	\$81,000	\$151,000	\$221,000	\$425,000	\$588,000
4	\$89,000	\$165,000	\$240,000	\$461,000	\$637,000
<p>Note 1: Maximum rent rates shown include costs of utilities based on utility allowances determined by the Housing Authority of the City of San Luis Obispo.</p> <p>Note 2: Homeowners association dues assumption is \$150.00 per month.</p> <p>Note 3: Mortgage financing is assumed at a 3.64% fixed-interest rate for 30 years (per HSH Associates). Prices shown are preliminary estimates, as actual price limits will be determined by the County on a case-by-case basis.</p>					

**ROLE OF THE COUNTY**

The urgent need for affordable housing is a complex issue involving many factors. While some of the factors, such as construction and land costs, are out of the County’s control, the County has the ability to facilitate housing and infrastructure development in San Luis Obispo County through:

- Promoting and supporting regional collaboration,
- Strategically allocating local, state, and federal funding and resources, and
- Setting land use policies and implementing housing programs.

**County Housing Initiatives Package**

In 2016, the County Housing Initiatives Package was developed to address affordable housing needs in the unincorporated county. The initiatives are categorized as either policy or funding initiatives. Policy initiatives focus on setting a framework for regional collaboration and amending County ordinances to encourage and streamline housing development. Funding initiatives describe near- and long-term options for increasing local revenue for affordable housing and to more strategically utilize existing revenue sources. Table 3.4 provides the list of policy and funding initiatives. With the exception of the Movable Tiny House Ordinance, the implementation of the initiatives listed in Table 3.4 have been completed as of December 2020.

Table 3.4: County Housing Initiatives Package

Policy Initiatives	Funding Initiatives
<ul style="list-style-type: none"> <li>• Regional Infrastructure and Housing Strategic Action Plan</li> <li>• First-Time Homebuyers Program</li> <li>• County Guidelines for California Environmental Quality Act</li> <li>• Matrix of Ministerial versus Discretionary Projects.</li> <li>• Ordinance Amendments: Accessory Dwelling Unit Ordinance, Agricultural Worker Dwelling Ordinance, Movable Tiny House Ordinance, and Density Bonus Ordinance</li> </ul>	<ul style="list-style-type: none"> <li>• Affordable Housing Bond Feasibility Study</li> <li>• Vacation Rental Impact Fee Nexus Study</li> <li>• 2020-2024 Consolidated Plan</li> <li>• Title 29 Fee Structure Amendment</li> <li>• Reduce, Defer, and Waive Fees</li> </ul>

The County Housing Initiatives Package was developed in collaboration with the Coalition of Housing Partners, which includes:

- Central Coast Homebuilders Association,

- San Luis Obispo Chamber of Commerce,
- Economic Vitality Corporation,
- Housing Trust Fund,
- San Luis Obispo Housing Authority,
- Paso Robles Housing Authority,
- Peoples Self Help Housing Corporation, and
- Habitat for Humanity.



## **PREPARATION OF THIS HOUSING ELEMENT**

The preparation of this 2020-2028 Housing Element consists of a comprehensive update to the 2014-2019 Housing Element. In addition to including new information, this Housing Element retains relevant information from the 2014-2019 Housing Element. The California Department of Housing and Community Development reviews and ultimately approves a local jurisdiction's adopted Housing Element.

This Housing Element also includes information required by State Housing Element Law, and are provided in the chapters listed below.

- Chapter 1: An introduction to this Housing Element
- Chapter 2: A glossary of key terms
- Chapter 3: A description of how this Housing Element was prepared and the regional approach to addressing housing needs
- Chapter 4: Descriptions of proposed programs
- Chapter 5: An evaluation of the previous housing element
- Chapter 6: An analysis of housing needs and constraints
- Chapter 7: An analysis of sites where housing can be developed
- Appendices: Maps of identified sites where housing can be developed

### **Public Participation**

Public involvement was and will continue to be a key factor in shaping San Luis Obispo County. The Housing Element policies, programs, and structure were designed based on input from the public, stakeholders, and other community groups. The public involvement efforts are described below. The County reached out to specific stakeholders for focus groups, held a public workshop and virtual Q&A session, and a regional stakeholder virtual meeting. Stakeholders reached out to included industry professionals, housing program service providers, developers, Coalition of Housing Partners, and anonymous community members in the communities of Shandon, Oceano and San Miguel, including those representing Spanish speakers. Spanish translation was offered at the public workshop and virtual Q&A session, focus groups described below. Spanish translation was utilized at the focus group meetings.

## Public Workshop for 2020-2028 Housing Element

### Date and Time

October 16, 2019, from 6:00 p.m. to 8:00 p.m.

### Public Notification

The public was notified two (2) weeks prior to the public workshop through flyer postings, newsletter e-mail blast to those that signed up for announcements and updates, County newsletter, Community Advisory Council announcements, website and social media (Facebook and Twitter) postings, local media alert, and community calendars of local media outlets.

### Public Attendance

Approximately 34 community members.

### Public Workshop Format

The first portion of the public workshop began with a short presentation of the Housing Element update effort, including an overview of the purpose of the Housing Element and process for updating it. Following the County presentation, a large group discussion on housing-related topics was conducted to conclude the first portion of the public workshop.

In the second portion of the public workshop, the attendees took part in small group discussions at various stations. The County created six (6) stations for small group discussions. Each station was assigned a specific housing topic, with a County representative facilitating the discussion and taking notes. In addition, each station provided background information for attendees to review and reference. The County representative, along with the housing topic, would then rotate to other stations to ensure that each small group had an opportunity to provide feedback on all of the housing topics.

### Public Input Received

Public input received by the County are listed below and categorized based on the housing topics assigned to each station.

#### Station #1 and #2

Housing Topic: Identify the unincorporated county's greatest housing needs and impediments to affordable housing.

#### Summary of Public Comments:

- Promote efficiency in housing planning through a regional approach to countywide needs.
- Consider housing placement in relation to job opportunities, potentially clustering walkable affordable housing near transit or job hubs.
- Lower County fees administered to permit housing development and provide utility services.

- Preserve the quality of new housing constructed.
- Abolish the requirement to have primary dwellings on properties with smaller accessory dwellings.
- Establish a rent control ordinance to maintain lower housing costs.
- Promote fair housing laws to address property management issues.
- Address workforce housing needs for service industry employees.
- Allow conversion of existing spaces into smaller single-room occupancy dwellings.
- Address Social Security Income limitations.
- Decrease County permit processing times.
- Incentivize accessory dwellings and small stand-alone dwellings rather than high-rise apartments.
- Decrease lot size requirements for accessory dwellings or allow multi-family dwelling structures on one (1) parcel.
- Attempt to mirror the population growth rate with a similar healthy housing growth rate, while maintaining small-town characteristics of communities.
- Rezone existing commercial lands to accommodate residential uses.
- Examine the existing infrastructure financing structure to share costs and recapture lost revenue.
- Expand the Urban Reserve Line of the Community of San Miguel.
- Address the kit fox mitigation measures as constraints to housing development.
- Protect neighborhoods from gentrification.
- Avoid tax increases.
- Lift tiny house constraints to facilitate development.
- Require that owners live in their mobile homes or tiny houses.
- Encourage diversified, mixed-income communities.
- Support affordable first-time homebuyer opportunities.
- Incorporate sustainability into housing development.
- Create a tool lending library, potentially in co-housing developments.
- Support senior needs with aging in place strategies and multigenerational housing options.
- Address homelessness in pocket neighborhoods, potentially via tiny house development.
- Allow creative, alternative solutions to housing development constraints.
- Reduce parking requirements for housing development.
- Support accessible housing for disabled persons, especially on the North Coast.
- Allow manufactured or mobile homes to be established in any land use category.
- Identify underutilized parcels for affordable housing development.
- Establish water restrictions for other land uses to free up water resources to permit additional residential land uses.
- Increase affordable housing options for young professionals.

Station #3

Housing Topic: Identify preferred housing types needed in the unincorporated county.

Summary of Preferred Housing Types Identified by Public:

- Accessory dwellings and tiny houses (received most mentions from attendees)
- Mixed-use housing developments (received most mentions from attendees)
- Senior housing (received most mentions from attendees)
- Community living (received most mentions from attendees)
- Single-family dwellings
- Affordable multi-family dwellings
- Medium density and missing middle housing
- Emergency shelters
- Mobile homes
- Single-room occupancy and micro units
- Rural residential housing

Station #4

Housing Topic: Identify where housing is needed or should be developed.

Summary of Preferred Housing Locations Identified by Public:

- Attendees expressed that new housing should be located near medical services, job hubs, and existing infrastructure, potentially as infill development, while avoiding agricultural lands and industrial areas.
- Attendees expressed that most housing development opportunities are in North County and Central County, with some opportunities in the North Coast and the fewest opportunities in South County.

Station #5

Housing Topic: Identify where accessory dwellings and manufactured homes are needed or should be developed, along with barriers to the development of these two (2) housing types.

Summary of Public Comments:

- Attendees expressed that accessory dwellings should be located in incorporated cities or in areas that have infrastructure in place to support development. Attendees also noted that review of accessory dwelling applications should consider parking needs, allow smaller lot sizes, and improve the addressing system between the primary and accessory dwellings.

### Station #6

Housing Topic: Provide feedback on existing County housing initiatives and programs and identify opportunities to expand or refine such initiatives and programs.

#### Summary of Public Comments:

- Attendees expressed that movable tiny houses be considered as an alternative housing type and that areas directly adjacent to highways and railroads should not be designated for residential development in order to protect future residents from pollutants.
- Attendees also expressed that existing initiatives and programs are beneficial but can be further improved.

### **Public Input Received Through Social Media Platforms and E-mails**

Throughout the Housing Element update process, the County received public input through online channels, such as social media platforms and e-mails. The following is a summary of public comments received.

- Income-based senior housing is needed to address the needs of the large aging population.
- There is a lack of housing available and affordable to young families. Consider implementing "sweat equity" programs where families can help build their own housing.
- High permitting fees and development costs decrease affordability of housing and increase rental costs.
- Conversion of accessory dwellings into vacation rental establishments increases rent costs and price out existing residents.
- Quality, affordable housing is needed.
- Accessory dwellings should be permitted in all zoning designations.

### **Focus Groups**

The County conducted focus group discussions in the Communities of San Miguel, Shandon, and Oceano to inform both this Housing Element Update as well as the Safety Element Update. These focus groups were organized in partnership with community liaisons that have established relationships with residents of the respective communities and are knowledgeable of the respective communities. The following amenities were offered to make the groups accessible to residents:

- Spanish facilitation;
- Optional anonymity;
- Meeting location in the community;
- Timing selected by the community liaison;
- Food, donated by local restaurants; and
- Children were welcome to attend.

The focus groups discussed multifaceted issues. The participants identified the following needs related to housing specifically:

- San Miguel – Low-income housing, especially agricultural worker housing with income-based rent.
- Shandon – Affordable housing for middle income and low-income residents.
- Oceano – Increased zoning for multi-family homes and condos, affordable condos available for ownership and for rent, and rehabilitation of existing rental housing units.

### **Input During Draft Housing Element Public Review Period**

The County solicited direct input on the public draft of this Housing Element from the stakeholders through three input opportunities: an online survey, a live online question and answer session, and public comment letters. Through these combined efforts, the County received multiple comments from over 20 stakeholders. The online survey asked community members to provide input on three questions, discussed below, to get targeted feedback on specific issues. The County conducted a live question and answer session through an online platform on July 23, 2020 to ensure that the public had an open opportunity to ask questions and share feedback with immediate responses from County staff. Finally, the County received four unique comment letters from stakeholders to share more detailed input on this element's content and process.

#### Online Survey Questions

The online survey asked all respondents three same three open ended questions:

1. Which three (3) housing element programs are most important to current and future residents of San Luis Obispo County?
2. What are the three (3) biggest housing needs/concerns in the unincorporated areas of San Luis Obispo County?
3. After reviewing the Housing Element Public Review Draft, please let us know what you think is missing.

Nine participants responded to the online survey. Respondents felt strongly that affordable housing is the most critical issue to address in housing element programs for current and future residents. They suggested reducing development costs and allowing tiny houses as means of addressing this need. However, while increasing the supply of affordable housing is necessary, respondents urged the County to structure programs in such a way as to prevent concentration of affordable housing in lower income areas. In addition to addressing affordability, respondents shared their concern for the potential for increased traffic congestion if not properly addressed in housing element programs that promote more development. Community character is important

to residents of the County, who felt that building design and aesthetic should be considered in programs that encourage housing development.

The most common barrier to housing that respondents noted was limited water resources to support additional development. Paired with fire risk and road accessibility during a natural disaster, respondents felt these resource and safety factors present significant barriers to housing development in San Luis Obispo County. Additionally, a lack of affordable housing stock for all household types, including workforce and farmworker housing, forces individuals to commute further to work in order to find housing that meets their needs. Respondents felt that there is an inadequate supply of appropriately zoned residential land, especially within proximity to jobs. These barriers increase the risk of gentrification as development continues if not appropriately addressed.

Respondents expressed the need for additional information on areas at risk of fire, flood, and earthquakes, especially open space areas. They felt that the Housing Element could benefit from visualization of these high-risk areas to map areas of opportunity for development. Respondents also requested that the element include additional information on coastal communities, the rezoning process, potential traffic impacts of development, an analysis of inclusion of tiny homes as a permitted use, and need for farmworker housing. Overall, respondents felt that the Housing Element update process would have benefited from additional community outreach.

#### Online Question and Answer Session

At least 21 individuals participated in the online question and answer session held by the County on July 23, 2020. County staff gave a brief overview of the project at the beginning of the meeting. County staff also announced in Spanish the availability of Spanish translation both at the beginning and partway through the meeting. No one took advantage of the Spanish translation. During the session, participants posed several questions regarding affordable housing, the sites inventory, zoning, and infrastructure and resources. The County responded directly to all questions to address participants' concerns and questions in real time. Participants asked about the approval process for affordable housing and the zoning constraints for ADUs and tiny homes, as well as the potential to increase residential density in the CR zone. In this session, the County addressed concerns about increasing water supply across the county, exclusion of coastal communities from the sites inventory, and potential changes needed in the sites inventory. The County clarified the timelines and overlap of programs included in the element and discussed potential changes to the element where needed.

#### Written Input Received

Four comment letters were received from stakeholders in the community. Each letter addressed a variety of topics, both acknowledging positive aspects of the draft element as well raising questions and making suggestions for improvements. Authors of these letters expressed concern about the dominance of single-family development over multi-family development. They desired farmworker housing, to address the needs of low-income households and the workforce. The

letters raised questions regarding the cost of expanding public infrastructure for development, potential threats to home values, and opportunities for farmworker housing that they felt were not adequately addressed in the draft. In addition to these types of questions, stakeholders also requested that the Housing Element provide additional detail on the methodology behind ADU projections, and the difference between programs that address the same type of housing.

## **Public Hearings**

### Planning Commission, September 24, 2020

The County of San Luis Obispo Planning Commission reviewed the Public Hearing Draft 2020-2028 Housing Element at their online meeting on September 24, 2020. Four comment letters were received by the County ahead of the meeting. Six members of the public spoke during public comment. Some of the speakers represented organizations that had submitted letters to the Planning Commission. County staff presented on the Public Hearing Draft Housing Element and County staff and consultant responded to questions. Members of the Planning Commission had some comments and questions.

#### *Public Comment*

- A representative of First 5 San Luis Obispo County's "We Are the Care" Initiative spoke during public comment noting she was following up on their letter submitted to the County. The comments centered around providing child care in housing developments and promoting intergenerational facilities near child care facilities.
- A commenter noted that there are high fire hazards in Cambria and it may not be suitable for housing.
- A representative from California Rural Legal Assistance (CRLA) spoke during public comment noting he was following up on their letter submitted to the County. There were numerous comments including a request for additional analysis of multifamily housing trends, ADU potential, and infrastructure availability on sites. All of the comments were also addressed in the written submitted letter.
- A commenter asked about the moratorium in Cambria related to water availability and how affordable housing was addressed.
- A representative of the Coalition of Labor, Agriculture & Business (COLAB) noted that the housing element doesn't require the County to build housing, that most sites do not allow housing development by right and it is difficult financially to build affordable housing.

#### *Planning Commission Comments*

The Planning Commissioners had discussions about multiple issues and information addressed in the housing element, including ADUs, capacity for housing in Nipomo, capacity for housing in San



Miguel, the RHNA, policies and programs, and progress the County has been making on housing goals in recent years.

County staff and consultant provided responses to questions from the Commission when requested. The Commission recommended one change which was inclusion of a new program in Chapter 4 to respond to the recommendations in the letter from First 5 San Luis Obispo County. They also asked County staff to prepare responses to the letter from CRLA and consider any revisions needed in response to that letter. The Planning Commission voted to approve forwarding a Planning Commission Recommended Draft Housing Element and the Initial Study/Mitigated Negative Declaration to the Board of Supervisors for their review and approval.

#### Board of Supervisors, November 17, 2020

The County of San Luis Obispo Board of Supervisors reviewed the Planning Commission Recommended Draft 2020-2028 Housing Element at their meeting on November 17, 2020. County staff presented on the Planning Commission Recommended Draft Housing Element and staff and consultant were available to respond to questions. One comment letter was received by the County ahead of the meeting. Four members of the public spoke during public comment. One of the speakers represented an organization that had submitted a letter to the Board. Members of the Board had some comments and questions.

#### *Public Comment*

- A commenter stated that government should not get involved in building housing and should let the private market drive housing development.
- A representative from CRLA spoke during public comment noting he was following up on their letter submitted to the County. Topics addressed were farmworker and homeless populations, outreach to special needs groups – in particular farmworkers, fair housing, and projected ADUs. All of the comments were also addressed in the written submitted letter.
- A representative from the Building Industry Association (BIA) praised the housing element, said it was not a rubber stamping of the existing document but had been an effort that received input from many groups and community members. She also spoke in favor of the regional efforts surrounding housing that have been led by the county including the housing element update process.
- A commenter stated that new housing should not go in Cambria.

#### *Board of Supervisors Comments*

- Supervisor Gibson asked about how housing will actually get built and whether staff could report on how the County has done actually building the 5<sup>th</sup> cycle Housing Element RHNA. He also asked about how the ADU projections were arrived at and what historic densities and realistic capacity is on land designated RMF?

- Supervisor Arnold commented that the progress towards the 6<sup>th</sup> cycle RHNA so far seems promising.
- Supervisor Gibson also asked staff to provide some responses to the comments from CRLA. Staff provided a verbal response in addition to the written responses to CRLA letter from September that was included in the agenda packet for the meeting.
- Supervisor Gibson asked whether Program T that addresses infrastructure planning is already happening.
- Supervisor Gibson wants more implementation of the housing element to happen including addressing the vacancy rate in the unincorporated county and how it relates to short-term rentals.
- Supervisor Compton stated that South County has accommodated most of the housing that has been built in the unincorporated county. She mentioned a new project that is coming. It is important to her to keep South County rural.
- Supervisor Arnold was happy to hear the supportive comments from the BIA.
- Supervisor Peschong feels the document provides a lot of opportunities for housing, but that water is a constraint to housing development, He also noted other constraints that make it difficult for developers.
- Supervisor Gibson noted how difficult it was to get the recently approved affordable housing project in Cambria through the process.
- Supervisor Gibson noted that the unincorporated county has 40 percent of the overall county population but only 30 percent of the RHNA countywide.
- Supervisor Gibson would like implementation items to come to the Board of Supervisors soon.

The Board of Supervisors voted to adopt the Housing Element and approve the Initial Study/Mitigated Negative Declaration. The Board authorized County staff to submit the adopted Housing Element to HCD for their certification review.

### **General Plan Consistency**

This Housing Element is internally consistent with the other elements of the San Luis Obispo County General Plan. The sites analysis (see Chapter 7) and programs (see Chapter 4) provided in this Housing Element reflect provisions of the Land Use Element, other elements of the San Luis

Obispo County General Plan, and ordinances in effect at the time this Housing Element was adopted. For example, the sites identified in the Inventory of Sites section (see Chapter 7) include only lands already designated for residential use, pursuant to the Land Use Ordinance. The sites analysis also accounted for known constraints.

The Housing Element is most affected by the Land Use Element and Land Use Ordinance, and their Coastal Zone counterparts —the Coastal Zone Land Use Element and Land Use Ordinance. These documents regulate location, type, intensity, and distribution of land uses through the unincorporated county. The Land Use Element sets an upper limit on the number and type of dwelling units that can be developed by designating the total acreage of residential lands and allowable density of residential developments. Also, land designated for commercial and industrial uses create job opportunities, which in turn, increases demand for housing in San Luis Obispo County.

The County is currently updating the Safety Element of the San Luis Obispo County General Plan and will ensure that it will be consistent with the Housing Element as part of the update process.

In order to maintain internal consistency among the various elements of the San Luis Obispo County General Plan, the County may, from time to time, find it necessary or appropriate to amend one (1) or more of those elements as the County implemented the programs of this Housing Element.



# CHAPTER 4: GOAL, OBJECTIVES, POLICIES, AND PROGRAMS

## OVERVIEW

This chapter sets forth the goal for housing in the unincorporated county, the objectives that move the unincorporated county towards realizing the goal, and the housing policies and programs necessary to accomplish the objectives.



**Goal.** The goal is the desired outcome for the unincorporated county’s rural areas and communities with respect to housing. It is a singular statement encapsulating what the County plans to achieve and the purpose of the Housing Element.

**Objectives.** The goal is divided into three (3) manageable objectives. Each objective fulfills certain key aspects of the goal. By making progress on all three (3) objectives, the unincorporated county will be closer to realizing the goal.

**Policies and Programs.** The objectives are focused, but require coordinated planning, decision-making, and implementation from various departments, agencies, and entities to collectively accomplish. The policies and programs are the mechanism to carry out this coordination. The programs are strategic actions, designed to achieve specific results, that the County plans on taking to accomplish the objectives. Although completing the programs would make significant strides in accomplishing the objectives, the unincorporated county and its communities are dynamic, and as such, the County must plan and make decisions, accordingly. The policies guide the County in future planning efforts and decision-making to ensure that the unincorporated county continues to make progress towards the set objectives.

**GOAL****Housing Goal for Unincorporated County**

Achieve an adequate supply of safe and decent housing that is affordable to all residents of the unincorporated county.

Whether the unincorporated county's housing supply is "adequate" and "affordable" is quantified in the form of the unincorporated county's share of the Regional Housing Needs Allocation, which represents the total number of housing units needed to meet the projected housing demand in the unincorporated county over the next eight (8) years. The following table provides a breakdown of the number of housing units needed by household income level and a comparison to the number of housing units to be produced, rehabilitated, and preserved.

Table 4.1: Quantified Objectives for January 2019 through December 2028

Household Income Level	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
Unincorporated County's Share	400	401	505	585	1,365	3,256
Target Number of New Units to be Produced	400	401	505	585	1,365	3,256
Target Number of Units to be Rehabilitated	40 Lower-Income			40	0	80
Target Number of Units to be Preserved	0	134	285	312	0	731
Note: Workforce housing units are a subset of "Above Moderate"						

The County anticipates that the target number of housing units identified in Table 4.1, along with the "safe and decent" aspect of the goal, will be achieved through applying the policies and implementing the programs described in this chapter. For reference, from 2014 through 2018, an average of over 400 housing units were approved per year.

## **OBJECTIVES AND POLICIES**

The Housing Element objectives and policies are described in this section. There are three (3) objectives, which help to fulfill key aspects of the goal. For trackability and ease of reference, the policies that support each objective are listed under the respective objective and are each designated a number that corresponds with the respective objective. For example, "Policy HE 1.03" and "Policy HE 1.04" are listed under and support "Objective 1.00".

### **Objective HE 1.00**

Facilitate the development and preservation of housing units that are diverse in type, size, and ownership level to meet the needs of residents of varying lifestyles and income levels.

#### **Policy HE 1.01**

Support and prioritize new residential development in areas identified for strategic regional residential development and other areas that are (a) located along priority transportation corridors (i.e. highways identified by San Luis Obispo Council of Governments as priorities for regional infrastructure investments), (b) located in or between areas with higher concentration of jobs and services, and (c) located within or in close proximity to existing urbanized areas or communities. This includes, but is not limited to, supporting and prioritizing the following in such areas:

- improvements to infrastructure and facilities;
- reductions in infrastructure constraints for the development of housing to the extent possible; and
- increases in the supply of land for residential uses.

#### **Policy HE 1.02**

Prioritize proximity to jobs, services, schools, parks, and transportation systems when designating land for housing.

#### **Policy HE 1.03**

Promote housing opportunities for all residents, regardless of age, ancestry, color, disability, ethnicity, familial status, gender, marital status, national origin, race, or religion.

#### **Policy HE 1.04**

Encourage proposed residential developments to provide safe and attractive living environments through incorporation of high-quality architectural design, materials, site planning, and site amenities.

#### **Policy HE 1.05**

Collaborate with other jurisdictions to plan for future housing demand beyond the State-required planning period (2020-2028).

**Policy HE 1.06**

Work with community groups and developers to encourage development of housing for workforce-income households to meet the needs of higher income workers and their families.

**Policy HE 1.07**

Preserve the existing supply of land that allows multi-family dwellings and discourage development of such land at lower residential densities or with solely nonresidential land uses.

**Policy HE 1.08**

Encourage development of live-work units to provide housing for the workforce while generating economic activity.

**Policy HE 1.09**

Encourage alternative housing types, such as co-housing, home sharing, residential and commercial mixed-use developments, utilization of existing spaces, and other efficient housing options.

**Objective HE 2.00**

Facilitate the development and preservation of housing that is affordable to households of moderate-income or lower, households of workforce-income, and seniors.

**Policy HE 2.01**

Prioritize investments, such as grant funds and loans, for developments and services relating to affordable housing in areas described under Policy HE 1.01.

**Policy HE 2.02**

Utilize available federal and state financing and pursue new local funding sources to assist in the development and/or acquisition of affordable housing for extremely low-, very low, low-, and moderate-income households.

**Policy HE 2.03**

Strive to prevent the conversion of affordable housing to market-rate housing.

**Policy HE 2.04**

Reduce regulatory barriers to the development of affordable housing.

**Policy HE 2.05**

Work with community groups and developers to provide opportunities for development and acquisition of housing for households of moderate-income or lower, households of workforce-income, and seniors.

**Policy HE 2.06**

Encourage long-term maintenance and improvement of existing housing for households of moderate income or lower.



**Policy HE 2.07**

Provide flexibility in satisfying requirements of the Inclusionary Housing Ordinance if the result of such flexibility allows for increased production of affordable housing.

**Policy HE 2.08**

Incentivize the development of housing that is affordable to households of moderate-income or lower and households of workforce-income.

**Policy HE 2.09**

Strive to protect manufactured homes, mobile homes, and mobile home parks as affordable housing options.

**Objective HE 3.00**

Provide support for services that reduce homelessness and housing of persons experiencing or at risk of experiencing homelessness.

**Policy HE 3.01**

Prioritize investments, such as grant funds and loans, for developments and services relating to homelessness in areas described under Policy HE 1.01.

**Policy HE 3.02**

Collaborate with other jurisdictions to support a county-wide approach to reducing homelessness.

**Policy HE 3.03**

Reduce regulatory barriers for the development of housing for persons experiencing or at risk of experiencing homelessness.

## PROGRAMS

The Housing Element programs described in this section represent the actions that the County intends to take over the next eight (8) years. This includes both programs specific to the unincorporated county and programs that contribute to the regional strategy.

The County will take a proactive leadership role in conducting public outreach and working with residents, stakeholders, developers, other jurisdictions, and any other interested agencies and parties to implement the Housing Element programs to the extent feasible. In recognition of the limited resources and funding available, the County will allocate staffing resources and funding effectively and efficiently to implement such programs.

Table 4.2 summarizes the programs in this section with the program name, priority level, target start and completion, objectives supported, and whether the program contributes to the regional strategy.

Table 4.2: Summary of Housing Element Programs

Program	Priority Level	Target Start and Completion	Objectives Supported	Regional Program
<b>Program A</b> Multi-Family Dwelling Development	High	Target Start: Spring 2021 Target Completion: Spring 2022	Objective HE 1.00	Yes
<b>Program B</b> AB 686 Affirmatively Further Fair Housing	High	Target Start: Spring 2021 Target Completion: Spring 2022	Objective HE 1.00	Yes
<b>Program C</b> Designation of Additional Land for Residential Uses	High	Target Start: Spring 2021 Target Completion: Spring 2027	Objective HE 1.00	Yes
<b>Program D</b> Accessory Dwellings	High	Target completion: Fall 2021 and ongoing	Objective HE 1.00 Objective HE 2.00	Yes

Program	Priority Level	Target Start and Completion	Objectives Supported	Regional Program
<b>Program E</b> Agricultural Worker Dwellings and Employee Housing	High	Target completion: Fall 2020	Objective HE 1.00	No
<b>Program F</b> SB 35 Streamlined Approval Process	High	Target Start: Spring 2021 Target Completion: December 2021	Objective HE 2.00	Yes
<b>Program G</b> Acquisition and Development of Affordable Housing	High	Ongoing	Objective HE 2.00	Yes
<b>Program H</b> Housing Trust Fund	High	Ongoing	Objective HE 2.00	No
<b>Program I</b> Facilitation of Affordable Housing Development and Opportunities	High	Ongoing with annual outreach	Objective HE 2.00	Yes
<b>Program J</b> Inclusionary Housing	High	Target Start: Spring 2021 Target Completion: Spring 2024	Objective HE 2.00	Yes
<b>Program K</b> Rehabilitation of Housing Units	High	Ongoing	Objective HE 2.00	No
<b>Program L</b> Services to Reduce Homelessness	High	Ongoing	Objective HE 3.00	No

Program	Priority Level	Target Start and Completion	Objectives Supported	Regional Program
<b>Program M</b> AB 101 Low Barrier Navigation Centers	High	Target Start: Summer 2021 Target Completion: December 2022	Objective HE 3.00	No
<b>Program N</b> AB 2162 Supportive Housing	High	Target Start: Summer 2021 Target Completion: December 2022	Objective HE 1.00	No
<b>Program O</b> Inquiries and Complaints Related to Fair Housing Laws	High	Ongoing	Objective HE 1.00	Yes
<b>Program P</b> Density Bonus	High	Target Completion: Fall 2020	Objective HE 2.00	Yes
<b>Program Q</b> Preservation of Affordable Housing Stock	High	Ongoing	Objective HE 2.00	Yes
<b>Program R</b> Mobile Home Park Closure Ordinance	High	Ongoing	Objective HE 2.00	Yes
<b>Program S</b> SB 1087 Support through Facilitation of Infrastructure Planning and Development for Water and Wastewater	High	Ongoing	Objective HE 1.00 Objective HE 2.00 Objective HE 3.00	Yes

Program	Priority Level	Target Start and Completion	Objectives Supported	Regional Program
<b>Program T</b> Strategic Regional Residential Development	Medium	Target Start: January 2023 Target Completion: January 2025	Objective HE 1.00 Objective HE 2.00 Objective HE 3.00	Yes
<b>Program U</b> Group Homes and Other Residential Care Facilities	Medium	Target Start: January 2023 Target Completion: January 2025	Objective HE 1.00	No
<b>Program V</b> Expedited Permit Processing for Affordable Housing	Medium	Target Start: January 2023 Target Completion: January 2025	Objective HE 2.00	Yes
<b>Program W</b> Revise Ordinances to Permit Mobile Homes in CR and OP Land Uses	Medium	Target Start: January 2023 Target Completion: January 2025	Objective HE 1.00 Objective HE 3.00	Yes
<b>Program X</b> Outreach Regarding Reasonable Accommodation Procedure	Medium	Within one year of Housing Element Adoption	Objective HE 2.00	Yes
<b>Program Y</b> Residential and Commercial Mixed-Use Developments	Low	Target Start: February 2025 Target Completion: February 2027	Objective HE 1.00	Yes

Program	Priority Level	Target Start and Completion	Objectives Supported	Regional Program
<b>Program Z</b> Exemptions for Affordable Housing	Low	Target Start: February 2025 Target Completion: February 2027	Objective HE 2.00	Yes
<b>Program AA</b> Senior-Friendly Housing	Low	Target Start: Summer 2025 Target Completion: Summer 2026	Objective HE 2.00	Yes
<b>Program BB</b> Reduction and Deferral of Fees for Affordable Housing Developments	Low	Target Start: Summer 2025 Target Completion: Summer 2026	Objective HE 2.00	Yes
<b>Program CC</b> Alternative Housing Types	Low	Target Start: Summer 2025 Target Completion: Summer 2026	Objective HE 1.00	Yes
<b>Program DD</b> Child Care and Intergenerational Needs	Low	Target Start: Summer 2025 Target Completion: Summer 2026	Objective HE 2.00	Yes

## **Program A**

### Multi-Family Dwelling Development

#### **Purpose**

To encourage and increase production of multi-family dwelling development.

#### **Description**

Amend ordinances to facilitate multi-family dwelling development.

Land use regulations that are considered may be county wide or community based, and may include, but are not limited to:

- Reduce use permit requirements for multi-family dwellings developments, particularly if affordable housing is provided;
- Reduce minimum site area;
- Increase densities in areas described under Policy HE 1.01;
- Require amenities, such as usable open areas, private outdoor areas, and enhanced aesthetics;
- Require connectivity to adjacent neighborhoods;
- Encourage variety in housing types—including mobile home parks, small-lot single-family detached and attached developments, cohousing, rooming houses, and residential hotels;
- Encourage variety in unit sizes, including small studio apartments or single room occupancies; define and allow single-room occupancy units. Single-room occupancy units will be allowed in the Residential Multi-family (RMF) land use category.
- Reduce minimum parking requirements; and
- Include incentives for projects providing housing affordable to workforce households. Incentives to provide multi-family housing are included through the density bonus (Program P) and proposed incentives for mixed-use housing (Program Y).

This process would also consider the ever-changing setting of the county, which may include economic growth, resource limitations, demographic changes, or environmental impacts. Some regulations may be outdated, ineffective, or result in an inefficient use of land. For example, although densities up to 26 or 38 dwelling units per acre are allowable in many locations, these densities are often not achieved due to other development standards that limit building placement or size.

#### **Desired Result**

Increased development of high-quality multi-family dwellings that better serve the needs and preferences of current and future residents.

#### **Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Spring 2021  
Target Completion: Spring 2022

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds  
LEAP Grant

**Quantified Objective**

Program will produce an additional 100 units during the planning period.

**Priority Level**

High



## **Program B**

### AB 686 Affirmatively Further Fair Housing

#### **Purpose**

To ensure that meaningful actions will be taken to combat discrimination, overcome patterns of segregation, and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.

#### **Description**

Take actions and/or update the Fair Housing Plan to affirmatively further fair housing and ensure compliance with AB 686.

The actions taken and/or included in the Fair Housing Plan shall address significant disparities in housing needs and in access to opportunity for all persons, regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8, commencing with Section 12900, of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law.

At least three (3) of the following specific actions would be taken and/or included in the Fair Housing Plan:

- Provide dedicated staff that investigates fair housing complaints and enforces fair housing laws.
- Facilitate public education and outreach by creating informational flyers on fair housing that will be made available at public counters, libraries, and on the County's website. Board of Supervisors meetings will include a fair housing presentation at least once per year.
- Actively recruit residents from neighborhoods of concentrated poverty to serve or participate on boards, committees, and other local government bodies.
- Ensure environmental hazards are not disproportionately concentrated in low-income communities of color.
- Develop a proactive code enforcement program that holds property owners accountable and proactively plans for resident relocation, when necessary.
- Provide education to the community on the importance of completing Census questionnaires.

#### **Desired Result**

Increased awareness of fair housing resources and equitable participation by all residents.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Start: Spring 2021

Target Completion: Spring 2022

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

High

## **Program C**

### Designation of Additional Land for Residential Uses

#### **Purpose**

To accommodate population growth during the next eight (8) years and beyond by designating additional land for residential uses.

#### **Description**

Consider and, if appropriate, amend the Land Use and Circulation Elements to designate additional land for residential uses in areas described under Policy HE 1.01.

While adequate land has been identified in the inventory of sites to accommodate the County's share of the regional housing needs allocation, as described in "Chapter 7: Sites Analysis", additional land for residential uses will be necessary to accommodate future population growth beyond 2028. Newly designated additional land for residential uses may contribute to the inventory of sites in future Housing Element cycles.

Implementation of this program can assist in reducing housing price escalation, vehicle miles traveled, and resource consumption. Additionally, larger parcels (i.e. five (5) acres or larger) would allow for additional site amenities, such as open space and parks.

Although all residential land use categories would be considered, designation of additional land to the Residential Multi-Family Land Use Category would be prioritized in areas in close proximity to jobs, services, schools, parks, and transportation systems. Furthermore, designation of additional land for residential use would be prioritized within Urban Reserve Lines and Village Reserve Lines before areas outside of such boundaries.

#### **Desired Result**

Sufficient supply of land for residential uses to accommodate projected population growth during the next eight (8) years and beyond.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Start: Spring 2021

Target Completion: Spring 2027

#### **Funding Status**

Unfunded

#### **Potential Funding Source**

General Funds

LEAP Grant

**Priority Level**  
High

## **Program D**

### Accessory Dwellings

#### **Purpose**

To encourage development of new accessory dwellings and ensure compliance with State Accessory Dwelling Unit Law.

#### **Description**

Amend ordinances to encourage the development of accessory dwellings.

An accessory dwelling is an attached or detached residential dwelling unit that provides complete independent living facilities for one (1) or more persons and is located on a lot with a proposed or existing primary residence. It includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the primary single-family or multi-family dwelling. An accessory dwelling may be in the form of an efficiency unit or a manufactured home (as defined in Section 18007 of the State Health and Safety Code).

The County will continue to further promote accessory dwellings. Accessory dwellings provide added housing without added land cost, and as such, are more likely to be affordable to low- and moderate-income households on the rental market when compared to a conventional single-family dwelling on the rental market.

#### **Desired Result**

Adopt ordinance regulations that facilitate the development of at least 1,665 accessory dwellings for low- and moderate-income households during the planning period and ensure compliance with State Accessory Dwelling Unit Law. The changes to the ordinance include allowing ADUs much more broadly geographically in the county with the removal of exclusion areas and the minimum lot size requirement. The County will also be preparing ADU prototype plans that can be used by property owners applying to build an ADU, as well as a guide for homeowners interested in building an ADU. The County will monitor production of ADUs as the planning period progresses and implement additional actions if numbers of ADUs are not meeting target numbers anticipated in this housing element.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Completion: Submit adopted Coastal Zone ADU Ordinance to California Coastal Commission by the end of 2020. Complete preparation of prototype ADU plans and ADU guide by Fall 2021. Monitor production of ADUs throughout the course of the planning period.

**Funding Status**

Funded

**Funding Source**

General Funds  
LEAP Grant

**Priority Level**

High

**Quantified Objective**

1,665 ADUs by the end of 2028

## **Program E**

### Agricultural Worker Dwellings and Employee Housing

#### **Purpose**

To encourage development of new housing for agricultural workers.

#### **Description**

Amend ordinances to encourage the development of agricultural worker dwellings.

Agricultural worker dwellings provide on-site housing for agricultural workers on properties with agricultural operations. Agricultural worker dwellings are categorized into two (2) forms: single-family dwellings (including mobile homes) and group quarters. Agricultural worker dwellings in the form of group quarters provide a dormitory-style type of housing, while agricultural worker dwellings in the form of single-family dwellings provide a more conventional type of housing.

The County will conduct annual outreach to agricultural workers and to owners of agricultural operations. Additionally, the County will create a new webpage on the Department website providing information on housing targeted towards agricultural workers.

#### **Desired Result**

Adopt ordinance regulations that balance the facilitation of agricultural worker dwellings development and purpose of the Agriculture and Rural Lands Land Use Categories. This will address the state Employee Housing Act (Health & Safety Code Section 17021.5 and 17021.6)

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Completion: Fall 2020

#### **Funding Status**

Funded

#### **Funding Source**

General Funds

#### **Priority Level**

High

**Program F**

SB 35 Streamlined Approval Process

**Purpose**

To ensure compliance with SB 35, as it relates to permit streamlining.

**Description**

Review existing processes to assess whether modifications are necessary to comply with SB 35. If necessary, establish and/or incorporate standard procedures and other appropriate guidance tools for streamlined processing of eligible projects, as required by SB 35.

**Desired Result**

Implementation of permit review processes that are consistent with SB 35.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Spring 2021

Target Completion: December 2021

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

LEAP Grant

**Priority Level**

High



## **Program G**

### Acquisition and Development of Affordable Housing

#### **Purpose**

To support developers in the acquisition and/or development of affordable housing.

#### **Description**

Continue to provide direct financial assistance for the acquisition and development of affordable housing, with priority placed on developments in areas described under Policy HE 1.01.

Each year, the County has the ability to allocate grants for affordable housing projects through the federal Community Development Block Grant (“CDBG”) and HOME Investment Partnership (“HOME”) programs. Direct financial contributions make the development of affordable housing more feasible. As part of the awarding of grants, the County requires that long-term affordability be ensured through special agreements.

In the past five years, the County has assisted twelve projects with CDBG and HOME funds, for a total of 336 units assisted from both funding sources. This includes all types of affordable housing, including single-family, multi-family, transitional, ownership, and rental housing.

In addition, this process allows the County to require the affordable housing developer to prioritize local residents and locally employed persons for the rental or purchase of the resulting affordable housing units.

#### **Desired Result**

Development of extremely low-, very low-, and/or low-income housing units in the unincorporated county.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Ongoing

#### **Funding Status**

Funded

#### **Funding Source**

CDBG Funds

HOME Funds

**Quantified Objective**

Support the development of an average of 50 units of affordable housing per year throughout the planning period using CDBG and HOME funds.

**Priority Level**

High

**Program H**  
Housing Trust Fund

**Purpose**

To provide support to the San Luis Obispo County Housing Trust Fund.

**Description**

Continue to support the efforts of the San Luis Obispo County Housing Trust Fund to secure funding for the San Luis Obispo County Affordable Housing Trust Fund. Identify and evaluate potential revenue sources.

The trust fund can assist in the development of housing for moderate-income households, in addition to very low- and low-income households. Continued support for the trust fund could stimulate development of more affordable housing than available federal and state grants can facilitate alone. A local trust fund may be used to leverage additional state and federal funds (e.g. HCD Local Housing Trust Fund Program, U.S. Department of the Treasury Community Development Financial Institutions Program).

The County provides to the San Luis Obispo County Housing Trust Fund ongoing technical assistance and has made financial contributions totaling more than \$240,000 since 2014. Such contributions were matched dollar for dollar from other sources.

In addition, the County anticipates awarding approximately \$500,000 per year in Permanent Local Housing Allocation (“PLHA”) funds to the San Luis Obispo County Housing Trust Fund.

The San Luis Obispo County Housing Trust Fund is a private nonprofit corporation that was formed to address local housing needs in San Luis Obispo County.

**Desired Result**

If \$2 million in local, state, and federal funds are secured each year, approximately 120 new housing units could be constructed for extremely low-, very low-, low-, and moderate-income households over an eight-year period.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Ongoing

**Funding Status**

Funded

**Funding Source**

General Funds  
PLHA Funds

**Priority Level**

High

## **Program I**

### Facilitation of Affordable Housing Development and Opportunities

#### **Purpose**

To facilitate the development of affordable housing and other affordable housing opportunities through advocacy, education, and support.

#### **Description**

Facilitate the development of affordable housing and other affordable housing opportunities by (a) educating advisory committees on the benefits of affordable housing, (b) making strong recommendations to approve applications for affordable housing developments that satisfy ordinance requirements and other applicable standards, (c) supporting efforts of advocacy groups, and (d) promoting more efficient use of existing housing. The County has been working for some time with the Coalition of Housing Partners and, in 2019, convened the Regional Housing Team effort to work on the housing element updates, RIHP and other regional housing planning efforts.

Greater awareness and education of the benefits of affordable housing may increase community support for the development of affordable housing and pursuit of other affordable housing opportunities. For example, homeowners may consider renting out bedrooms if they had training regarding leases, tenant screening, and other related issues. This may be in the form of “home share” programs, which have been implemented in some communities to facilitate the sharing of housing units instead of buying or renting housing that is larger than what a household may need.

#### **Desired Result**

Enhanced feasibility and greater numbers of affordable housing proposals from developers; increased awareness of and accessibility to information related to housing, such as available rental housing that could serve special needs; and improved accessibility to information regarding tenant selection and related issues.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Ongoing; outreach to be performed annually

#### **Funding Status**

Unfunded

#### **Potential Funding Source**

General Funds

**Priority Level**  
High

**Program J**

Inclusionary Housing

**Purpose**

To ensure that affordable housing will be developed in the unincorporated county.

**Description**

Monitor and analyze the effectiveness the Inclusionary Housing Ordinance and recommend improvements to the Board of Supervisors for consideration.

The Inclusionary Housing Ordinance (last updated in March 2019 by the Board of Supervisors) requires an affordable housing component to be included in conjunction with new residential developments that meet or exceed a certain threshold, unless the developer chooses to pay an in-lieu fee.

Amendments to the Inclusionary Housing Ordinance may be necessary to improve the effectiveness of the regulations and adjust to market conditions. An annual report and action plan will be prepared and presented to the Board of Supervisors. Such report will include progress on the implementation of the ordinance and recommendations to improve the ordinance, as appropriate.

**Desired Result**

Development of housing units for extremely low-, very low-, low-, moderate-, and workforce-income households.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Spring 2021

Target Completion: Spring 2024

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

High

## **Program K**

### Rehabilitation of Housing Units

#### **Purpose**

To support the maintenance and improvement of existing housing for households of moderate income or lower.

#### **Description**

Continue to provide financial assistance for the maintenance and improvement of existing housing for households of moderate income or lower.

Maintaining and improving the quality of housing in neighborhoods may encourage other nearby property owners to maintain and improve their housing, thereby preventing the potential decline of entire neighborhoods.

The County's current Consolidated Plan for funding this program extends to 2024 and plans to expend over 7 million dollars of CDBG and HOME funds for new construction of affordable housing and shelters between 2020 and 2024. It plans to expend up to \$450,000 of those same type of funds on minor home repairs during the same time frame.

#### **Desired Result**

Enable 80 households of moderate income or lower to complete maintenance and improvements for long term safe and decent housing. The estimate of 80 housing units over the next eight (8) years is based on historical performance of the County's CDBG and HOME programs.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Ongoing

#### **Funding Status**

Funded

#### **Funding Source**

CDBG Funds  
HOME Funds

#### **Priority Level**

High



## **Program L**

### Services to Reduce Homelessness

#### **Purpose**

To provide services and housing opportunities to help reduce homelessness.

#### **Description**

Continue to assist persons experiencing or at risk of experiencing homelessness through the Tenant Based Rental Assistance Program and Continuum of Care Program.

The Tenant Based Rental Assistance Program provides rental assistance, case management, initial deposit, and other financial assistance services for persons experiencing or at risk of experiencing homelessness. Although the funds are temporary, the funds provide the necessary aid long enough (between one (1) to six (6) months on average) to help such persons find or stay in permanent housing situations. This program is funded by the Emergency Solutions Grant and HOME funds. The Continuum of Care Program provides financial assistance and supportive services for 32 persons in permanent supportive housing and 20 persons in transitional housing.

#### **Desired Result**

Reduced homelessness through providing assistance to persons experiencing or at risk of experiencing homelessness.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Ongoing

#### **Funding Status**

Funded

#### **Funding Source**

Continuum of Care Program  
Emergency Solutions Grant  
General Funds  
HOME Funds

#### **Priority Level**

High

**Program M**

AB 101 Low Barrier Navigation Centers

**Purpose**

To encourage development of low barrier navigation centers to serve persons experiencing homelessness.

**Description**

Review land use regulations to assess whether amendments are necessary to allow low barrier navigation centers to serve persons experiencing homelessness in accordance with AB 101 and whether related regulations are consistent with AB 101. If necessary, amend applicable ordinances accordingly.

**Desired Result**

Allow low barrier navigation centers consistent with AB 101

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2021

Target Completion: December 2022

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

LEAP Grant

**Priority Level**

High

**Program N**

AB 2162 Supportive Housing

**Purpose**

To encourage the development of supportive housing.

**Description**

Review land use regulations to assess whether amendments are necessary to allow supportive housing without discretionary review in all land use categories (including nonresidential land use categories) that allow multi-family dwellings or mixed-use development in accordance with AB 2162 and whether related regulations are consistent with AB 2162. If necessary, amend applicable ordinance accordingly.

**Desired Result**

Allow supportive housing consistent with AB 2162.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2021

Target Completion: December 2022

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

High

**Program O**

Inquiries and Complaints Related to Fair Housing Laws

**Purpose**

To promote equal housing opportunities that prohibit discrimination in housing based on age, ancestry, color, disability, ethnicity, familial status, gender, marital status, national origin, race, or religion. Additionally, continue to refer discrimination complaints to appropriate agencies, such as California Rural Legal Assistance.

**Description**

Provide information on the County website regarding fair housing and responds to inquiries and complaints from the public.

**Desired Result**

Increased public awareness and understanding of fair housing practices and timely response to inquiries and complaints.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Ongoing

**Funding Status**

Funded

**Potential Funding Source**

General Funds

**Priority Level**

High

**Program P**

Density Bonus

**Purpose**

To encourage development of affordable housing through application of the Density Bonus Ordinance.

**Description**

Explore improvements to the Density Bonus Ordinance to further incentivize the development of affordable housing, and if appropriate, amend ordinances to include such improvements. Incentives have financial values that improve the financial feasibility of affordable housing. The relationship between the amount of public benefit and the improvements would be heavily considered.

The County is currently in the process of updating the Density Bonus Ordinance for improvements and consistency with state law.

**Desired Result**

Increased development of affordable housing.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Completion: Fall 2020

**Funding Status**

Funded

**Funding Source**

General Funds

**Priority Level**

High

## **Program Q**

### Preservation of Affordable Housing Stock

#### **Purpose**

To preserve the affordable housing stock in the unincorporated county.

#### **Description**

Work to reduce the potential conversion of affordable housing to market-rate housing.

Currently, there are 731 affordable housing units that received assistance in the unincorporated county. Of the 731 affordable housing units, at least 419 affordable housing units receive state or federal funding. Due to the assistance received, the affordable housing units are deed-restricted to remain affordable for a specific length of time.

Per state law, owners of deed-restricted affordable housing developments are required to provide notice of restrictions that will expire after January 1, 2021 to (a) all prospective tenants within three (3) years; (b) existing tenants within one (1) year; and (c) the County within six (6) months of the scheduled expiration of rental restrictions. Also, owners shall refer tenants of at-risk housing units to educational resources regarding tenant rights, conversion procedures, information pertaining to Section 8 rent subsidies, and any other affordable housing opportunities in the county.

The County will implement the following actions, if needed, to comply with AB 1521:

- Monitor the status of affordable housing projects in the unincorporated county. Should the property owners indicate the desire to convert affordable housing units to market-rate housing units, consider providing technical and financial assistance, when possible, to ensure long-term affordability.
- If conversion of housing units is likely, work with local service providers, as appropriate, to seek funding to subsidize the at-risk affordable housing units in a way that mirrors the HUD Housing Choice Voucher (Section 8) program. Funding sources may include state or local funding sources.

In accordance with AB 1521, if a development is offered for sale, HCD must certify persons or entities that are eligible to purchase the development and to receive notice of the pending sale. Placement on the eligibility list will be based on experience with affordable housing.

#### **Desired Result**

Preservation of all affordable housing units in the unincorporated county.

#### **Responsible Agency**

Department of Planning and Building

**Time Frame**

Ongoing

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

High

**Program R**

Mobile Home Park Closure Ordinance

**Purpose**

To preserve the stock of mobile home parks.

**Description**

Continue to implement the Mobile Home Park Closure Ordinance.

Mobile home parks provide much of the supply of affordable housing in the unincorporated county, consisting of 6,475 mobile home spaces in 43 mobile home parks. The Mobile Home Park Closure Ordinance provides financial compensation to mobile home residents in the event of closure and provides decision-makers the necessary information and basis for closure approvals.

**Desired Result**

Preserve an estimated 6,475 housing units over the next eight (8) years.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Ongoing

**Funding Status**

Funded

**Funding Source**

General Funds

**Priority Level**

High



**Program S**

SB 1087 Support through Facilitation of Infrastructure Planning and Development for Water and Wastewater

**Purpose**

To support compliance with and spirit of SB 1087 through efforts to facilitate sufficient infrastructure to serve enough sites to address the County’s RHNA during the next eight (8) years and beyond.

**Description**

The County will work with districts and other water and wastewater service providers to identify ways to move forward infrastructure facilities and capacity water and wastewater service to serve sites in the unincorporated County identified in Chapter 7. This will include reaching out annually to water and sewer service providers, partnering with water and sewer service providers to work towards increasing capacity, and providing available assistance to move the infrastructure planning, funding, and construction forward. The County will also work with water and wastewater service providers to prioritize new connections for housing that includes units affordable to low-income households, in accordance with SB 1087.

**Desired Result**

Ability of water and wastewater service providers to provide water and wastewater service to parcels identified in Chapter 7 during the 2020-2028 planning period.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Ongoing

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds  
REAP Grant  
Other infrastructure funds

**Priority Level**

High

## **Program T**

### Strategic Regional Residential Development

#### **Purpose**

To focus public outreach, land use planning, infrastructure and facility improvements, and funding primarily in areas described under Policy HE 1.01.

#### **Description**

Create an implementation plan to facilitate strategic regional residential development.

The location of housing substantially affects the quality of life, natural resources, and economic health for all of San Luis Obispo County.

The quality of life for residents and workers can be improved through (1) increasing accessibility to services and (2) decreasing the distance traveled between housing and jobs and other frequently visited destinations. Locating housing in close proximity to services, jobs, and other frequently visited destinations can reduce traffic congestion, commute times, and travel-related expenses, as residents and workers would have shorter travel distances to their destinations. Since services and jobs tend to be located along highways, such as the U.S. Route 101, locating housing along such highways would add another layer of efficiency.

Such improvements to quality of life are directly correlated with stronger economic health for the region. Reductions in travel-related expenses allow residents and workers to spend more on housing, property improvements, goods, and services, which strengthens the local economy. Additionally, strategic and focused land use planning and infrastructure/facility improvements allow for more efficient use of funding and County resources, leading to a more resilient local economy.

San Luis Obispo County offers many natural resources enjoyed by residents, workers, and visitors. Strategically focusing efforts to facilitate residential development within or in close proximity to existing urbanized areas or communities could prevent unnecessary disturbances and impacts to natural resources.

The plan will identify areas for strategic regional residential development and specify implementation actions to accomplish the desired results of this program. In some cases, existing communities may have already established the foundation for this plan, which can be leveraged and updated, as appropriate.

To facilitate strategic regional residential development, the County will partner with the San Luis Obispo Council of Governments (SLOCOG). The plan will contain specific implementation actions that include, but are not limited to, the following for the identified areas:

- Conduct public outreach to receive and consider input from residents, workers, and stakeholders;
- Identify and remove and/or enhance residential development-related land use policies and standards that are unnecessary and/or inconsistent with this program;
- Prioritize investments (such as grant funds and loans) for developments and services relating to homelessness and/or affordable housing; and
- Prioritize improvements to infrastructure and facilities.

**Desired Result**

Adopt an implementation plan that facilitates strategic regional residential development in areas described under Policy HE 1.01.

**Responsible Agency**

Administrative Office  
Department of Planning and Building

**Time Frame**

Target Start: January 2023  
Target Completion: January 2025

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds  
LEAP Grant

**Priority Level**

Medium

## **Program U**

### Group Homes and Other Residential Care Facilities

#### **Purpose**

To comply with state law regarding small residential care facilities and to encourage the development of residential care facilities, particularly group homes.

#### **Description**

Amend ordinances to facilitate the development of residential care facilities, particularly group homes. Also, review and, if necessary, amend ordinances to align the definition of “family” with federal and state fair housing law.

Residential care facilities are establishments primarily engaged in the provision of residential social and personal care for children, the aged, and special categories of persons with some limits on the ability for self-care, but where medical care is not a major element and 24-hour supervision is provided. This may include children’s homes, orphanages, halfway houses, rehabilitation centers, and self-help group homes with 24-hour supervision.

More specifically, group homes are residential care facilities primarily designed to assist children and adults (including seniors) with chronic disabilities, including physical disabilities, mental disorders, and addiction. Group homes can provide a sense of community and continuous supervision or care.

#### **Desired Result**

Increased development of group homes and other residential care facilities.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Start: January 2023

Target Completion: January 2025

#### **Funding Status**

Unfunded

#### **Potential Funding Source**

General Funds

#### **Priority Level**

Medium

## **Program V**

### Expedited Permit Processing for Affordable Housing

#### **Purpose**

To increase the efficiency of permit processing (including use permits) for affordable housing projects.

#### **Description**

Monitor and review existing processes and identify opportunities to improve the processing of affordable housing developments. Incorporate improvements to the expedited permit processing for affordable housing developments, as appropriate.

The Department of Planning and Building provides expedited permit processing for affordable housing developments, which can save weeks or months in processing time for applicants.

#### **Desired Result**

Implementation of an enhanced expedited permit processing for affordable housing developments.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Start: January 2023

Target Completion: January 2025

#### **Funding Status**

Unfunded

#### **Potential Funding Source**

General Funds

#### **Priority Level**

Medium

**Program W**

Revise ordinances to permit mobile homes in CR and OP land uses.

**Purpose**

To expand opportunities for low-income housing by increasing the range of sites where mobile homes are permitted.

**Description**

Amend the County Code to permit mobile homes within the Commercial Retail (CR) and Office and Professional (OP) land use categories to accommodate needed housing to meet population growth during the next eight years.

**Desired Result**

Create more opportunities for new housing while also reducing vehicle miles traveled by permitting mobile homes, which tend to be lower-cost housing, to be sited close to employment centers that are found in the CR and OP land use areas.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: January 2023

Target Completion: January 2025

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Medium

**Program X**

Outreach Regarding Reasonable Accommodation Procedure

**Purpose**

To provide information regarding the County’s procedure to allow reasonable accommodation in zoning and other regulations for those with disabilities.

**Description**

The County currently has a ministerial reasonable accommodation procedure, as described in Section 22.70.035 of the County Code. In order to ensure sufficient awareness of the procedure for those who may be eligible to access these adjustments, the County shall promote the procedure on its website and with information at the Planning Counter.

**Desired Result**

Greater accessibility for disabled persons accommodated through the design review process for discretionary residential projects.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Within one year of Housing Element adoption

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Medium

## **Program Y**

### Residential and Commercial Mixed-Use Developments

#### **Purpose**

To incentivize developments that incorporate residential and commercial uses.

#### **Description**

Explore options to incentivize developments that incorporate residential and commercial uses, and if appropriate, amend ordinances to include such incentives. The relationship between the amount of public benefit and the incentive options would be heavily considered.

Residential and commercial mixed-use developments provide opportunities to live, work, and shop within the same neighborhood and can decrease transportation costs for households, as such developments encourage walking and cycling.

Implementation of this program should include consideration for, but are not limited to, the following preferred factors:

- Housing units that are affordable to very low-, low-, and moderate-income households are provided above and beyond the amount required to satisfy applicable ordinances and policies and amount required to achieve other requests, such as density bonuses.
- The development is located in an area identified for strategic regional residential development.
- Additional usable and substantial open spaces and other amenities are provided, available, and easily accessible to the general public.
- The residential density achieved equals or exceeds 90% of the maximum allowable density for the project site.
- Initial offering of housing units for sale or rental prioritizes individuals or households that currently live or work in San Luis Obispo County.
- Conversion of existing non-residential developments to residential and commercial mixed-use developments.
- The development is designed to be connected with and incorporated into the surrounding neighborhood, rather than designed to function as an “island”. Developments designed to function as an “island” disrupt the fluidity of neighborhoods and discourages walking and other active modes of transportation.

#### **Desired Result**

Increased development of housing units within residential and commercial mixed-use developments.

#### **Responsible Agency**

Department of Planning and Building

#### **Time Frame**

Target Start: February 2025



Target Completion: February 2027

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Quantified Objective**

Incentivize the development of 4 residential and commercial mixed-use projects through the planning period.

**Priority Level**

Low

## **Program Z**

### Exemptions for Affordable Housing

#### **Purpose**

To prioritize and incentivize the development of affordable housing.

#### **Description**

The County will conduct its next effort to explore potential regulations, standards, and fees that affordable housing developments can potentially be exempt from, and if appropriate, amend ordinances to exempt affordable housing developments from such regulations, standards, and fees. The relationship between the amount of public benefit and the exemptions would be heavily considered. This type of effort was conducted and changes made in 2019 so this will be the next regular iteration for this work.

For example, the County exempts all housing units that are affordable to extremely low-, very low-, low-, and moderate-income households from the Growth Management Ordinance, resulting in significant time savings during periods of high demand for building permits.

#### **Desired Result**

Development of affordable housing that may have otherwise not occurred if it were not for the exemptions.

#### **Responsible Agency**

Department of Planning and Building  
Department of Public Works

#### **Time Frame**

Target Start: February 2025  
Target Completion: February 2027

#### **Funding Status**

Unfunded

#### **Potential Funding Source**

General Funds

#### **Priority Level**

Low

#### **Quantified Objective**

20 Lower Income housing units

**Program AA**

Senior-Friendly Housing

**Purpose**

To facilitate the development of housing that meet the needs and preferences of seniors.

**Description**

Amend ordinances to facilitate the development of housing that meet the needs and preferences of seniors.

Ordinance regulations can require and/or encourage housing developments to provide enhanced pedestrian and wheelchair accessibility, accessibility to nearby services, transit for seniors, and physical accessibility (e.g. single-story housing, no steps, roll-in showers).

**Desired Result**

Increased development of housing that meet the needs and preferences of seniors.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2025

Target Completion: Summer 2026

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Low

**Program BB**

Reduction and Deferral of Fees for Affordable Housing Developments

**Purpose**

To incentive the development of affordable housing by reducing or deferring fees.

**Description**

Explore additional options to reduce or defer fees for the development of affordable housing, and if appropriate, amend ordinances to include such options. The relationship between the amount of public benefit and the fee reduction and deferral options would be heavily considered.

Providing the option to reduce or defer fees can improve the financial feasibility of developing affordable housing. For example, the Inclusionary Housing Ordinance currently exempts 2,200 square feet or smaller housing units from paying in-lieu fees, and thereby encouraging development of smaller housing units, which are likely to be more affordable. Another example would be the Director of Planning and Building’s ability to waive all planning and building permit fees for affordable housing developments.

**Desired Result**

Enhanced financial feasibility for the development of affordable housing

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2025

Target Completion: Summer 2026

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Low

**Program CC**

Alternative Housing Types

**Purpose**

To provide property owners with safe and viable alternative housing options.

**Description**

Explore alternative housing types. If such alternative housing types are safe and viable, amend ordinances to allow such alternative housing types.

Providing property owners with safe and viable alternative housing options may lead to greater flexibility and affordability in the housing stock. This may include consideration for further reduction in regulatory barriers for ADUs and junior ADUs, moveable tiny houses, and other alternative housing types.

**Desired Result**

Greater flexibility and affordability in the housing stock to meet the needs and preferences of residents.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2025

Target Completion: Summer 2026

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Low

**Program DD**

Child Care and Intergenerational Needs

**Purpose**

To address child care in conjunction with new housing and address the needs of seniors together with the needs of children.

**Description**

Consider establishing a program to address the following needs in housing in the County:

- Affordable housing developments that include on-site child care.
- Requiring new developments with more than 50 housing units or 50,000 square feet of commercial or industrial space to prepare a Child Care Facilities Needs Assessment. The purpose of this assessment is to evaluate new child care demands created by new residents and employees in relation to available community resources.
- Promoting intergenerational facilities such as senior centers located in the same place with or nearby child care centers.

After studying the options above determine whether a program will be established and establish and publicize program if initiated.

**Desired Result**

Addressing the shortage of child care and adding needs senior services.

**Responsible Agency**

Department of Planning and Building

**Time Frame**

Target Start: Summer 2025 – study program

Target Completion: Determine whether program will be established and initiate by Summer 2026

**Funding Status**

Unfunded

**Potential Funding Source**

General Funds

**Priority Level**

Low

## **CHAPTER 5:**

# **EVALUATION OF PREVIOUS HOUSING ELEMENT**

### **OVERVIEW**

Implementation of program from the 2014-2019 Housing Element, in combination with market forces, produced 297 dwelling units that very low-, low-, and moderate-income households during the period of 2014-2018.

Some effective programs from the previous Housing Element include:

- Updating the Inclusionary Housing Ordinance
- Updating the Accessory Dwellings Ordinance
- Facilitating affordable housing through advocacy
- Completing the Los Osos Community Sewer
- Providing direct financial assistance for affordable housing

While important, these successes fell short of meeting the unincorporated county's share of allocated housing needs for very low-, low-, and moderate-income households. Since most San Luis Obispo County residents earn moderate or below moderate incomes, the affordable housing production did not meet the projected demand over the last Housing Element period. Since 2014, home prices have increased substantially, and development of housing affordable to moderate- or below moderate-income households have not kept pace.

This reflects some recovery from the sustained recession during the past Housing Element cycles, as the shortfall in affordable housing production was due to several factors. The recession slowed the economy during the 2007-2014 Housing Element period and into the beginning of the 2014-2019 Housing Element period. It was more difficult for potential homebuyers to obtain loans. Additionally, applications for grants and tax credits for affordable housing projects was competitive and construction costs in California was high. These factors, along with other factors (such as environmental, resource, and infrastructure constraints), limited the development of affordable housing.

## COASTAL ZONE INFORMATION

The Coastal Zone boundary was established by the California Coastal Act of 1976, which also includes additional standards and procedures for planning and development to address issues of statewide concern. Several unincorporated communities, such as the Communities of Avila Beach, Cambria, Cayucos, Los Osos, and Oceano, are located or partly located in the Coastal Zone.

Within the Coastal Zone, between January 2013 and May 2020:

- 150 single-family dwelling units were permitted and passed final inspection, while 61 single-family dwellings were permitted and pass final inspection for demolition.
- Seven (7) multi-family dwelling developments were permitted and passed final inspection, while one (1) multi-family dwelling development was permitted and pass final inspection for demolition.
- Nine (9) replacement permits were issued and pass final inspection.
- Four (4) accessory dwellings (formerly known as “secondary dwellings”) were permitted and passed final inspection.
- Three (3) agricultural worker quarters were permitted and pass final inspection.
- 11 manufactured homes (commonly known as “mobile homes”) were permitted and pass final inspection.
- No dwelling units with affordability deed restrictions for moderate- or below moderate-income households were demolished.
- One (1) motel was converted into apartments with six (6) total deed-restricted affordable dwelling units:
  - Two (2) dwelling units in the very low-income category,
  - Two (2) dwelling units in the low-income category, and
  - Two (2) dwelling units in the moderate-income category.

There were no new projects that would have required development of housing for households of moderate income or below within the Coastal Zone and within three (3) miles of the Coastal Zone (pursuant to Government Code Section 65590).



## REVIEW OF PROGRAMS FROM PREVIOUS HOUSING ELEMENT

The County made significant progress toward accomplishing the goal and objectives of the 2014-2019 Housing Element through implementation of the corresponding programs. Table 5.1 provides an evaluation of those programs.

Table 5.1: Review of 2014-2019 Housing Element Programs

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 1.A: Designate additional land for residential uses.</b></p> <p>Description: Amend the Land Use and Circulation Elements to designate additional land to Residential Multi-Family (RMF) and Residential Single Family (RSF) land use categories to accommodate needed housing to meet population growth during the next five years and beyond to 2025. The need is primarily for Residential Multi-Family land. The County will seek opportunities (1) to designate infill sites before proposing to expand urban reserves and (2) to designate land for housing in all communities.</p> <p>Purposes: The County can assist in reducing price escalation, reduce vehicle miles traveled, and reduced resource consumption by adding new residential land to the inventory. Additionally, larger parcels (i.e. 5 acres or larger) would provide sufficient land to plan for site amenities such as open space and parks for multi-family projects. While the County previously designated adequate land to accommodate its share of regional housing needs as described in Chapter 3, additional land will be needed after the planning period for this Housing Element.</p>	<p>The County amended the San Miguel Community Plan in 2016 to allow for residential or residential/commercial mixed-use development in commercial land use categories through approval of a use permit.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 1.B: Continue and track existing development incentives.</b></p> <p>Description: Continue to provide incentives to encourage development of affordable housing including density bonuses, exemptions from the Growth Management Ordinance, and expedited permit processing. Additionally, the Planning and Building Department will consider exempting in-fill projects located in eligible urban areas from the California Environmental Quality Act (when applicable).</p> <p>Purposes: Incentives have financial values that improve the financial feasibility for the development of affordable housing. The County currently offers a density bonus of 35 percent for developments that include specified amounts of housing for extremely low, very low, low, or moderate-income senior households. The County exempts all housing units for extremely low, very low income, low income, and moderate-income households from its Growth Management Ordinance, resulting in significant time savings during periods of high demand for building permits. Also, the Planning and Building Department provides expedited permit processing for affordable housing developments, saving weeks or months in processing times. As previously directed by the Board of Supervisors, the Planning and Building Department will monitor the impact of its permitting processes (including use permits) and look for opportunities to streamline permits for housing. Some of the strategies include, but are not limited to:</p> <p>1) Reduce the permit requirement for multi-family housing projects from a Conditional Use Permit to a Minor Use Permit</p>	<p>No density bonus projects have been approved since the last Housing Element update. Applications for affordable housing projects will be expedited and fee waivers for affordable housing projects will be considered. The County has implemented permit streamlining processes for the development of accessory dwellings and agricultural worker dwellings. Environmental review streamlining is encouraged when applicable. The County has also updated density bonus regulations to further encourage the use of density bonuses.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>(currently in process - the threshold should reflect the size of typical multi-family projects);</p> <p>2) Conduct CEQA analysis in advance of potential projects (i.e. in conjunction with focused specific plans/community plan updates); and</p> <p>3) Promote/facilitate the affordable housing CEQA exemption (when applicable). CEQA exemptions will not be promoted in areas with a certified Level of Severity III.</p>		
<p><b>Program HE 1.C: Reduce and defer fees for affordable housing development.</b></p> <p>Description: Explore ways to reduce fees for development of affordable housing. Reduced fees could include payment of developer impact fees for affordable housing projects with inclusionary housing funds and deferral of impact fees for affordable housing developments until final inspection. It may be possible to adjust impact fees for infrastructure to be less for smaller homes than for larger homes if the need for infrastructure can be found to increase with home size.</p> <p>Purposes: Reduced and temporarily deferred fees have financial values that improve the financial feasibility for the development of affordable housing. The Inclusionary Housing Ordinance already exempts development of housing units smaller than 900 square feet, thereby encouraging development of smaller housing units that are more affordable.</p>	<p>On August 21, 2018, the Board of Supervisors voted to provide the Director of Planning and Building authority to waive all planning and building permit fees for affordable housing projects (excluding workforce units).</p>	<p>Modify to account for progress and include as program</p>
<p><b>Program HE 1.D: Provide incentives for construction of secondary dwellings.</b></p>	<p>The County has amended standards for accessory dwelling permitting through the Phase II Accessory</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>Description: Revise County ordinances and fees to encourage development of secondary dwellings, and further promote secondary dwellings. For example, the County will consider revising road requirements and public facility fees for secondary dwellings or according to home size.</p> <p>Purposes: Secondary dwellings are permitted in addition to the primary residence allowed on a property under certain circumstances. Secondary dwellings provide added housing without the added land cost, and therefore are often affordable to very low, low, and moderate income households.</p>	<p>Dwelling Ordinance update. This update encourages development of accessory dwellings.</p>	
<p><b>Program HE 1.E: Review existing ordinances for possible amendments to Farm Support Quarters, with special emphasis on Group Quarters.</b></p> <p>Description: Revise existing Farm Support and/or Group Quarters ordinances. For example, the maximum distance to site group quarters from a worksite is currently five miles. This requirement could be modified to increase this distance if growers provide transportation to employees.</p> <p>Purposes: To encourage development of new housing for farm workers. Farm support quarters provide on-site housing for farm workers in Agriculture and Rural Lands land use categories. Group quarters can provide larger dormitory style housing for farm workers. Farm worker housing representatives met with County staff in 2008 to discuss possible amendments to the farm support and group quarters ordinances. Growers may rely more heavily on temporary farm workers through use of the federal H-2A program over the next five years. The H-2A program provides seasonal farm workers, however growers must provide these workers</p>	<p>The County has amended standards for agricultural worker dwelling permitting through the Agricultural Worker Dwelling Ordinance update. This update encourages development of agricultural worker dwellings, such as group quarters.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>meals, transportation, and housing. Amendments to farm support and group quarters could provide more flexibility for the provision of farm worker housing in the County, some of which might be provided under the H-2A program. The County will also consider and evaluate potential stock plans for group quarters.</p>		
<p><b>Program HE 1.F: Review and update residential development standards.</b></p> <p>Description: From time-to-time, review development standards for housing, and as needed, update those standards to encourage the development of high-quality neighborhoods. Standards to be considered may be community-based or countywide. The type standards to be considered may include:</p> <ul style="list-style-type: none"> <li>• residential density standards based on floor area ratio or site coverage instead of housing units</li> <li>• reduced minimum site area for new mobile home parks (currently five acres)</li> <li>• appropriate densities based on proximity to services, schools, parks, transportation and job centers</li> <li>• amenities, such as usable open areas, private outdoor areas and aesthetics</li> <li>• connectivity to adjacent neighborhoods</li> <li>• variety in housing types (including mobile home parks, small lot single family detached and attached developments, cohousing, rooming houses and residential hotels)</li> <li>• variety in unit sizes, including small studio apartments (Single Room Occupancy - SRO)</li> </ul>	<p>The County amended the San Miguel Community Plan in 2016 to allow for residential or residential/commercial mixed-use development in commercial land use categories through approval of a use permit. However, countywide updates are still pending.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<ul style="list-style-type: none"> <li>• variety in building heights</li> <li>• parking adjustments</li> <li>• incentives for projects providing housing affordable to households earning between 120 and 160 percent of county median income (“workforce household”).</li> </ul> <p>Purposes: The primary purpose for revisiting multi-family development standards is to provide opportunities to meet the Housing Element goal in an ever-changing setting, which may include the economy, resource limitations, demographic changes, or environmental impact mitigation. Some regulations may be outdated, ineffective, or result in an inefficient use of land. For example, although densities up to 26 or 38 units per acre are allowable in many locations, these densities are often not achieved due to other development standards that limit building placement or size.</p>		
<p><b>Program HE 1.G: Provide direct financial assistance for housing.</b></p> <p>Description: Continue to provide direct financial assistance for acquisition and development of affordable housing, most of which is rental housing. New or revised rating criteria will address whether housing projects include extremely low income units, giving extra points to these projects upon review and recommendation for grant funding each year. Additionally, rental assistance and First Time Homebuyer loans for very low income and low-income households will continue.</p> <p>Purposes: Direct financial contributions make the provision of affordable housing feasible, and in exchange the County requires</p>	<p>County Title 29 funds included a single large fee payment from a development project and the funds were used to support a large project in Arroyo Grande developed by the Housing Authority of San Luis Obispo (South Halcyon Road Apartments – 20 dwelling units) rather than several smaller projects. As more Title 29 funds are accumulated, additional projects can be supported. Also, additional funding may arise from the updated in-lieu fee schedule and from the Permanent Local Housing Allocation fund.</p> <p>The County used funds from repaid 2006 and 2011 CalHOME loans to provide five (5) First Time</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>that long-term affordability be assured through special agreements. In addition, it allows the County to require priority for local residents and locally employed persons to rent or purchase the resulting housing units. The County has the ability to allocate federal grants each year for affordable housing because it is an "entitlement" grantee under the U.S. Department of Housing and Urban Development's (HUD's) Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Programs.</p>	<p>Homebuyer loans. Since 2016, the First Time Homebuyer program is no longer offered to the general public, but is open for qualified applicants who contribute "sweat equity".</p> <p>Between 2014 and 2019, the County used federal HOME funds to support affordable housing projects. Some of these projects also addressed special needs groups. These projects are both within the unincorporated county and incorporated cities. The Rolling Hills 2 project created 30 dwelling units for rental and the Templeton Place 2 project created 36 dwelling units for rental to seniors in the unincorporated Community of Templeton. Seven (7) additional construction and rehabilitation projects were supported in incorporated cities that created 165 rental dwelling units, 40 senior rental dwelling units, and 17 ownership dwelling units. The affordable housing projects are listed below.</p> <ul style="list-style-type: none"> <li>• Rolling Hills 2 Apartments in Templeton (30 dwelling units)</li> <li>• 860 On-The-Wye Apartments in San Luis Obispo (20 dwelling units)</li> <li>• Oak Park 3 Apartments in Paso Robles (75 dwelling units)</li> <li>• Bishop Street Studios in San Luis Obispo (34 dwelling units)</li> </ul>	

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
	<ul style="list-style-type: none"> <li>• Courtyard Apartments in San Luis Obispo (36 dwelling units)</li> <li>• Templeton Place 2 Senior Apartments in Templeton (36 dwelling units)</li> <li>• Vine Street ownership homes in Paso Robles (9 dwelling units)</li> <li>• Brisco Road ownership homes in Arroyo Grande (8 dwelling units)</li> <li>• Rehabilitation of Los Robles Terrace Senior Apartments in Paso Robles (40 dwelling units)</li> </ul>	
<p><b>Program HE 1.H: Provide support to the Housing Trust Fund.</b></p> <p>Description: Support the efforts of the Housing Trust Fund to secure funding for the San Luis Obispo County Affordable Housing Trust Fund.</p> <p>Purposes: Continued support to the trust fund could stimulate development of more affordable housing than available federal and state grants can facilitate alone. The trust fund can assist housing for moderate-income households, in addition to very low and low-income households. A local trust fund may also qualify for matching federal or state funds. The County provides ongoing technical assistance and has made financial contributions totaling more than \$500,000 in the past ten years. This commitment was matched dollar for dollar from other sources.</p>	<p>The County has continued to provide funding to the Housing Trust Fund and has supported its work by sitting on the Housing Trust Fund’s project selection committee.</p>	<p>Modify to account for progress and include as program</p>
<p><b>Program HE 1.I: Provide incentives for mixed use development.</b></p>	<p>The County amended the San Miguel Community Plan in 2016 to allow for residential/commercial mixed-use development in commercial land use</p>	<p>Modify to account for progress and include as program</p>



2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>Description: Explore ways to provide incentives for development of mixed use projects such as reduced or deferred fees and revised ordinance standards for mixed use. The County will consider the relationship between the amount of public benefit (such as reduced traffic and enhanced business viability) and proposed incentives.</p> <p>Purposes: Mixed use development provides opportunities to live, work, and shop in the same neighborhood. Additionally, mixed use encourages walking and cycling, can increase neighborhood safety, and decrease transportation costs for families.</p>	<p>categories through approval of a use permit. However, countywide updates are still pending.</p>	
<p><b>Program HE 1.J: Facilitate affordable housing through advocacy, education, and support.</b></p> <p>Description: Facilitate development of affordable housing by educating advisory committees on the benefits of affordable housing, making strong recommendations to approve applications for affordable housing developments that meet ordinance standards, and by supporting efforts of advocacy groups. Also, promote more efficient use of existing housing that is vacant or underutilized.</p> <p>Purposes: Educating the public and community groups about the benefits of affordable housing may reduce community opposition to affordable housing development. One advocacy group already formed is the "Workforce Housing Coalition" (WHC). The WHC supports housing for households earning less than 160 percent of the county median income.</p>	<p>Working closely with Housing Coalition Partners, the County amended the Inclusionary Housing fee structure in order to generate more funding for affordable housing projects. The County also continues to build partnerships and public awareness by attending the Homeless Services Organization Committee meetings and sitting on the project selection committee for the Housing Trust Fund.</p> <p>In response to public input, the County streamlined the application process for the five (5) housing and homeless services programs it administers. This allows applicants to simultaneously submit applications to all five (5) programs, each of which have the same deadline and many of which share an application. Applications are then reviewed, and awards are announced concurrently.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 1.K: Construct a community sewer system in Los Osos.</b></p> <p>Description: The County Public Works Department is managing construction of a communitywide sewer system in Los Osos.</p> <p>Purposes: To ensure safe and sanitary infrastructure for existing and future development for community residents. The community of Los Osos is home to over 14,000 residents, and no public sewer system exists. However, a communitywide sewer system has been approved and the County Public Works Department is currently overseeing the construction of the project at this time.</p>	<p>The Los Osos Community Sewer System was completed in December 2016, and the community was connected to the sewer system as of March 2017.</p>	<p>Remove</p>
<p><b>Program HE 1.L: Implement the Inclusionary Housing Ordinance requiring development of affordable housing.</b></p> <p>Description: Implement the Inclusionary Housing Ordinance approved in December 2008 by the Board of Supervisors, requiring affordable housing in conjunction with new market-rate housing development and non-residential projects. Staff will prepare a report on an annual basis for the Board of Supervisors to discuss the schedule for phasing in the inclusionary requirement (currently at 4% of the ultimately 20% requirement), annual increases or decreases of fees (i.e. to reflect the cost of construction), and uses/activities undertaken with the fees collected. The report allows the Board to make annual adjustments to the inclusionary requirements based on market conditions. Developers can comply through flexible standards including building units on-site or off-site, by paying in lieu fees, or by donating land.</p>	<p>The County has continued to implement the Inclusionary Housing Ordinance. In addition, the ordinance was updated in 2016 and 2019.</p> <p>The 2016 update changed the focus of the ordinance to workforce housing (housing for households with incomes between 120 and 160 percent of median income in the County).</p> <p>The 2019 update provided the following:</p> <ul style="list-style-type: none"> <li>• The Board of Supervisors will review and revise the in-lieu fee schedule once every five (5) years instead of every year.</li> <li>• Developers who provide affordable housing instead of paying the in-lieu fee shall designate eight percent (8%) of the project's dwelling units as affordable housing and will have the option of bonus market-rate dwelling units.</li> </ul>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p>Purposes: Inclusionary housing will ensure that some affordable housing will be provided in the unincorporated areas of the county to meet a portion of the identified housing need.</p>	<ul style="list-style-type: none"> <li>The current in-lieu fee schedule was amended to increase the revenue stream as follows: (1) In-lieu fees apply to all new dwelling units rather than to projects with two or more new dwelling units and (2) in-lieu fees apply only to larger dwellings (2,200 square feet or more).</li> </ul>	
<p><b>Program HE 1.M: Respond to inquiries and complaints related to fair housing laws.</b></p> <p>Description: Provide information on the County’s website about fair housing and respond to inquiries from the public. Additionally, the County will refer discrimination complaints to appropriate agencies such as California Rural Legal Assistance.</p> <p>Purposes: To ensure equal housing opportunities that prohibit discrimination in housing based on the basis of age, race, color, religion, sex, national origin, disability, and familial status.</p>	<p>The County has continued to refer complaints relating to fair housing to appropriate agencies, including the California Rural Legal Assistance (“CRLA”). CRLA submits quarterly reports on the number and type of fair housing cases handled and its public outreach efforts. In Fiscal Year 2017-2018, CRLA handled 31 fair housing cases, of which 7 required extensive services (e.g. evictions, court appearances).</p> <p>The County contracted with CRLA to run a rental clinic using funding provided by the County Superior Court. The clinic ran from 2014 to 2019. CRLA also provided training sessions and an annual Fair Housing Training Conference.</p>	<p>Modify to account for progress and include as program</p>
<p><b>Program HE 1.N: Amend ordinances to facilitate development of senior-friendly communities.</b></p> <p>Description: Amend ordinances and the General Plan to facilitate development of senior-friendly communities and housing suitable for the County’s aging population.</p> <p>Purposes: To provide more housing choices that meet the needs and preferences of seniors.</p>	<p>The County has not made ordinance amendments in accordance with this program. Housing that better serve seniors continues to be a priority.</p>	<p>Include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 2.A: Rehabilitate housing units.</b></p> <p>Description: Finance the rehabilitation of 28 existing housing units occupied by very low or low-income households through its CDBG and HOME programs over the next five years.</p> <p>Purposes: Enable existing very low and low income homeowners to retain their homes and enjoy safe and decent housing. Renters may benefit if landlords use County-provided financing to rehabilitate their housing. Improving housing in a neighborhood through these programs encourages other property owners to maintain their homes, thereby preventing the decline of the entire neighborhood. The estimate of 40 housing units is based on historical performance of the County’s CDBG and HOME programs, as well as the improved conditions of housing in the updated housing conditions survey.</p>	<p>The County has utilized a mixture of Community Development Block Grant, HOME Investment Partnership, and Inclusionary Housing funds to rehabilitate housing, provide home rehabilitation loans, and make sewer access available to facilitate safe and decent housing conditions in the unincorporated county.</p> <p>Through the Community Development Block Grant program, since 2014, the County awarded grants to 33 lower-income homeowners to help with home repairs. Such funds were used to rehabilitate housing for transitional-age youth through the Family Care Network, with five (5) dwelling units rehabilitated at the agency’s Estelita Avenue building and four (4) dwelling units rehabilitated at the agency’s Elm Street building. Also, the funds were used as part of the Los Osos community sewer project, which provided funds for 39 low-income residents to access sewer hook-ups.</p> <p>HOME Investment Partnership funds were used on a rehabilitation project at the Los Robles Senior Apartments to create 40 dwelling units.</p> <p>In partnership with Family Care Network, Inclusionary Housing funds were used to rehabilitate six (6) dwelling units at the agency’s Longbranch Avenue building and four (4) dwelling units at the agency’s Elm Street building, all serving transitional-age youth.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 2.B: Create a new Mobile Home Park land use category.</b></p> <p>Description: Create a new land use category for mobile home parks (Note: The State describes a manufactured housing community where spaces are rented or leased as a “mobile home park”).</p> <p>Purposes: Mobile home parks provide affordable housing options to residents, and are a vital component of the affordable housing stock in the county. A land use category specifically addressing mobile home parks would provide more certainty that the existing parks would not be converted to another use. Additionally, it may be possible to apply the mobile home park land use category to vacant sites to promote development of new mobile home parks.</p>	<p>The County has not created a Mobile Home Park land use category. However, mobile homes and mobile home parks continue to be allowed in residential land use categories.</p>	<p>Remove</p>
<p><b>Program HE 2.C: Implement the Mobile Home Park Closure Ordinance.</b></p> <p>Description: Implement the mobile home park closure ordinance adopted in 2008 by the Board of Supervisors.</p> <p>Purposes: Preserve the County’s stock of mobile home parks. Mobile home parks provide much of the county’s supply of affordable housing, consisting of approximately 2,501 mobile home spaces in 40 mobile home parks. The closure ordinance provides financial compensation to mobile home residents in the event of closure, and gives decision makers the necessary information to base approvals for closures.</p>	<p>There have not been any opportunities to implement this ordinance, since no mobile home parks closed during the last Housing Element period.</p>	<p>Modify to account for progress and include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 2.D: Implement the Condominium Conversion Ordinance.</b></p> <p>Description: Implement the condominium conversion ordinance adopted in 2008 by the Board of Supervisors. This will ensure that the rental stock does not diminish and will provide some affordable housing when apartments are converted.</p> <p>Purposes: To limit the number of rental units lost to conversions annually by allowing only a portion of the total rental units constructed in the previous year to be converted in the following year. The ordinance requires an owner to set aside a portion of the converted units for affordable housing, and provides assistance to displaced residents.</p>	<p>The Condominium Conversion Ordinance is currently in effect and has limited the conversion of rental units to condominiums to a minimum.</p>	<p>Remove</p>
<p><b>Program HE 3.A: Revise the General Plan and ordinances to address group homes (Residential Care Facilities).</b></p> <p>Description: Review the Group Home (Residential Care Facilities) standards in the General Plan and ordinances, and then make revisions if the County determines that changes are necessary. Review and amend ordinances as needed to make the definition of "family" consistent with federal and state fair housing law.</p> <p>Purposes: Remove governmental barriers for the development of group homes. Group homes are residential facilities primarily designed to assist children and adults (including elderly) with chronic disabilities including persons experiencing physical disabilities, mental disorders, and addiction. Group homes can provide a sense of community and continuous supervision or care.</p>	<p>The County has not implemented this program since the adoption of the previous housing element.</p>	<p>Include as program</p>

2014-2019 Housing Element Program	Result and Evaluation	Remove or Include as Program in 2020-2028 Housing Element
<p><b>Program HE 3.B: Provide housing opportunities and services to help reduce homelessness.</b></p> <p>Description: Continue allocating and administering the HOME and Emergency Solutions Grant (ESG) funded Tenant Based Rental Assistance (TBRA) programs and the Continuum of Care program for homeless and those at risk of becoming homeless.</p> <p>Purposes: The TBRA programs provide deposits, rental assistance, case management, and other financial assistance services for homeless and those at risk of becoming homeless. While the funds are temporary, they house people in permanent housing situations and typically provides assistance long enough for people to obtain other income for housing (between 1 to 6 months on average). The Continuum of Care program provides financial assistance and supportive services for 32 people in permanent supportive housing and 20 people in transitional housing.</p>	<p>The County has allocated funds from several sources to support services that assist persons experiencing or at risk of experiencing homelessness. The entirety of the County's Emergency Services Grant funds and \$253,000 of the County's general fund currently serves this purpose, as well as 15 percent (15%) of the County's and incorporated cities' Community Development Block Grant funds. Community Development Block Grant funds were used to support construction of the 40 Prado countywide homeless services campus.</p> <p>The County Department of Planning and Building has provided program management support to homeless services by developing a Continuum of Care and HMIS. The implementation of these programs was later transferred to the County Department of Social Services. Additionally, the County Department of Planning and Building assists the County Department of Social Services in administering housing that supports homeless shelters and transitional housing.</p>	<p>Modify to account for progress and include as program</p>
<p>Source: County of San Luis Obispo 2014-2019 Housing Element</p> <p>Note: The programs listed in this table are included verbatim, and as such, any references are directed towards the 2014-2019 Housing Element.</p>		





# CHAPTER 6: HOUSING NEEDS ASSESSMENT

## OVERVIEW

This chapter provides information on trends and interrelationships between people, economy, and housing stock. Several general conclusions can be drawn from this information:

- Home prices have increases since the previous Housing Element period.
- Resource limitations, especially water resources, continue to impact the development and location of housing.
- The unincorporated county's population is growing older. The housing supply should account for this by providing designs and accommodations preferred by seniors.
- The number of larger households has increased slightly since the previous Housing Element period.
- Attached housing is a viable option for many residents. These are generally developed at higher densities with lower land cost per dwelling unit.
- Residential developments should be located in close proximity to services and jobs. When people live closer to work, school, shops, and amenities, overall quality of life can improve. This may be due to reductions in travel expenses, travel times, energy consumption, traffic congestion, and infrastructure costs.

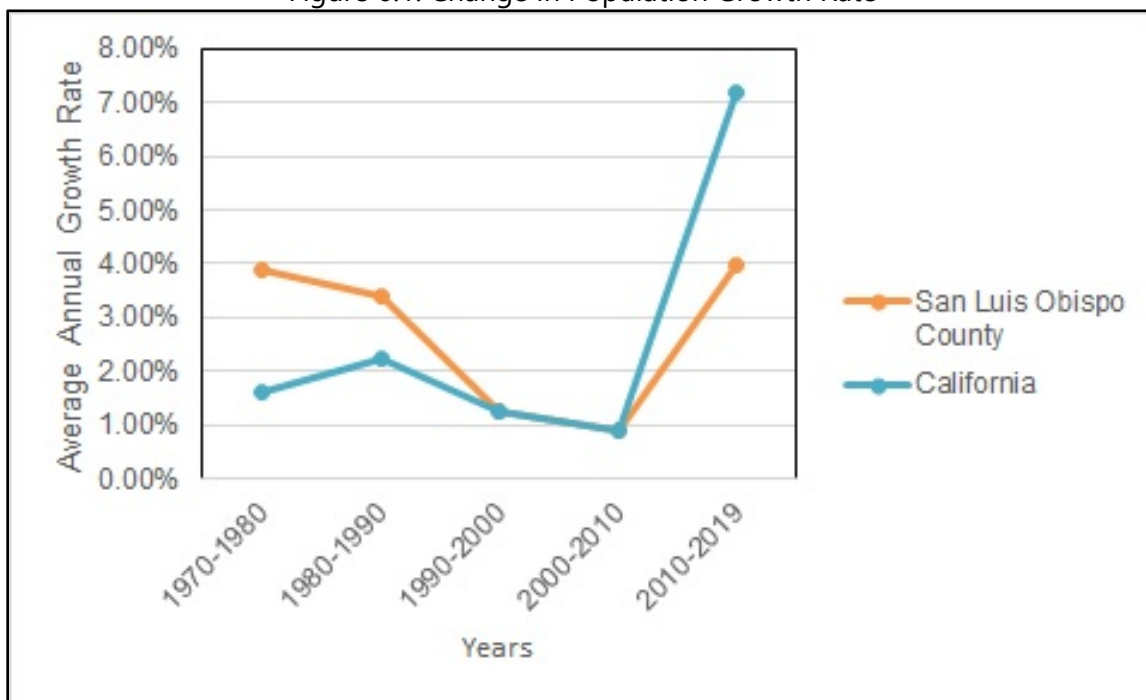
The housing needs assessment informed the preparation of the objectives, policies, and programs in Chapter 4.

## POPULATION, EMPLOYMENT, AND HOUSING TRENDS

### Populations Trends

The average annual growth rate for the unincorporated county and San Luis Obispo County as a whole from 2010-2019 has been four (4) percent, an increase from the approximately one (1) percent rate during the 2000-2010. Figure 6.1 shows state and countywide population growth rates since 1970.

Figure 6.1: Change in Population Growth Rate



Source: US Census, 1970, 1980, 1990, 2000, and 2010, CA DOF 2019 Population and Housing Estimates.

- Between 1980 and 1990, San Luis Obispo County's population increased by 40 percent, from 155,435 to 217,162 residents.
- Between 1990 and 2000, San Luis Obispo County's population increased by 14 percent, to a total of 246,681 residents.
- Between 2000 and 2010, San Luis Obispo County's population increased by nine (9) percent, to a total of 269,637 residents.
- Between 2010 and 2019, San Luis Obispo County's population increased by four (4) percent, to a total of 280,393 residents.

Table 6.1 shows population growth countywide from 1960-2019.

Table 6.1: U.S. Census Population Estimates, San Luis Obispo County, 1960-2019

	1960	1970	1980	1990	2000	2010	2015	2016	2017	2018	2019
Incorporated Cities											
Arroyo Grande	3,291	7,454	11,290	14,378	15,641	17,078	17,524	*	*	*	*
Atascadero	5,983	10,290	16,232	23,138	24,945	26,986	27,366	*	*	*	*
Grover Beach	1,317	2,564	4,551	11,656	12,941	12,967	13,142	*	*	*	*
Morro Bay	3,692	7,109	9,163	9,664	10,152	10,073	10,152	*	*	*	*
Paso Robles	6,677	7,168	9,163	18,583	23,370	29,624	30,522	*	*	*	*
Pismo Beach	3,582	4,043	5,364	7,669	8,524	7,642	7,757	*	*	*	*
San Luis Obispo	20,437	28,036	34,252	41,958	42,312	43,937	44,668	*	*	*	*
<b>Total Incorporated (Includes group quarters)</b>	<b>44,979</b>	<b>66,664</b>	<b>90,015</b>	<b>127,046</b>	<b>137,885</b>	<b>148,307</b>	<b>151,131</b>	*	*	*	*
Unincorporated Communities											
Avila Beach	550	400	963	873	797	1,464	1,508	*	*	*	*
Cambria	1,260	1,716	3,061	5,382	6,232	6,020	6,096	*	*	*	*
Cayucos	1,400	1,772	2,301	2,960	2,943	2,541	2,553	*	*	*	*
Baywood/Los Osos	1,480	3,487	10,933	14,377	14,351	13,908	13,988	*	*	*	*
Nipomo	5,210	5,939	5,247	7,109	12,626	15,267	15,725	*	*	*	*
Oceano	2,430	3,642	4,478	6,169	7,228	7,108	7,322	*	*	*	*
San Miguel	910	808	803	1,123	1,427	2,337	2,451	*	*	*	*
Santa Margarita	630	726	887	1,173	1,279	1,259	1,281	*	*	*	*
Shandon	*	*	*	*	979	1,295	1,347	*	*	*	*
Templeton	950	743	1,216	2,887	4,687	6,976	7,184	*	*	*	*
<b>Total Unincorporated (Includes group quarters)</b>	<b>36,065</b>	<b>39,026</b>	<b>65,420</b>	<b>90,117</b>	<b>103,980</b>	<b>121,330</b>	<b>120,333</b>	<b>120,655</b>	<b>120,839</b>	<b>121,504</b>	<b>121,855</b>
<b>Total County</b>	<b>81,044</b>	<b>105,690</b>	<b>155,435</b>	<b>217,162</b>	<b>246,681</b>	<b>269,637</b>	<b>277,219</b>	<b>278,405</b>	<b>279,538</b>	<b>280,048</b>	<b>280,393</b>
Sources: U.S. Census for 1960-2010. California 2019 DOF Population and Housing Estimates for 2015-2019.											
Note: * Denotes data not available.											

In 2019, the unincorporated county had a population of 121,855 residents. The population growth reflects a strong in-migration of affluent, retired people; a drop in the natural birth rate; and an exodus of young professionals with families. Up to 80 percent of the unincorporated county's population growth since 1990 was attributed to in-migration according to the San Luis Obispo Council of Governments' Regional Growth Forecast 2050. Although births are projected by the Department of Finance to increase, net migration should continue to make up a higher percentage of the unincorporated county's growth rate for years to come.

Table 6.2 shows population for the unincorporated county by age.

Table 6.2: Population by Age, Unincorporated County, 2017

Age Group	Population Estimate
0-9 years	11,241
10-19 years	18,509
20-24 years	9,184
25-34 years	11,652
35-44 years	12,389
45-54 years	15,139
55-59 years	9,616
60-64 years	9,656
65-74 years	15,109
75-84 years	6,747
85+ years	2,551

Source: 2013-2017 American Community Survey (S0101).

According to a report by the National Association of Home Builders (2019 Fourth Quarter Housing Opportunities Index), only 16.5 percent of families can afford to purchase a median priced home in San Luis Obispo County. This can cause young workers and families to leave the San Luis Obispo County to find higher paying jobs and more affordable housing elsewhere. However, many people, particularly retiring, affluent "baby-boomers" from larger metropolitan areas, are attracted to San Luis Obispo County's natural beauty, its central location between large population centers, and the fact that housing is relatively more affordable here when compared to other coastal counties.

Table 6.3 shows population projections through the year 2050.

Table 6.3: Population Projections, 2015-2050

Jurisdictions	2015	2020	2025	2030	2035	2040	2045	2050
Arroyo Grande	17,678	18,288	18,956	19,505	19,930	20,158	20,293	20,449
Atascadero	30,401	31,384	32,240	33,043	33,703	34,063	34,278	34,538
Grover Beach	13,340	13,751	14,183	14,536	14,804	14,934	15,001	15,091
Morro Bay	10,640	11,025	11,401	11,715	11,961	12,092	12,169	12,261
Paso Robles	31,348	32,755	34,314	35,582	36,561	37,130	37,487	37,858
Pismo Beach	8,068	8,642	9,122	9,486	9,753	9,901	9,989	10,079
San Luis Obispo	45,950	47,214	48,601	49,759	50,659	51,105	51,347	51,672
Incorporated Cities Total	157,425	163,059	168,817	173,626	177,371	179,383	180,564	181,948
Unincorporated County Total	118,950	123,597	128,279	132,066	134,975	136,539	137,461	138,534
Regional Total	276,375	286,656	297,096	305,692	312,346	315,922	318,025	320,482
Sources: San Luis Obispo Council of Governments, Regional Growth Forecast 2050. 2019 (Figure 116). U.S. Census Bureau, 2010 Census. State of California Department of Finance 2015. Beacon Economics.								

As detailed in Table 6.4, the unincorporated areas of San Luis Obispo County are majority white, with 88.4 percent of the population identifying this way in the 2014-2018 American Community Survey (“ACS”). Additionally, 22.6 percent of the population in the unincorporated County area are Hispanic. The ACS’s questions regarding race and ethnicity provide the opportunity for respondents to self-identify sub-group identities within the racial and ethnic categories; 86 percent of respondents who identified as Hispanic also identified as Mexican within the survey sub-groups. Just over five percent of the population are Asian, with the largest sub-groups identifying as Filipino or Chinese.

Table 6.4: Race and Ethnicity

Race or Ethnic Group	Number	Percentage
White	108,185	88.4%
Black or African American	3,656	3.0%
American Indian and Alaska Native	2,356	1.9%
Asian	6,785	5.5%
Native Hawaiian and Other Pacific Islander	327	0.3%
Two or more races	3,136	2.6%
Some other race	5,914	4.8%
Hispanic or Latino	27,631	22.6%
Total population	122,317	
Source: 2014-2018 American Community Survey		
Note: Hispanic or Latino category is counted separately and in addition to other categories.		

### Employment Trends

The unemployment rate for San Luis Obispo County is low when compared to the unemployment rate for the State of California and nation. Based on reporting by the State of California Employment Development Department (“EDD”), the unemployment rate for San Luis Obispo County was about two (2) percent in September 2019. For reference, the unemployment rate was about four (4) percent for the State of California and was about three (3) percent for the nation (EDD California Labor Market Information Division, 2019).

As of 2017, by far, the largest industry (based on employment) in San Luis Obispo County is educational services, health care, and social assistance, which accounted for nearly 24 percent of jobs. In contrast, the second largest industry is arts, entertainment, recreation, and accommodation and food services, which accounted for approximately 13 percent of jobs. The smallest industry, information, only accounted for two percent of jobs. Table 6.5 shows the industries in San Luis Obispo County, along with employment data for those industries.

Table 6.5: Employment by Industries in San Luis Obispo County (2017)

Industry	Countywide		Unincorporated County	
	Number of Employees	Percent	Number of Employees	Percent
Agriculture, forestry, fishing and hunting, and mining	4,480	3.5%	2,924	5.7%
Construction	10,235	7.9%	5,293	10.4%
Manufacturing	8,841	6.9%	3,150	6.2%
Wholesale trade	2,820	2.2%	1,098	2.2%
Retail trade	14,851	11.5%	5,628	11.1%
Transportation and warehousing, and utilities	5,845	4.5%	2,292	4.5%
Information	2,012	1.6%	604	1.2%
Finance, insurance, real estate, and rental and leasing	5,842	4.5%	2,636	5.2%
Professional, scientific, management, administrative, and waste management services	13,821	10.7%	5,579	11%
Educational services, health care and social assistance	30,501	23.6%	10,782	21.2%
Arts, entertainment, recreation, and accommodation and food services	16,229	12.6%	5,468	10.7%
Other services (except public administration)	6,676	5.2%	2,689	5.3%
Public administration	7,124	5.5%	2,772	5.4%
Total (Civilian employed population 16 years and over)	121,788	100%	50,915	100%
Source: 2013-2017 American Community Survey (DP03).				

## Housing Costs and Income

As the national economy began to recover from the recession, housing costs in San Luis Obispo County did not hit a low until the third quarter of 2011. A year later, housing costs had increased by 10 percent. The costs of housing has increased from 2012 to 2019 with a change in median home values (countywide) from \$410,900 to \$708,954, a 74 percent increase (HUD 2013 and San Luis Obispo Association of Realtors 2019).

Table 6.6 shows the mean hourly and annual worker wages for San Luis Obispo County as of the first quarter of 2019. Since 2013, there has been a 14.5 percent increase in mean wages for San Luis Obispo County. The mean wage in 2019 was \$51,691, which is similar to the mean wages in nearby regions (Kern, Monterey, Santa Barbara, Santa Cruz, and Ventura), but lower than the Southern California region (approximately \$56,000) and significantly lower than the Bay Area region (approximately \$77,000). The highest wages were in the following industries: management (\$106,994), architecture and engineering (\$96,176), and technical and healthcare practitioners (\$94,772). Annual wages in food preparation and serving (\$28,682), farming, fishing, and forestry (\$29,138), and personal care (\$29,476) were the lowest. Salaries for some industries, such as food preparation and service (\$28,682), sales (\$39,633), office support (\$40,521), and farming (\$29,138) were much higher in 2019 (EDD, 2019).

Table 6.6: Worker Wages in San Luis Obispo County (2019)

Occupational Title	Employment Estimates (May 2018)	Mean Hourly Wage	Mean Annual Wage
Management Occupations	5,720	\$51.44	\$106,994
Business and Financial Operations Occupations	4,220	\$37.88	\$78,787
Computer and Mathematical Occupations	2,510	\$36.77	\$76,479
Architecture and Engineering Occupations	2,070	\$46.24	\$96,176
Life, Physical, and Social Science Occupations	980	\$40.44	\$84,120
Community and Social Services Occupations	1,650	\$29.91	\$62,215
Legal Occupations	690	\$38.45	\$79,969
Education, Training, and Library Occupations	8,150	\$27.36	\$56,904
Arts, Design, Entertainment, Sports, and Media Occupations	1,100	\$26.44	\$55,011
Healthcare Practitioners and Technical Occupations	7,180	\$45.56	\$94,772



Occupational Title	Employment Estimates (May 2018)	Mean Hourly Wage	Mean Annual Wage
Healthcare Support Occupations	2,510	\$19.09	\$39,725
Protective Service Occupations	3,470	\$35.07	\$72,938
Food Preparation and Serving-Related Occupations	14,770	\$13.79	\$28,682
Building and Grounds Cleaning and Maintenance Occupations	4,580	\$16.38	\$34,059
Personal Care and Service Occupations	7,020	\$14.17	\$29,476
Sales and Related Occupations	13,040	\$19.06	\$39,633
Office and Administrative Support Occupations	15,280	\$19.48	\$40,521
Farming, Fishing, and Forestry Occupations	2,770	\$14.01	\$29,138
Construction and Extraction Occupations	5,710	\$27.04	\$56,241
Installation, Maintenance, and Repair Occupations	3,970	\$24.56	\$51,091
Production Occupations	5,270	\$21.03	\$43,746
Transportation and Material Moving Occupations	4,780	\$18.34	\$38,150
Source: State of California Employment Development Department, 2019.			

It is difficult for local employers to attract or retain new workers due, in part, to high housing costs. While employment opportunities have increased, housing costs have increased more significantly. In the past, two (2) local business groups, the Economic Vitality Corporation and the San Luis Obispo Chamber of Commerce, have expressed concern over the loss of qualified workers. Table 6.7 shows changes in median household incomes over the last seven (7) years.

Table 6.7: Median Household Income in San Luis Obispo County

Year	Median Household Income	Change from Previous Year	Percentage of Change from Previous Year
2019	\$87,500	\$4,300	5.2%
2018	\$83,200	\$0	0.0%
2017	\$83,200	\$6,100	7.9%
2016	\$77,100	\$0	0.0%
2015	\$77,100	\$100	0.1%
2014	\$77,000	\$6,100	8.6%
2013	\$70,900	-\$4,500	-6.0%
2012	\$75,400	\$1,000	1.3%
2011	\$74,400	\$1,900	2.6%
2010	\$72,500	\$1,700	2.4%
2009	\$70,800	\$3,800	5.7%
2008	\$67,000	\$2,800	4.4%
2007	\$64,200	\$400	0.6%
Source: HUD and HCD, 2015-2019.			

Table 6.8 shows number of households by tenure and income range. Among renter households, the largest income group earns between \$50,000 to \$74,999; while among owner households, the largest income group earns between \$100,000 to \$149,999. When examining both renter and owner households, the largest income group earns between \$50,000 to \$74,999. Renter households are significantly overrepresented among households earning between \$5,000 to \$9,999, when compared to the number of owner households within the same income range.

Table 6.8: Number of Households by Tenure and Income Range  
in San Luis Obispo County (2017)

Income Range	Renter Households	Owner-Occupied Households	Total Households
Less than \$5,000	2,318	1,098	3,416
\$5,000 to \$9,999	2,173	614	2,787
\$10,000 to \$14,999	3,027	1,617	4,644
\$15,000 to \$19,999	2,136	1,496	3,632
\$20,000 to \$24,999	2,143	2,035	4,178
\$25,000 to \$34,999	4,539	3,675	8,214
\$35,000 to \$49,999	6,365	5,859	12,224
\$50,000 to \$74,999	8,065	10,592	18,657
\$75,000 to \$99,999	4,559	9,378	13,937
\$100,000 to \$149,999	4,210	14,035	18,245
\$150,000 or more	2,457	12,653	15,110
All Income Ranges	41,992	63,052	105,044

Source: 2013-2017 American Community Survey (B25118).

### Housing Construction Trends

Between 2014 and 2018, the County approved the construction of 1,864 housing units, 517 housing units more than the County's assigned RHNA Allocation of 1,347 housing units for the 2014-2019 planning period. However, 1,567 of the units were for above moderate income households, and only 297 of the units were for lower income and moderate income households. Although the overall fair share number of housing units was built, the number of units by income level remains unaddressed. At the end of the 2014 to 2019 planning period, the County had a remaining balance of 284 very low income, 122 low income, and 81 moderate income housing units that remain unbuilt. The largest number of units was built in 2017, when 442 housing units were constructed. In general, the County approved approximately 320 to 440 housing units per year.

Between 2000 and 2010, about 14,000 residential units were added to the county as a whole. Most of the growth was in the first seven years. This is evident in the construction permit activity in the

unincorporated portion of the county. Construction of new housing units in the unincorporated county peaked in 2004, when approximately 1,200 units were constructed. In 2008, fewer than 800 housing units were constructed, and in 2012 only 221 units were completed. This indicates a lag in new residential construction as the economy began recovering from the recession. AECOM (report for SLOCOG, 2011) projects residential development, countywide, will average 1,050 units per year for the next several years. Single family detached homes account for 68 percent of the housing inventory for the county as a whole (down from 84 percent in 2000). From 2003 through 2010, multifamily units accounted for only 3 to 6 percent of all units built during that period. More recently, that has increased closer to prerecession percentages. A number of factors that impede the rate of residential construction in the county include:

- Regional shortages of available water
- A need for key infrastructure development, such as sewers
- An abundance of natural habitats, natural resources areas, and agricultural production areas that are protected by government policies and regulations
- High land costs
- High construction costs
- New financing regulations
- Concerns about Homeowner Association rules and viability
- Concerns about growth impacts in some communities
- Impediments to development of affordable multifamily projects such as construction defect/legal liability (and the resulting lack of insurance) and community opposition to high-density housing

## HOUSEHOLD CHARACTERISTICS

### Household Growth

In 2017, the unincorporated county was home to 41,643 households, consisting of 71 percent owner-occupied units and 29 percent renter-occupied units (2013-2017 ACS 5-Year Estimate: Table B25003). This is a three percent change compared to the number of households in 2010. Table 6.9 shows household growth in the unincorporated county from 2000 to 2010 and from 2010 to 2017.

Table 6.9: Household Growth in the Unincorporated County

Year	Households	Growth Change	Percent Change
2017	41,643	1,266	3.2%
2010	40,377	5,081	1.4%
2000	35,296	5,894	2.0%

Sources: U.S. Census 2000 and 2010. 2013-2017 American Community Survey (B25003).

The average household size countywide in 2019 was 2.45 persons, a slight decrease from 2010 when there were 2.48 persons per household (U.S. Census). It is anticipated that this declining rate will continue in coming years due to the increase in the retirement age group, thereby creating a higher demand for housing units.

### Overcrowding

A housing unit is considered overcrowded when there is more than one person for each room in the house. When there are more than 1.5 persons per room, the housing unit is considered "severely" overcrowded. Based on the 2013-2017 American Community Survey, there were 1,876 overcrowded housing units in the unincorporated portions of the county (or 3.7 percent of all occupied units). Just over one (1) percent of the occupied units in the unincorporated areas of the county were severely overcrowded. Also, as shown in Table 6.10, overcrowding is higher in rental occupancy than owner occupancy.

Table 6.10: Overcrowded Housing Units  
in the Unincorporated County (2013-2017)

Occupants per Room	Owner Occupied		Renter Occupied		Total Overcrowded	
	No. of Units	Percent	No. of Units	Percent	No. of Units	Percent
0.5 or less	27,063	78.7%	7,854	54.4%	34,917	71.5%
0.51 to 1.00	6,704	19.4%	5,338	37%	12,042	24.6%
1.01 to 1.50	389	1.1%	744	5.2%	1,133	2.3%
1.51 to 2.00	168	0.5%	403	2.8%	571	1.2%
2.01 or more	69	0.2%	103	0.7%	172	0.4%
<b>Total</b>	<b>34,393</b>	<b>100%</b>	<b>14,442</b>	<b>100%</b>	<b>48,835</b>	<b>100%</b>
<b>Total Overcrowded 1.01 or more</b>	<b>626</b>	<b>1.8%</b>	<b>1,250</b>	<b>8.7%</b>	<b>1,876</b>	<b>3.8%</b>
<b>Total Severely Overcrowded 1.5 or more</b>	<b>237</b>	<b>0.7%</b>	<b>506</b>	<b>3.5%</b>	<b>743</b>	<b>1.5%</b>
Source: 2013-2017 American Community Survey (B25014).						

### Overpayment

In 2015, about 49 percent of renters in the unincorporated portions of the county paid more than 30 percent of their income on housing. Comparatively, about 34 percent of homeowners paid more than 30 percent of their income on housing. Table 6.11 shows the percentage of households overpaying for housing for various income groups.

Table 6.11: Overpayment for Housing in the Unincorporated County (2015)

Income Level	Number of Households	Number of Overpaying Households	Percentage
Owner Households			
Extremely Low	2,365	1,810	76.5%
Lower	8,340	1,700	20.4%
Owner Total	28,710	9,800	34.1%
Renter Households			
Extremely Low	2,485	1,900	76.5%
Lower	7,655	1,870	24.4%
Renter Total	12,910	6,326	49%
Total			
Total	41,620	16,126	38.8%
Source: 2011-2015 CHAS.			

In 2019, the median monthly rent for a two-bedroom apartment was \$1,795, and the average monthly rent for the same type of unit was \$2,046. Table 6.12 shows both the median and average monthly rents by bedroom number in San Luis Obispo County for 2019.

Table 6.12: Apartment and House Rentals in the Unincorporated County

	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Median	\$1,548	\$1,795	\$2,575	\$3,000
Average	\$1,603	\$2,046	\$2,787	\$3,405
Number of Units	6	26	28	9
Source: Zillow.com, September 2019.				

Home values increased every year since 2014 with a median value in the county in 2019 of \$708,954. In 2012, the median home value was \$410,900 (San Luis Obispo County 2014-2019 Housing Element), 73 percent less than the median value of \$708,954 in 2019. Table 6.13 shows

the median home values in the unincorporated areas of county and for the county overall in 2018 and 2019.

Table 6.13: Home Sales in the Unincorporated County

Area	Number of Homes Sold		Median Selling Price	
	2018	2019	2018	2019
Avila Beach	7	12	\$1,306,728	\$1,459,006
Cambria / San Simeon	95	72	\$752,568	\$871,964
Cayucos	31	24	\$1,129,339	\$882,167
Creston	6	5	\$721,000	\$991,000
Los Osos	98	89	\$641,943	\$629,770
Nipomo	180	162	\$665,635	\$660,440
Oceano	26	29	\$498,615	\$539,086
Paso (North 46 - East 101)	37	29	\$512,814	\$491,172
Paso (North 46 - West 101)	73	74	\$651,574	\$648,680
Paso (North 46 - East 101)	34	35	\$770,162	\$558,196
Santa Margarita	8	16	\$444,250	\$548,156
Templeton	70	67	\$777,629	\$770,072
Countywide	1,607	1,585	\$691,448	\$708,954

Source: San Luis Obispo Association of REALTORS (published in August/September 2019 SLO LIFE Magazine).

### Extremely Low-Income Housing Needs

Extremely low income (ELI) households earn 30 percent or less of the county median income. The unincorporated county had 4,898 ELI households in 2017 (ACS). The projected housing need for ELI households over the next eight years is 400 additional housing units (half of the very-low income need). ELI households may require rent subsidies such as Section 8 and small housing units such as single room occupancy units to afford living expenses. Additionally, supportive housing may be suitable housing because it provides services in addition to housing. Countywide, 76 percent of ELI households have a cost burden greater than 30 percent of family income.



### **Student Population**

College students make up approximately 11.4 percent of the county’s population, and they compete with the local workforce population for housing. There are about 32,000 students that live in the county attending Cal Poly State University and Cuesta Community College. Cal Poly’s student population is approximately 22,000 (Cal Poly SLO—Quick Facts). Cal Poly had on-campus housing available for 7,700 students in 2019, or enough for approximately 35 percent of the Cal Poly student population. Of Cuesta College’s 12,000 students, approximately 73 percent reside in the county. Cuesta College has no on-campus housing.

## EXISTING HOUSING SUPPLY

This section presents an overview of the unincorporated county housing supply based on housing unit type, condition, vacancy rate, and housing construction activity.

### Housing Unit Types

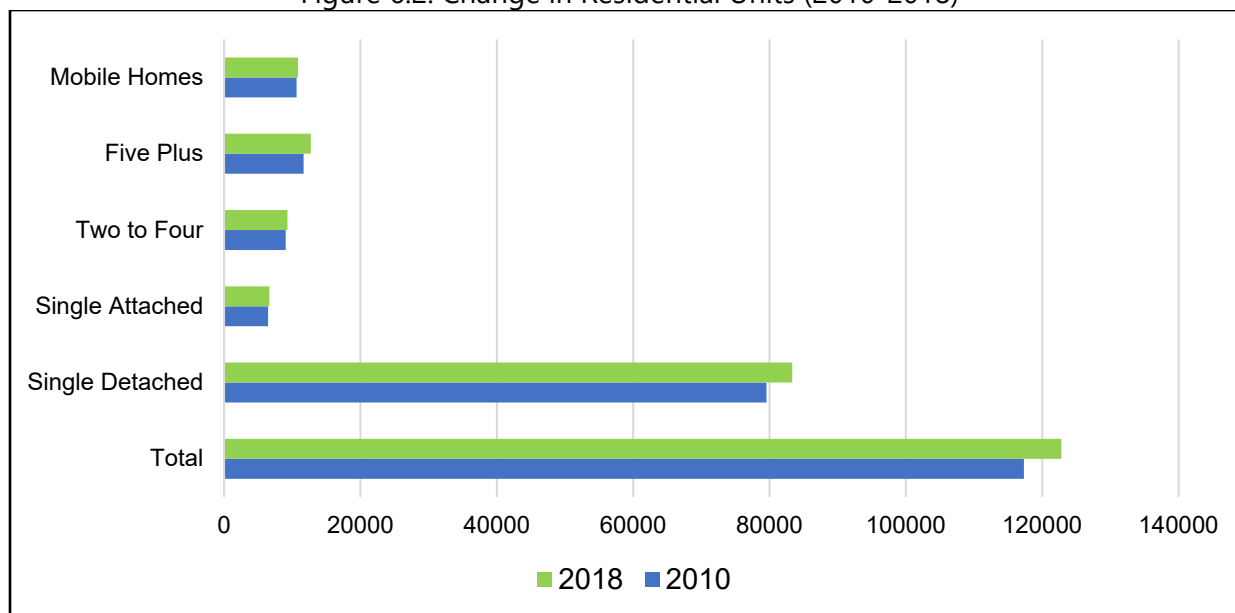
The basic measure of housing supply is the dwelling unit: single-family dwelling, multifamily unit (apartments or condominiums), or manufactured home. While single-family dwellings are the most popular type of housing, manufactured homes and multifamily homes represent a significant portion of the county's housing stock. The majority of housing units produced are detached single-family units. Between 2010 and 2018, this type's share of the total number of units went up 5 percent. The California Department of Finance reports about 51,191 housing units exist in the unincorporated portion of the county. Table 6.14 shows the types of housing units in the county in 2018. Figure 6.2 shows the change in type of unit between 2010 and 2018.

Table 6.14: Housing Units by Type (2018)

Type of Unit	Unincorporated County		Countywide	
	Units	Percent	Units	Percent
Single Family Detached	39,572	77.3%	83,330	67.9%
Single Family Attached	1,493	2.9%	6,633	5.4%
Two to Four Units	2,261	4.4%	9,292	7.6%
Five or More Units	1,390	2.7%	12,718	10.3%
Mobile Homes	6,475	12.6%	10,837	8.8%
<b>Total Units</b>	<b>51,191</b>	<b>100%</b>	<b>122,810</b>	<b>100%</b>

Source: CA Department of Finance, July 2018.

Figure 6.2: Change in Residential Units (2010-2018)



Source: 2010 U.S. Census and CA Department of Finance, July 2018.

### Vacancy Rates

Most of the county's vacant housing stock is in the category of seasonal, recreational, or occasional use units. These units are not available for regular rental use and do little to solve the county's housing problems. There was an overall increase in the number of vacant units in the unincorporated county between 2010 and 2017 and the vacancy rate increased. "Seasonal" vacancy is still the largest sector. However, the number and the units for sale or rent decreased. Tables 6.15 and 6.16 below show the different types of vacant housing units in 2010 and 2017.

Table 6.15: Vacancy Status (2010)

Status	Unincorporated County		Countywide	
	Units	Percent	Units	Percent
For rent	753	1.6%	2,393	2.0%
For sale only	630	1.3%	1,318	1.1%
Rented or sold, not occupied	230	0.5%	475	0.4%
Seasonal, recreational or occasional use	5,559	11.5%	9,269	7.9%
Other	1,001	2.1%	1,844	1.6%
Total vacant units	8,173		15,299	
Vacancy rate		16.8%		13.0%
Vacancy rate minus seasonal, recreational, or occasional		5.4%		5.1%
Total all units	48,550		117,315	

Source: U.S. Census, 2010.

Table 6.16: Vacancy Status (2017)

Status	Unincorporated County		Countywide	
	Units	Percent	Units	Percent
For rent	426	1.2%	1,190	1.0%
For sale only	449	0.89%	826	1.1%
Rented or sold, not occupied	490	0.4%	801	0.2%
Seasonal, recreational or occasional use	6,073	9.4%	9,895	14.6%
Other	1,026	1.8%	1,905	2.5%
Total vacant units	8,603		15,138	
Vacancy rate		20.7%		14.4%
Vacancy rate minus seasonal, recreational, or occasional		6.0%		5.0%
Total all units	41,643		105,044	

Source: 2013-2017 American Community Survey (B25002, B25004).

Vacancy rates are indicators of housing availability. When vacancy rates are high, there is an adequate supply of housing; consequently, prospective owners and renters have a wider variety of choice. With fewer vacancies, the choice of housing is conversely limited; demand for housing exceeds supply and contributes to increases in cost. Extreme vacancy rates can create problems ranging from a critical housing shortage if vacancy rates are too low, to the income loss and maintenance problems associated with high vacancy rates.

In order to ensure adequate choice and availability of housing, while balancing the market for landlords and sellers, the "desirable" rates of vacancy would range between 4 and 6 percent for rental units and 1 and 3 percent for owner-occupied units (according to Federal Housing Administration standards). The Countywide vacancy rate (without seasonal units) in 2017 was five (5) percent, and the rate for the unincorporated county was six (6) percent.

## Housing Conditions

In December 2002, the Department of Planning and Building conducted a housing condition survey of the County's ten urban communities. Approximately 98 percent of housing units in the unincorporated communities were in sound condition. The rating system used for the survey was modeled after one provided by the State of California Department of Housing and Community Development ("HCD"). The system established three levels of housing condition — sound, deteriorating, and dilapidated — based on five exterior components: foundation, roofing, siding, windows, and doors. Sound units require only painting or very minor repairs such as window or door repair and roof patching. Deteriorating units need several nonstructural or at least one structural repair. A dilapidated unit requires replacement of the foundation, roof structure, siding, and windows.

In December 2008, the Department of Planning and Building completed an update to the 2002 housing conditions survey. Deteriorated and dilapidated housing units in Los Osos, Nipomo, Oceano, San Miguel, and Templeton were examined. These five communities had the largest number of deteriorated and dilapidated homes in 2002. The community of Avila Beach has been almost completely rebuilt since 2002, and the communities of Cambria and Cayucos had less than 1 percent of their housing stock in 2002 noted as deteriorated or dilapidated. For the communities updated in 2008, surveyors examined each of the deteriorated and dilapidated units noted in 2002 using the methodology endorsed by HCD on its website to determine housing conditions. The survey consisted of a point system to rate conditions of the roof, foundation, windows, exterior paint/siding, and electrical systems.

In January and February 2014, the Department of Planning and Building completed a survey of the housing units in the five communities evaluated in the 2008 survey. As noted above, these units were those identified as "deteriorated" or "dilapidated" in 2002. Each of the deteriorated or dilapidated units noted in 2008 were included in the 2014 site survey using the methodology "Sample Housing Condition Survey" provided on the HCD website to determine housing conditions. Like the 2008 survey, the 2014 survey consisted of a point system for conditions of the roof, foundation, windows, exterior paint/siding, and electrical systems.

Table 6.17 shows the results of the 2002, 2008, and 2014 housing conditions survey and more recent estimates for the unincorporated county as a whole, based on County code enforcement records. Newer estimates were not available by community.

Table 6.17: Housing Condition Survey

Community	2002	2002	2002	2002	2008	2008	2014	2014	2016	2017	2018	2019
	Units Surveyed	Sound condition	Deteriorated	Dilapidated	Deteriorated	Dilapidated	Deteriorated	Dilapidated	Dilapidated	Dilapidated	Dilapidated	Dilapidated
Avila Beach	355	344	10	1	--	--	--	--				
Cambria	3,908	3,876	30	2	--	--	--	--				
Cayucos	2,368	2,350	17	1	--	--	--	--				
Los Osos	6,261	6,170	88	3	35	18	31	18				
Nipomo	4,485	4,400	80	5	27	7	27	1				
Oceano	2,847	2,749	86	12	37	4	39	2				
San Miguel	515	433	60	22	44	12	30	5				
Santa Margarita	516	489	24	3	--	--	--	--				
Shandon	347	330	9	8	--	--	--	--				
Templeton	1,829	1,778	49	2	12	4	12	2				
Totals	23,431	22,919	453	54	155	45	139	28	13	7	0	3

The purpose of evaluating housing conditions throughout these communities is to identify the neighborhoods where housing is deteriorating to the point that special efforts and funding may be needed to help improve and thus retain housing units. Otherwise, housing may fall into such disrepair that it is no longer habitable.

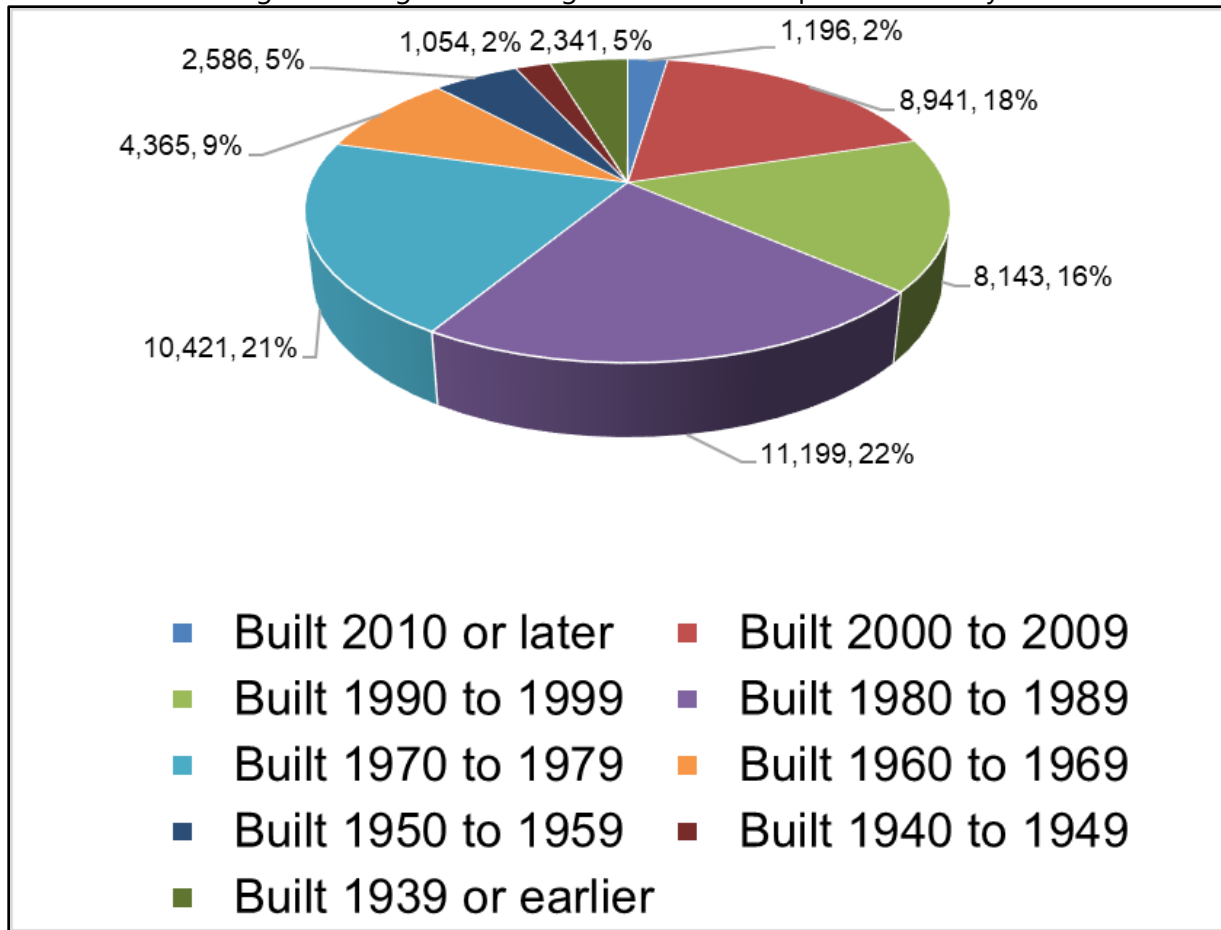
Comparing the survey results from 2002, 2008, and 2014, some patterns emerge. In general, no major changes occurred in the numbers of housing units determined to be deteriorating or dilapidated. The community of San Miguel experienced a temporary reduction in housing units with the removal of 12 older mobile homes (listed as "deteriorated" in 2008) as a mobile home park was being upgraded with newer mobile homes. The remaining units in the "deteriorated" category were upgraded and thus moved into the "sound" category (not shown in Table 6.17). Overall, the number of units listed as "dilapidated" decreased by 17 units. Some of these were demolished due to their poor condition. Others were upgraded and repaired or replaced with new "sound" units, and in limited cases they were replaced with commercial buildings. In 2014 six fewer units were found to be in the "deteriorated" category, largely because they had been repaired and upgraded and were now classified as "sound." What we can see generally is that the condition of the housing stock was relatively stable throughout the targeted unincorporated county's communities from 2008 to 2014. Since 2014, the number of cases in the unincorporated county have been relatively few but are complaint based so may not represent all of the units needing work in the unincorporated county.

A majority of the housing stock in the urban communities of the unincorporated county was built from 1980 to 2000, consisting of 39 percent of the housing units. Only 21 percent of the housing units were constructed in 1969 or earlier. This supports the findings in the housing condition survey in 2002 that 98 percent of the units in communities are in sound condition, since newer homes usually have fewer problems.

The majority of housing in the county was built from 1970 to 2009. Such housing makes up 77 percent of the total housing units in the unincorporated areas of the county. Only 2 percent of the housing stock was constructed in 2010 or later. Figure 6.3 shows the age of housing units in the unincorporated county.



Figure 6.3: Age of Housing Stock in Unincorporated County



Source: 2013-2017 American Community Survey (B25034)

### Housing Units at Risk of Conversion

Based on a review of information from the state and federal government, the California Housing Partnership Corporation and consultation with local nonprofit housing providers, no multifamily rental projects financed by the government are at risk of being converted to market-rate housing in the unincorporated county within the next 10 years. At least 419 affordable housing units receive state or federal funding, and the county will continue to work to keep those units affordable when the need arises. A program is included in this Housing Element to achieve this objective.

Table 6.17: Assisted Housing Units and Risk of Conversion

Name	Address	Affordable Units	Total Units	Earliest Date of Conversion	Funding Programs	Risk Level
Schoolhouse Lane Apartments	2836 Schoolhouse Lane, Cambria, CA 93428	23	24	2051	LIHTC	Low
Belridge Street Apartments	1259 Belridge Street, Oceano, CA 93445	11	12	2052	LIHTC	Low
Templeton Place	1005 Peterson Ranch Road, Templeton, CA 93456	28	29	2053	LIHTC	Low
Cider Village Family Apartments	760 Spruce Lane, Nipomo, CA 93444	39	40	2062	LIHTC	Low
Serenity Hills	112 Brewer Street, Templeton, CA 93465	42	43	2063	LIHTC	Low
San Luis Bay Apartments	238 Blume Street, Nipomo, CA 93444	116	120	2057	LIHTC	Low
Roosevelt Family Apartments	750 Grande Street, Nipomo, CA 93444	51	52	2063	LIHTC	Low
Lachen Tara	240 Ocean Oaks Lane, Avila Beach, CA 93424	28	29	2062	LIHTC	Low
Rolling Hills Apartments	971 Las Tablas Drive, Templeton, CA 93464	52	53	2065	LIHTC, USDA 515 Rural Housing	Low
Rolling Hills II	999 Las Tablas Road, Templeton, CA 93465	29	30	2070	LIHTC	Low

Source: California Housing Partnership Corporation

### Fair Housing

The County collaborates with the local office of the California Rural Legal Assistance (CRLA) for implementation of fair housing activities. The County assists, but does not duplicate the fair housing activities of CRLA. The local CRLA office includes an attorneys and community workers who manage fair housing cases through professional mediation and/or litigation, and administer a "tester" program. The HUD field office in San Francisco funds and monitors CRLA's activities.

CRLA holds annual workshops on fair housing law, tenant/landlord rights, and how to spot fair housing violations. The workshops are attended by local nonprofit and social service agencies. CRLA provides bilingual literature, services, and an educational outreach program to inform the public about fair housing laws. CRLA disseminates information about its services by distributing printed flyers, providing a bilingual community worker, conducting extensive field investigations, and staffing an informational table at community events such as farmers markets and school open

houses. CRLA also has a website ([www.crla.org](http://www.crla.org)) that lists local offices and provides housing information. The County also provides in-kind support to fair housing activities provided by CRLA through staff time, meeting facilities, and copying written materials for events such as the annual fair housing workshops.

### **Opportunities for Energy Conservation**

The 2010 Conservation and Open Space Element (“COSE”) incorporated policies and strategies to improve energy conservation and promote greater energy efficiency for housing units. Examples of policies and strategies include:

- Require the use of energy-efficient equipment in all new development, including but not limited to Energy Star appliances, high-energy-efficiency equipment, heat recovery equipment, and building energy management systems. As part of a Green Building Program, develop an energy efficiency program for new development, retrofits, and renovations.
- Offer incentives to reduce energy consumption, and encourage green building practices in all development projects, including retrofits of existing buildings.
- Integrate green building practices into design, construction, management, renovation, operations, and demolition of buildings, including publicly funded affordable housing projects through the development review and building permitting process.
- Encourage new buildings to be oriented to maximize solar resources, shading, ventilation, and lighting (amend design plans and guidelines to promote maximization of solar resources and encourage projects in urban areas to avoid heat island effect).
- Encourage healthy indoor environmental quality in new and renovated buildings, including publicly funded affordable housing projects and County Buildings, using healthy building materials, finishes, paints, and products.
- Encourage [where appropriate] biomass, green waste, and food waste composting facilities.

The COSE incorporates green building and energy saving features, potentially reducing housing costs for both homeowners and renters. Energy conservation in residential development can also be encouraged by locating residential development closer to employment.

In 2018, the California Public Utilities Commission (CPUC) permitted the Tri-County Regional Energy Network (3C-REN) to administer regional energy efficiency. The Residential Direct Install for Hard to Reach Customers program serves hard-to-reach residents only. It offers free and low-cost or co-pay energy efficiency upgrades. Cost reduction upgrades include actions such as attic insulation, duct sealing, LED lighting, heat pump and tankless hot water heaters, smart thermostats, and low flow water devices. The Workforce Education & Training and Codes and Standards programs serves all building professionals on the Central Coast working in the residential and commercial construction industries.

The objective of the Codes & Standards program includes an energy code coach service, energy code trainings, and compliance resources.

## **CONSTRAINTS TO HOUSING**

A discussion of the constraints to providing more housing units in San Luis Obispo County is provided below. Governmental constraints may be in the form of development restrictions, excessive permit conditions and fees, or improvement requirements. Non-government constraints may involve the cost of raw land, construction, financing, neighborhood opposition, and the physical constraints of the land itself.

### **Non-Governmental Constraints**

#### **Cost of Land, Availability of Financing, and Cost of Construction**

The costs of construction, land, overhead/profit, and financing are the major components of housing production costs. Increases in production costs are often passed on to purchasers in a normal market. For-profit developers can expect profits of 10 to 12 percent in a normal market for single-family housing development.

San Luis Obispo County is currently one of the least affordable housing markets in the United States, which indicates that land and construction costs for building housing in the County are high. Financing costs are lower (due to lowered interest rates), consuming less of the developers' budgets in the current market. Profits are slightly higher due to financing costs and higher sales prices. Table 6.18 illustrates the changing ratio of the housing cost components for new home construction between 1977 and 2019.

Table 6.18: Components of Housing Costs – Selected Years

Year	1977	1985	1993	2002	2008 (non-profit)	2008 (for profit)	2014 (for profit)	2019 (non-profit)
Construction	46.7%	48%	49.9%	37%	67%**	48%	59%	52%
Land Development	25%	31%	36.9%	45%	15%	35%	24%	22.4%
Overhead & Profit	17.5%	15%	6.7%*	9%	7%	5%*	9%	20.9%
Financing	10.8%	6%	6.5%	9%	11%	12%	8%	4.7%

Sources: 1977 figures from the California Housing Task Force, February 1979; 1985 figures from the California Statewide Housing Plan Update, 1990; 1993 figures from the 1993 San Luis Obispo County Housing Element; 2002 figures from The Tribune newspaper article series, "Trouble on the Home Front," printed June 16-23, 2002; 2008 figures from local non-profit and for profit developers; San Luis Obispo County, 2019 - Nipomo 40 Project.

Notes:

- Construction = labor, materials, fees
- Land Development = land costs, utilities, roads, grading
- \*6.7% profit shown in 1993 was for a local project targeted towards lower income households. 5% profit shown in 2008 is a result of a recession. Lenders typically require higher profit margins than 5%.
- \*\*Construction costs are typically higher than market rate development due to prevailing wage.

The cost of land is a significant component of housing costs and developers assert that they cannot recoup the high land costs by simply constructing smaller housing products. Land values and real estate prices vary throughout the county. In an August 2020 survey of 22 vacant parcels performed through Zillow.com, prices ranged substantially between \$1,503 and \$5,140,080 per acre. Parcels smaller than an acre, particularly those located in town centers such as Cayucos and Bradley, had the highest cost-per acre. Mid- to large-sized parcels in lower-density land use areas in communities such as Creston, Santa Maria, and Santa Margarita tended to have prices lower than \$20,000 per acre.

The following is a list of median selling prices in 2020 San Luis Obispo Association of Realtors, 2020) for select communities:

- City of Atascadero – about \$604,304
- Cambria/San Simeon – about \$859,920
- Oceano – about \$569,232
- Nipomo – about \$673,438
- City of San Luis Obispo – about \$998,553
- Creston – about \$956,000

The affordability of housing is closely tied to the availability of financing and the mortgage interest rates. 30-year interest rates in 2019 remained low, ranging from 3.49 to 4.51 percent (Freddie Mac). Lower interest rates and lower home prices can help create more

first time homebuyer opportunities in the county. The County administers a First Time Homebuyer Program (FTHB) for very low and low income households funded through a CalHome grant from the State of California. Applicants must demonstrate financial need and pre-approval for a first mortgage; the second mortgage is financed as a deferred payment, 30-year loan. The County has helped assist 203 low income households to purchase homes since the program's inception in 1994. The First Time Homebuyer Program was discontinued for all but sweat equity participants in 2016.

The private market provides financing for construction of moderate and above moderate income housing units. Financing for housing targeting low or very-low income households is typically provided by a combination of private financing and grants or loans from federal, state, and local government programs. Examples of typical government programs include Low Income Housing Tax Credits, HOME and CDBG programs, State Multi-Family Housing Program (MHP), Affordable Housing Program (AHP) grants, and subsidized loans. Such government programs have complex requirements (e.g., Davis-Bacon prevailing wage requirements) that must be met prior to funding. Private lenders often cannot afford to keep portfolios of loans and must sell them on the secondary market. To be saleable on the secondary market, the loans must meet stringent requirements that eliminate many projects involving low-income housing. The federal Community Reinvestment Act (CRA) was established to require private sector lenders to participate in underserved markets, including affordable housing. This approach has been successful for obtaining construction financing for affordable housing projects, but long-term financing remains a challenge.

Typically, construction costs are associated with constructing the unit itself, although site improvement costs can be included as part of overall construction costs. Construction costs are similar throughout the county; however, circumstances such as steep terrain, soil type, the need for large amounts of grading, and type of project can have a significant effect on cost levels. Affordable lower income multifamily projects can cost \$344,911 per unit when considering total development costs, based on recent projects assisted by the County. Local development costs for unsubsidized rental projects are estimated to be about \$183 per square foot. In 2019, the national average was significantly lower at \$125 per square foot for market-rate detached units.

In urban areas, the County typically requires new developments to provide community water and sewer connection, underground utilities, curbs, gutters, sidewalks, and paved streets. Each of these adds to the cost of construction, but is necessary for higher-density developments.

### **Physical and Resource Constraints**

San Luis Obispo County has a substantial amount of rural and agricultural lands and an abundance of natural habitat and resource areas (coastal and inland) that are either protected by federal, state, and local government regulations, or are not available for

urban-level residential development. Within urban areas there are many sites with constraints related to topography, geologic stability, fire hazards, or flooding that limit potential residential development.

Some communities may also have a shortage of water, schools, or other resources. The San Luis Obispo County Resource Summary Report tracks the availability of five community resources that are necessary to support development. These resources are: water, sewage, roads, schools, parks, and air quality. Three levels of severity (LOS) are used:

- |           |   |
|-----------|---|
| Level I   | No shortage of a particular resource exists in a given community. |
| Level II  | The resource's capacity may be exceeded in seven years.           |
| Level III | Existing community demands exceed the capacity of that resource.  |

If the resource shortage is the result of insufficient delivery systems or facilities, it is usually considered "correctable." Problems that involve the limited capacity of a resource are more difficult to correct. In either case, resource deficiencies usually require substantial funding to correct, in amounts that can exceed the ability or willingness of local residents to pay. Most resources extend beyond political boundaries, so cities, special districts, and the County must work together to identify their resource capacities and how those resources relate to future growth and development.

The primary resource elements that affect a community's ability to develop housing are water supply, roads, and sewer. A description of existing resources by community is included below. Please refer to the annual Resource Summary Report for more information about resources shortages.

#### Avila Beach

- |        |  |
|--------|--|
| Water: | Adequate for buildout.   |
| Roads: | Traffic volumes measured in 2015 indicate that traffic volumes are not expected to reach Level of Service "D" within the next five years, and therefore no level of severity is recommended.   |
| Sewer: | No operational issues and no planned increases in capacity. However, the two wastewater providers should investigate connecting existing and proposed land uses within the Urban Reserve Line to a single wastewater service provider. |

#### Cambria

- |        |  |
|--------|--|
| Water: | Very limited water supply, with an LOS III. The Community Services District is focusing on desalination and other sources for long-term drought protection and as a supply for new development and existing users. |
| Roads: | No concerns identified.  |

Sewer: No concerns identified.

### Cayucos

Water: Adequate—the mutual water companies and the County CSA do not plan to add to their supply.

Roads: No concerns identified.

Sewer: No concerns identified. Currently building a new wastewater treatment plant.

### Los Osos

Water: Very limited water supply, with an LOS III for the groundwater basin. However, the County is working on improving the water supply. Water conservation ordinances have been adopted by the County for new development and upon sale of existing buildings.

Roads: A LOS III is in place for South Bay Boulevard. A portion of South Bay Boulevard may be widened when funds are available, improving operation to a LOS C or better.

Sewer: As of the 2016-2018 County Resource Summary Report, the previously identified LOS III for sewer and septic systems was not recommended to continue. The communitywide wastewater project, which included the installation of sewer laterals across Los Osos was completed in 2016.

### Nipomo

Water: Was previously in an LOS III, but the Nipomo Community Services District (NCSD) has taken the lead to bring new water resources to the Nipomo Mesa Water Conservation Area to address the shortage.

Roads: An LOS III is in place for the interchange of Tefft Street at US 101, though the County is currently investigating additional road widening and realignment projects to improve traffic flow.

Sewer: An LOS III is in place for the “prohibition zone”. The prohibition zone limits the development of individual sewage disposal systems, and that new individual sewage disposal septic systems be located on lots of at least one acre. Wastewater systems are served by sewer systems and are adequate in both the Town Area of Nipomo and Black Lake.

### Oceano

Water: No concerns identified.

Roads: Halcyon Road is currently classified as LOS D and is over capacity. County is working to obtain funds to widen the road leading up to Nipomo Mesa from the Arroyo Grande Valley.

Sewer: No concerns identified.



Santa Margarita

- Water: No current concerns identified, though there is uncertainty whether current growth can be sustained with existing supply.
- Roads: No local roads are part of the RMS reporting program.
- Sewer: An LOS I is in place given persistent failures of individual septic systems. Future development may require a communitywide wastewater system.

San Miguel

- Water: The community water source is the Paso Robles Groundwater Basin that is in LOS III.
- Roads: No local roads are part of the RMS reporting program.
- Sewer: No concerns identified.

Shandon

- Water: The community water source is the Paso Robles Groundwater Basin that is in LOS III.
- Roads: No local roads are part of the RMS reporting program.
- Sewer: No LOS is recommended. The community relies on septic systems. The community plan as updated in 2012 requires a communitywide wastewater treatment plant.

Templeton

- Water: No concerns identified.
- Roads: LOS III is in place due to projected buildout level of service ranking as F for both sets of freeway ramps at US-101/SR-46. US-101 and N Main St are also currently underserving traffic demand and are expected to worsen with buildout.
- Sewer: No concerns identified.

**Homebuyer Trends**

Population increases, producer and consumer concepts of need, changes in household size, and housing discrimination are some of the issues that impact housing. Since 1980, a large percentage of the population growth in the county has been the result of migration. Many new residents have migrated from areas with higher housing costs and can frequently pay substantially more for housing than longtime residents. This is because many of the new residents sold homes in more expensive areas and can therefore make large down payments on homes here.

These new residents often chose to build or buy large homes. Between 1980 and 2010, the average size of new residential units in the unincorporated areas of the county increased from 1,600 square feet to about 2,300 square feet.

Household size has decreased over the past several decades. The average household size in 1992 was 2.64 persons, in 2010 it was 2.48 persons, and in 2019 it was 2.45 persons (California Department of Finance). This could be the result of people delaying marriage and families, greater numbers of retired people locating in the county, or people choosing to live alone. Smaller household sizes coupled with population increases create increased demand for units.

## **Governmental Constraints**

### **Uncertainty about the Permit Process and Public Opinion**

Uncertainty about whether a proposed housing project will be approved by all participating government agencies and how long the process will take can act as a deterrent to building new housing. The cost to a developer of holding property, beginning with site acquisition and ending with occupancy of dwelling units, is an expense generally passed on to the buyers. The longer it takes to develop and sell housing, the more it costs. The "holding period" is often devoted to securing permits from various levels of government, a process that normally involves evaluation of project effects on the circulation system, public facilities and services, and the environment.

Public opinion may also bring uncertainty to housing development. The county has an abundance of natural resources, but there is also a shortage of community resources in some areas (e.g., water, roads, schools). "Slow growth" sentiments exist because a large segment of the public wishes to preserve the county's natural beauty and its "quality of life." Local government agencies have responded by adopting "slow growth" policies, reducing the available number of new housing units and indirectly increasing housing costs.

In response to these issues, the County has proposed programs to facilitate appropriately scaled infill development in communities that have adequate resources, and a program to establish a process for permitting in compliance with Senate Bill 35, which requires permit streamlining for certain housing projects. New housing should be located in areas that have adequate water supply, roads, transit systems, a job base, infrastructure, retail stores, services, schools, and parks. In response to high land costs, more housing should incorporate attractive and functional multifamily units.

### **Land Use Controls**

The California Legislature delegated to local government specific responsibilities and a certain amount of discretionary authority over the development and use of land. Cities and counties influence the location, density, type, number, quality, and appearance of housing units in their jurisdiction through land use controls, building codes, development review procedures, requirements, and fees. Government constraints generally may be divided into

land use and development controls (such as zoning and subdivision regulations), building codes, fees and other exactions required of developers, site improvement and infrastructure requirements, and development processing and permit approval procedures.

Land use and development controls determine the amount, type, and location of housing. The primary control is the General Plan and local ordinances. The General Plan sets an overall framework for development and resource conservation in the unincorporated areas of the county, principally through the Land Use Element and its implementing ordinances. Most of the County is rural and zoned for low residential densities primarily to protect agricultural land and natural resources.

The General Plan includes 17 unincorporated urban communities and 14 villages that allow more concentrated development of housing. Development standards are similar to those typically found in other jurisdictions and do not place an unnecessary burden on affordable housing projects. The County must also consider the need to avoid conflicts between existing airports and new residential development. Proposals to amend the County General Plan to designate land for residential development must first be reviewed for consistency with the adopted Airport Land Use Plan. Table 6.19 shows typical development standards (including density, open space, setbacks, parking, and height) for single family and multifamily land use categories. The single-family dwelling development standards are typical for land use categories that allow single-family dwellings, including the Agriculture, Residential Single Family, Residential Multi-family, Office Professional, and Commercial Retail categories. The multifamily dwelling development standards are typical for land use categories that allow single-family dwellings, including the Residential Multi-family, Office Professional, Commercial Retail, or Recreation categories.

Parking requirements for multifamily projects are similar to requirements for single family dwellings. For example, a subdivision of 10 single-family homes would require 20 parking spaces. A 10-unit multifamily project (with two- and three-bedroom units) would require 18 resident parking spaces plus 4 guest parking spaces (22 total). These parking requirements do not prevent developers from constructing multifamily projects at a density of at least 20 units per acre. The County also provides incentives for affordable housing projects.

Table 6.19: Typical Development Standards

Land Use Category	Density	Open Space	Setbacks	Parking	Height	Minimum Site Area
Residential Single Family (RSF)	Approx. 7 units per acre	No requirement	Front- 25 ft Side- 5 ft Rear- 10 ft Corner (street side) 10 ft if lot is more than 50 ft wide	2 spaces per dwelling	35 feet	6,000 square feet (1,750 in some areas)
Residential Multifamily (RMF)	Low- 15/ac Medium- 26/ac High- 38/ac <sup>2</sup>	55% <sup>1</sup> 45% 40%	Front- 25 ft Side- 5 ft Rear- 10 ft Corner (street side) 10 ft if lot is more than 50 ft wide	1 per one bedroom unit  1.5 per two bedroom unit  2 per three or more bedrooms  plus guest parking (1 space per development, not per unit) plus 1 for each 4 units or fraction thereof beyond the first four	35 feet  (45 feet if high density)	6,000 square feet for two units
Commercial Retail (CR)	Not Specified	As specified by Specific Plans, if applicable.	Front - 0 – 10 ft	See <i>Residential Multifamily</i>	35-45 ft	6,000 SF to 2.5 acres, depending on water and wastewater access

Land Use Category	Density	Open Space	Setbacks	Parking	Height	Minimum Site Area
Residential Rural (RR)	2 units per parcel	As specified by Specific Plans, if applicable.	Front – 25 ft Side – 10 percent of the lot width, maximum 25 ft	<i>See Residential Single Family or Residential Multifamily, as applicable</i>	35 ft	5 – 20 acres, depending on site characteristics
<p>Note 1: Landscaping is required for multifamily projects.</p> <p>Note 2: The "Low," "Medium," and "High," designations are part of an "Intensity Factor," which is based upon the type of street serving the site, the level of sewer service, and distance from the central business district. This helps determine the maximum amount of allowable units (Sec 23.04.084).</p>						

## Growth Management

On October 23, 1990, the Board of Supervisors adopted the Growth Management Ordinance (GMO) for the unincorporated areas of the county in response to substantial community concern about growth and a proposed voter initiative. The GMO limits the number of new dwelling units that may be built annually, but it exempts units that are affordable to low and moderate income households, secondary dwellings, and farm support quarters. Under the ordinance, new dwelling units are limited to an amount sufficient to accommodate an annual increase of 2.3 percent in the number of existing dwelling units that are in the unincorporated areas of the county. However, the County adopted lower growth rates in some communities. For example, Cambria has a zero growth rate due to limited water availability, and Nipomo has a 1.8 percent growth rate, also due to limited water supply. This growth rate will not constrain development of housing on sites identified in Nipomo in Chapter 7, as affordable housing is exempt from the growth rate established in the Growth Management Ordinance. Currently the GMO limits growth to approximately 1,000 dwellings units per year. If the County continued to limit the number of nonexempt dwellings for which permits can be issued each year, approximately 8,000 new above-moderate units could potentially be built over the next eight years. The GMO will not prevent the County from meeting its housing needs as set forth in the adopted Regional Housing Needs Allocation Plan.

## Subdivision Regulations

Regulations for the design and improvement of subdivisions are contained in the County's Real Property Division Ordinance and governed by the State Subdivision Map Act. The purposes of the regulations are to promote public health and safety and "to facilitate the

ultimate development of the land in a manner that will be compatible with physical constraints and preservation of natural and scenic attributes.” One of the effects of the regulations is to transfer the financial burden of subdivision development from county government to the developer and, ultimately, to future residents of the subdivision.

### **Building Codes and Their Enforcement**

San Luis Obispo County building codes are encompassed in the locally adopted Building and Construction Ordinance (Title 19) and the 2016 California Building Code. These regulations ensure that projects are constructed to minimum safety standards and that adequate water supply and sewage disposal standards are met. The County will automatically update its building codes to the 2019 California Building Code on January 1, 2020. Title 19 will be amended accordingly. Previous local amendments to Title 19 have included addressing things the code is lacking (e.g., sea-to-train shipping containers), adopting or striking out certain appendices of the code, or amendments that allow the County to be more stringent than the code.

Enforcement of building codes for new structures or alterations to existing structures is the responsibility of the Chief Building Official. Enforcement of codes in other situations is carried out with the immediate emphasis on any health and safety concerns by Code Enforcement staff. Voluntary compliance is sought first, with court action against a landlord or owner as a last resort. Displacement of residents is avoided if at all possible. If a code enforcement case is filed, additional fees are required at the time of permit application.

### **Site Improvements**

Site improvements can vary from minor leveling of a building pad and installation of a well and private sewage system to major grading of the site and the installation of an extensive infrastructure system. Site improvements may include curb, gutter, and sidewalk installation, underground utility installation, public water, and sewage system connections and the paving of access roads. These vary by location—rural roadways will require less space than those in more urbanized areas. For example, a rural road is usually 20 feet wide to accommodate bi-directional traffic. An urban roadway designed to accommodate an annual average daily traffic of up to 16,000 vehicles with parking would require 64 feet of space to feature bi-directional traffic lanes, a turn lane, bike lane, and parking. The County sometimes uses standards developed by Caltrans in place of its own. For instance, arterial rural roads rely upon Caltrans design criteria for their intersection curb returns, whereas all other county roadways use a curb return radius of 30 feet.

County requirements are typical of those found in other jurisdictions throughout the state. Their purpose is to address health and safety issues, access issues, and separation of vehicle and pedestrian traffic in higher density areas, and to promote orderly development.

Within the county regulations, there may be opportunities to modify some of the site improvement requirements and thus reduce the cost of development. This could have a beneficial impact to affordable housing projects. Some of these opportunities include re-examining the regulations on street widths to see if narrower streets would be appropriate and re-evaluating the requirements on sidewalk widths to determine if reductions could be made without jeopardizing public safety. Changes such as these could result in additional units for a project, thus reducing overall cost per unit.

### **Fees**

New residential development frequently imposes a financial burden on government agencies because the cost of providing community services (such as police and fire protection) to them is typically higher than the tax revenues they will generate for the County. This is especially true of lower-cost housing because services are the same, but taxes are lower due to lower sales prices and assessed value. The County makes special provisions for projects with affordable housing (e.g., expedited permit processing). The County also has a program addressing reducing and deferring fees for affordable housing.

The total fees for a building permit for a 1,500-square-foot dwelling with a 450-square-foot garage would be approximately \$35,860, including all inspection and plan check fees, as well as basic permit fees (e.g., addressing) and impact fees. Inclusionary in-lieu fees collected for projects may be used to pay impact fees for affordable housing projects. Also, affordable projects are exempt from paying the inclusionary fees (since they provide affordable housing units instead). Tables 6.20 and 6.21 show typical processing and impact fees for market rate residential development.

Table 6.20: Typical Impact Fees, FY 2019-2020

Fee Categories	Single Family (1,500 square feet)	Multifamily (1,500 square feet)
Public Facility Fees		
Government	\$533	\$406
Administration	\$111	\$72
Sherriff	\$280	\$213
Park	\$2,303	\$1,753
Library	\$454	\$345
Fire	\$1,994	\$902
Road Fees <sup>1</sup>	\$5,720.38	\$3,546.64
School Fees <sup>2</sup>	\$5,250	\$5,250
Inclusionary Housing Fees <sup>3</sup>	Exempt	Exempt
Water and Sewer Connection <sup>4</sup>	\$19,215	\$19,215
Total Estimated Impact Fees Per Unit	\$35,860	\$31,703
<p>Note 1: This fee is an average for the communities that have a fee.</p> <p>Note 2: \$3.50/sf is an approximate figure; each school district may have different fees.</p> <p>Note 3: All housing 2,200 square feet or less is exempt from inclusionary housing fees.</p> <p>Note 4: These fees are an average using Nipomo CSD, Oceano CSD, and Templeton CSD rates.</p>		

Table 6.21: Common Planning Application Fees, FY 2019-2020

Common Planning Applications	Fee
Pre-application Meeting	\$500
Site Plan Application, with categorical exemption or general rule exemption or previously issued environmental document	\$2,156
Site Plan Application, with initial study	\$3,839
Minor Use Permit, exempt from environmental review	\$1,936 - 4,823
Minor Use Permit, with environmental review	\$4,129 - 10,773
Conditional Use Permit, exempt from environmental review	\$8,838
Conditional Use Permit, with initial study	\$17,292
Conditional Use Permit, land use ordinance modification with exemption (categorical or general rule)	\$4,138
Lot Line Adjustment, with exemption (categorical or general rule)	\$4,122
Lot Line Adjustment, Minor	\$1,003
Lot Line Adjustment, with initial study	\$9,683
Lot Line Adjustment, final approval with certificate of compliance or map	\$613
Parcel Map, with initial study	\$7,924
Parcel Map, with exemption (categorical or general rule)	\$4,659
Parcel Map, with conditional use permit/development plan with initial study	\$11,306
Tract Map, with initial study	\$11,174
Tract Map, with exemption (categorical or general rule)	\$5,842
Tract Map, with conditional use permit	\$14,898 + processing cost
Parcel or Tract Map—Final Map Evaluation for Compliance, Minor	\$703



Parcel or Tract Map—Final Map Evaluation for Compliance, Major	\$1,372
Coastal Zone add-on, major	\$1,808
Coastal Zone add-on, minor	\$456

For a typical 20-unit, market-rate, multifamily rental project (exempt from inclusionary fees), the required land use permit fees include a Minor Use Permit and environmental review. Building permits include inspection fees, impact fees, and other costs associated with processing the permit. The total fees associated with the planning and building permits (FY 19/20 costs) would total an estimated \$171,102 (\$144,760 of which are impact fees), excluding school, water, and sewer fees, which are paid to other agencies. Therefore, the cost per unit for permit fees is \$8,555 (excluding school, water, and sewer fees). Assuming the total development cost for multifamily housing is about \$344,911 per unit, total impact fees charged by the County are 2.1 percent of the total cost in this example. School fees by themselves are 1.5 percent of the total development cost, road fees are 1 percent, water and sewer fees together are 5.6 percent of the total cost, and permit processing fees are 0.4 percent of the total cost. Therefore, impact and processing fees together are 10.6 percent of the total development costs. All building permit fees are paid at permit issuance. An initial deposit is required upon building permit application, and the balance is due upon permit issuance. A program has been included to continue to explore ways to reduce and defer fees for affordable housing projects.

### **Permit Processing**

State planning laws require that certain steps be included in the local permit process. Among these are:

1. Proposed developments must be found consistent with the adopted General Plan and its elements (e.g., Housing Element, Agriculture Element, Conservation and Open Space Element, and the Land Use Element).
2. Building codes must be adopted and enforced.
3. The County must assess the environmental effect of a project in compliance with the California Environmental Quality Act (CEQA), and then determine whether an environmental impact report, a negative declaration with mitigation measures, or a negative declaration is required.
4. The County must meet CEQA-specified time requirements for public review and posting of environmental documentation.
5. Projects in the coastal zone must be found consistent with the local coastal plan and in some instances are reviewed by the Coastal Commission.

The Permit Streamlining Act (PSA), Government Code sections 65920 et seq., requires that local jurisdictions reach a final decision on any discretionary permit request within 180 days from the date of certification for projects requiring a CEQA Environmental Impact Report or 60 days from the date of a negative declaration determination or adoption or for projects that are exempt from CEQA. The PSA also requires local government to meet various interim deadlines, from initial application review to approval or disapproval of a project.

State law requires that a jurisdiction's legislative body make project decisions. In San Luis Obispo County this body is the Board of Supervisors. The Board can adopt ordinances to delegate authority to other review bodies such as the Planning Commission and Subdivision Review Board. Approval of minor land use permits was delegated to the Planning Director (e.g., minor use permits). A public hearing for a Minor Use Permit shall only occur when a hearing is requested by the applicant or other interested persons. If no hearing is requested, the Minor Use Permit is considered for approval at the next scheduled administrative hearing meeting.

Conditional Use Permits are required for larger projects or other land uses that may have the potential to affect the neighborhood or community. They require public hearings before the Planning Commission to review project design in detail and ensure the proper integration of the project into the community. The County does not have a discretionary design review requirement.

The permit requirements for residential uses depend on the type of project and the land use category. In the Multi Family land use category, projects with 15 or fewer units can be approved with only ministerial review. For projects with 16 to 24 units, a Minor Use Permit (MUP) is required. Projects with 25 or more units require a Conditional Use Permit (CUP) and are reviewed by the Planning Commission. The purposes of discretionary review (either MUP or CUP) are:

- To enable design review in accordance with community design plans, guidelines, and standards.
- To allow the County to modify development standards for housing development when necessary and appropriate.
- To mitigate potential environmental impacts of development. Unique and varied environmental conditions exist within the unincorporated communities of San Luis Obispo County, and mitigation measures can reduce or avoid potential impacts.

The Minor Use Permit process is typically a faster project review process with lower fees whereas the Conditional Use Permit has higher fees and typically takes longer to process. Since the Minor Use Permit process is less expensive and less time consuming, it can help facilitate the approval of new housing projects.

Table 6.22 describes permit requirements for residential projects in the noncoastal zone, and Table 6.23 describes permit requirements for the coastal zone.

Table 6.22: Housing Types Permitted by Land Use Category (Noncoastal Zone), 2020

Housing Type (Land Use)	Land Use Category											
	AG	RL	RR	RS	RSF	RMF	OP	CS	IND	CR	REC	PF
Single Family Dwelling	P	A1	A1	A1	A1	A1	A2			A2	A2	
Multifamily Dwellings						A1	A2			A2	A2	
Residential Care - 6 or fewer	P(6)	P(6)	P(6)	P(6)	P(6)	P(6)						P(6)
Residential Care - 7 or more	CUP	CUP	CUP	CUP	CUP	CUP	CUP					A1
Mobile Homes	P	P	P	P	P	P					P	P
Mobile Home Parks			CUP(7)	CUP(7)	CUP(7)	CUP(7)					CUP(7)	
Farm Support Quarters	A2	A2										
Accessory Dwelling Units	P	P	P	P	P	P	P			P	P	
Emergency Shelters								A2	A2			A2
Single-Room Occupancy Unit												
Single-Family Transitional Housing	P	A1	A1	A1	A1	A1	A2			A2	A2	

Housing Type (Land Use)	Land Use Category												
	AG	RL	RR	RS	RSF	RMF	OP	CS	IND	CR	REC	PF	
Multifamily Transitional Housing						A1	A2				A2	A2	
Single-Family Supportive Housing	P	A1	A1	A1	A1	A1	A2				A2	A2	
Multifamily Supportive Housing						A1	A2				A2	A2	

Land Use Categories: AG - Agriculture, RL - Rural Lands, RR - Residential Rural, RS - Residential Suburban, RSF - Residential Single Family, RMF - Residential Multi-Family, OP - Office professional, CS – Commercial, Service, IND – Industrial, CR - Commercial Retail, REC - Recreation, PF - Public Facility

A1: Allowable use, subject to the land use permit required by 22.06.030, Table 2-3.

A2: Allowable use, subject to the land use permit required by the specific use standards.

P: Permitted use, Zoning Clearance required.

P(6): Permitted use, no land use permit required.

CUP: Conditional Use Permit required.

CUP(7): Conditional Use Permit required, also requires authorization by California Department of Housing and Community Development.

\* A second primary dwelling is allowed in AG and RL.

Table 6.23: Housing Types Permitted by Land Use Category (Coastal Zone), 2020

Housing Type (Land Use)	Land Use Category												
	AG PS	AG NPS	RL	RR	RS	RSF	RMF	OP	CS	IND	CR	REC	PF
Single-Family Dwelling	S-16	S-16-P	P	P	P	P	P	S-8			S-8	S-2-P	
Multifamily Dwellings							P	S-8			S-8	S-8	
Residential Care			S-6	S-6	S-6	S-6	S-6	S-6					S-6
Mobile Homes	S-8	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8			S-8		S-8
Mobile Home Parks				S-8	S-8	S-8-P	S-8-P	S-8			S-8	S-8	
Farm Support Quarters	S-16	S-16-P	S-16-P										
Accessory Dwelling Units	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P			S-8-P	S-8-P	S-8-P
Emergency Shelters									S-12	S-12			S-12
Single-Family Transitional Housing	S-16	S-16-P	P	P	P	P	P	S-8			S-8	S-2-P	

Housing Type (Land Use)	Land Use Category												
	AG PS	AG NPS	RL	RR	RS	RSF	RMF	OP	CS	IND	CR	REC	PF
Multifamily Transitional Housing							P	S-8			S-8	S-8	
Single-Family Supportive Housing	S-16	S-16-P	P	P	P	P	P	S-8			S-8	S-2-P	
Multifamily Supportive Housing							P	S-8			S-8	S-8	

Land Use Categories: AG PS – Agriculture Prime Soils, AG NPS – Agriculture Non-Prime Soils, RL - Rural Lands, RR - Residential Rural, RS - Residential Suburban, RSF - Residential Single Family, RMF - Residential Multi-Family, OP - Office professional, CS – Commercial, Service, IND – Industrial, CR - Commercial Retail, REC - Recreation, PF - Public Facility

P: Principally permitted use, a use to be encouraged and that has priority over nonprincipally permitted uses, but not over agriculture or coastal dependent uses.

S: Special use, allowable subject to special standards and/or processing requirements, unless otherwise limited by a specific planning standard. The following list shows where in the Coastal Zone Land Use Ordinance to find the special standards that apply to particular uses. The following numerical suffixes indicate which sections of the Coastal Zoning Code apply:

- 2: 23.08.120 a Miscellaneous Uses
- 8: 23.08.160 Residential Uses
- 12: 23.08.260 Transient Lodgings
- 16: 23.08.020 Accessory Uses

Discretionary land use permits should not be overly burdensome for housing developments that are consistent with County land use and housing policies and are compatible with the desired form and character of their particular community. In order to provide certainty and predictability (for both the applicant and the community), the County has made revisions to its ordinances, plans, and processes that include:

- Priority processing for certain types of projects
- Fee waiver options
- Early consultation (pre-application meetings) on community design and potential constraints
- Accessory dwelling unit ordinance amendment
- Inclusionary housing ordinance amendment
- Adopted a planned development ordinance
- Infill development standards
- San Miguel Community Plan, which contains:
  - Community-based performance standards and design guidelines
  - Public facility financing plans
  - Community-wide environmental mitigation measures

Permit processing times vary depending on whether the project is ministerial (staff approval without a public hearing) or discretionary (public hearing required). The typical processing time for housing development in 2019 was two to four weeks for ministerial projects and four to nine months for discretionary permits. For parcel or tract maps the processing time usually lasts six months to a year. All ministerial and discretionary residential projects are reviewed by several county departments prior to staff approval or a public hearing. The Planning Department reviews projects for compliance with the County General Plan, the State Subdivision Map Act, and the California Environmental Quality Act (CEQA). The Public Works Department reviews the project for its effect on roads, drainage, and county water and sewer districts. The Environmental Health Department reviews for compliance with water supply and sewage disposal requirements, and the Fire Department ensures that fire safety standards are met.

Projects may also be reviewed by regional or state agencies as required (e.g., California Department of Fish and Wildlife, Regional Water Quality Control Board, Coastal Commission). Projects located near an incorporated city are referred to that city for comments. County staff will hold a pre-application conference upon request by an applicant. Any projects that require a Notice of Preparation of an EIR or Notice of Intent to adopt a Negative Declaration or Mitigated Negative Declaration are subject to Assembly Bill 52, which requires any tribal cultural resources affiliated with a California-based Native American tribe to be subject to environmental review. Table 6.24 describes typical permit processing timelines for projects.

Table 6.24: Timelines for Permit Procedures, 2019

Permit	Typical Permit Processing Timeline
Ministerial Review	2 to 4 weeks
Minor Use Permits	4 to 6 months
Conditional Use Permits	6 to 9 months
General Plan Amendment/Zone Change	1 to 2 years
Parcel Map	4 to 6 months
Tract Map	9 to 12 months

Once a project is fully entitled it usually takes between 6 and 12 months before building permits are requested.

### **Inclusionary Housing Ordinance**

The County revised its Inclusionary Housing Ordinance in March 2019 to significantly increase the average amount of funds for building affordable housing in San Luis Obispo County to approximately \$1 million per year. The ordinance applies to all of the following development activities:

- Housing unit construction  $\geq$  2,200 sq. ft. per unit
- Commercial/industrial development  $\geq$  5,000 sq. ft.
- Mixed-use development
- Subdivision of land

The ordinance requires that a minimum of 8 percent of a housing development's density be designated for affordable housing, specifically for the following groups:

- 2 percent for workforce households
- 2 percent for moderate income households
- 2 percent for low income households
- 2 percent for very low income households

For residential developments that trigger the Inclusionary Housing Ordinance, the developer may:

- Construct inclusionary affordable housing units on-site
- Pay an in-lieu fee
- Construct inclusionary affordable housing units off-site
- Donate land on- or off-site



For Industrial/Commercial developments that trigger the Inclusionary Housing Ordinance, the developer may:

- Construct inclusionary affordable housing units
- Donate land on- or off-site
- Construct employee housing on- or off-site
- Institute an employee housing program (rental assistance, FTHB, etc.)

The ordinance includes incentives for developers, such as:

- If the inclusionary housing units are built on-site, the developer can ask for at least one modification to development standards (e.g., reduced parking, building height, or yard setback).
- If inclusionary housing units are built on-site, the affordability requirement is reduced by 25 percent.
- Payment of the in-lieu fees can be deferred until the occupancy or sale of residential units.

The following projects are exempt from the ordinance:

- Multifamily housing
- Units smaller than 2,200 square feet
- Accessory dwellings
- Employee housing
- Agricultural worker dwellings
- Rental housing

### **Vacation Rental Ordinance**

The County of San Luis Obispo refers to vacation rentals as “Residential Vacation Rentals.” Countywide, developers of Residential Vacation Rentals need to file a site plan and apply for a business license with the County. Sec 22.30.150 of the County Code regulates Residential Vacation Rentals in the non-coastal zone of the county. A rental shall not exceed one individual tenancy/occupancy per seven calendar days. A special set of regulations applies to Residential Vacation Rentals in Adelaida/Willow Creek, which include:

- Payment of a transient occupancy tax
- Prohibition of on-site advertising
- A maximum number of daytime visitors of six people in addition to the overnight guests
- Siting of no closer than 1,500 feet to an existing permitted vacation rental

Residential Vacation Rentals are allowed with a land use permit in the AG, RL, RR, RS, RSF, RMF, OP, CR, and REC zones.

Sec 23.08.165 regulates Residential Vacation Rentals in the Coastal Zone of the county. Generally, rentals shall not exceed four individual tenancies per calendar month. Specific

land use regulations for Vacation Rentals in the coastal communities of Cambria, Cayucos, and Avila Beach apply. In Cambria, no Vacation Rental shall be located within 200 feet of an adjacent street-facing parcel, and there must be a 150-foot radius around the rental unit. In Cayucos, no Vacation Rental shall be located within 100 feet of an adjacent street-facing parcel, and there must be a 50-foot radius around the rental unit. In Avila Beach no Vacation Rental may be located within 50 feet of another Vacation Rental. Additional regulations for each of these communities may be found in the Coastal Zoning Code. Other coastal communities require a Minor Use Permit from the County in order to develop Residential Vacation Rentals.

In the Coastal Zone, the County considers "Home Stays" as part of the "Transient Lodging" land use group. Sec 23.08.265 of the Coastal Zoning Code outlines the regulations the County imposes on Home Stays, including:

- Must be in a single-family dwelling
- Must be accessory to the primary use of the single-family dwelling
- The number of guests can be no more than those accommodated by two guest rooms in the Residential Suburban or Residential Single Family land use
- Two parking spaces, plus one space for each bedroom used as a transient lodging unit, are required (on-street parking cannot be used for transient guest parking)
- Expansions of the housing unit footprint for Home Stays are prohibited

### **Housing for Persons with Disabilities**

The County has incorporated the current edition of the California Building Standards Code (California Code of Regulations Title 24). This includes the California Residential Code and other code sections that address access for persons with disabilities in new residential units. The California Code meets and exceeds the requirements of the federal American Disability Act. In addition, the County prepared an Analysis of Impediments to Fair Housing as required under federal grant programs, including a review of its zoning laws, policies and practices. This analysis concluded that the County has implemented actions to remove constraints on housing for persons with disabilities. For example, the County provides tenant-based rental assistance for persons with special needs, many with disabilities. The County also provides funding for ADA retrofitting efforts. The County administers a procedure that applies solely to making requests for reasonable accommodation, and such requests can be submitted through the normal Conditional Use Permit (CUP) or variance process, including making parking accommodations and other matters. For example, in one case the County permitted construction of an accessory dwelling unit larger than normally permitted because the larger size was needed to accommodate the needs of the physically disabled person who would live there. The County is aware of its responsibility to remove constraints to provision of housing for persons with disabilities, partly as a result to its Analysis of Impediments and certifications regarding Fair Housing pursuant to the federal HOME and CDBG programs. The County is committed to authorizing reasonable accommodations where appropriate.

The County does not regulate the minimum distance between group homes. The County permits group home with six or fewer persons in the Single Family land use category without a Conditional Use Permit or any special community noticing, even where some on-site services for persons with limits on their ability for self-care are provided. Larger group homes with on-site services are subject to a CUP, with minimal prescribed standards (20,000-square-foot site area, safety fencing for play areas, parking). A program has been included to address review of existing group home ordinances to determine if revisions are necessary.

Large group homes are rarely proposed in the unincorporated areas of the county. They are usually located closer to medical or other needed services, which occur primarily within the incorporated cities, especially San Luis Obispo. The County has provided financial assistance to local nonprofit organizations acquiring residential properties for operation as group homes in San Luis Obispo, Grover Beach, and other cities. One group home (Templeton Place) was permitted by the County in the unincorporated community of Templeton, close to Twin Cities Community Hospital. This senior assisted-care facility has 29 units. This example represents a service-enriched group home, which the County defines as a "residential care facility." This example demonstrates that the County's CUP requirements are reasonable and do not represent a constraint preventing group homes from being established.

## SPECIAL HOUSING NEEDS

### Persons with Disabilities

The 2017 American Community Survey estimates there are 30,319 persons in the county (11 percent of the population) who have one or more disability. While this figure may appear high, it includes many types of disabilities: sensory, physical, mental, self-care and employment, and developmental. Tables 6.25 and 6.26 show the number of disabilities by type in both San Luis Obispo County as a whole and the unincorporated county. The numbers of people in the county's workforce and unemployed population are also shown by their disability status.

Table 6.25: Persons with Disabilities by Disability Type and Age

	San Luis Obispo County		Unincorporated County	
	Number	Percent	Number	Percent
Total Disabilities Talled	30,319	100.00%	13,340	100.00%
Total Disabilities for Ages 5-64	14,884	49.09%	6,125	45.91%
Hearing Difficulty	3,697	12.19%	1,590	11.92%
Vision Difficulty	2,438	8.04%	903	6.77%
Cognitive Difficulty	6,285	20.73%	2,386	17.89%
Ambulatory Difficulty	5,238	17.28%	2,352	17.63%
Self-Care Difficulty	2,020	6.66%	665	4.99%
Independent Living Difficulty	4,033	13.30%	4,033	30.23%
Total Disabilities for Ages 65 and Over	15,435	50.91%	7,215	54.09%
Hearing Difficulty	7,491	24.71%	7,491	56.15%
Vision Difficulty	2,189	7.22%	2,189	16.41%
Cognitive Difficulty	3,412	11.25%	3,412	25.58%
Ambulatory Difficulty	8,870	29.26%	8,870	66.49%
Self-Care Difficulty	2,836	9.35%	2,836	21.26%
Independent Living Difficulty	5,692	18.77%	5,692	42.67%
Source: 2013-2017 ACS (S1810).				

Table 6.26: Persons with Disability by Employment Status

	San Luis Obispo County		Unincorporated County	
	Number	Percent	Number	Percent
Total	173,130	100.0%	70,659	100%
In the labor force	125,380	72.4%	48,800	69.1%
Employed	119,309	68.9%	46,010	65.1%
With a disability	4,563	2.6%	1,851	2.6%
No disability	114,746	66.3%	44,159	62.5%
Unemployed	6,071	3.5%	2,790	3.9%
With a disability	695	0.4%	364	0.5%
No disability	5,376	3.1%	2,426	3.9%
Not in labor force	47,750	27.6%	21,859	30.9%
With a disability	7,691	4.4%	3,237	4.6%
No disability	40,059	23.1%	18,622	26.4%
Source: 2013-2017 ACS (C18120).				

Currently, there are an estimated 564 persons with developmental disabilities residing in unincorporated San Luis Obispo County and served by local resource agencies. Existing law defines "developmental disability" as "a disability that originates before an individual becomes 18 years old; continues, or can be expected to continue, indefinitely; and constitutes a substantial disability for that individual". The housing needs of this special needs group are similar to and often overlap with the broader needs of persons with other disabilities (such as wheelchair accessibility). As with other special needs groups, lack of financial resources limits housing opportunities. Persons with developmental disabilities depend primarily on SSI income and the Section 8 Housing Voucher program, which currently supports approximately 2,100 voucher recipients across the county. Individuals with developmental disabilities may need to live in group homes or shared living situations. Thus, the number and location of group homes and shared living situations are critical factors in housing availability. Currently there is significant unmet housing need for this special needs group, constraining new household formation for young adults. Regulatory issues can also create constraints, since some funding programs are not geared toward shared living arrangements and may require individuals to obtain separate housing. Persons with developmental disabilities often require special supportive services to allow them to

live independently. The primary resource organization serving persons with development disabilities locally is Tri-Counties Regional Center with offices in the cities of San Luis Obispo and Atascadero. The Santa Barbara office is also active in some communities in San Luis Obispo County such as Nipomo.

Tables 6.27 and 6.28 show the number of people in San Luis Obispo County living with developmental disabilities by age group or residency type.

Table 6.27: People with Developmental Disabilities by Zip Code and Age Group

Zip Code	Community	People 0-17 years	People 18+ years	Total
93424	Avila Beach	0	<11	>0
93428	Cambria	20	<11	>20
93430	Cayucos	<11	<11	>0
93432	Creston	<11	<11	>0
93402	Los Osos	47	69	116
93412	Los Osos	<11	0	>0
93444	Nipomo	93	106	199
93445	Oceano	41	30	71
93451	San Miguel	26	12	38
93452	San Simeon	<11	<11	>0
93453	Santa Margarita	13	<11	>13
93461	Shandon	18	<11	>18
93465	Templeton	58	33	91
Total		316*	250*	424*

Source: California Department of Developmental Services, 2019.

\*These totals do not include people in age categories where the total amount for each community is less than 11. DDS does not provide exact data in such circumstances. Each total here represents the number of persons known with certainty to have a developmental disability, but the real total may be slightly higher than what is shown here.

Table 6.28: People with Developmental Disabilities by Zip Code and Residence Type

Zip Code	Home of Parent / Family / Guardian	Independent / Supported Living	Community Care Facility	Intermediate Care Facility	Foster / Family Home	Total Residents
93424	0	<11	0	0	0	>0
93428	28	<11	0	0	0	>28
93430	16	0	0	0	0	16
93432	<11	0	<11	0	0	>0
93402	86	15	14	0	<11	>115
93412	<11	0	0	0	0	>0
93444	154	<11	33	0	<11	>187
93445	53	14	<11	<11	<11	>67
93451	32	<11	0	0	<11	>32
93452	<11	0	0	0	0	>0
93453	18	<11	0	0	<11	>18
93461	24	<11	0	0	<11	>24
93465	77	<11	<11	0	<11	>77
Total	334*	29*	47*	Unknown*	Unknown*	564*

Source: California Department of Developmental Services, 2019.

\*These totals do not include people in age categories where the total amount for each community is less than 11. DDS does not provide exact data in such circumstances. Each total here represents the number of persons known with certainty to have a developmental disability but the real total may be slightly higher than what is shown here

Locally, the Housing Authority of San Luis Obispo administers the federally funded After Care Housing Program. This program provides Section 8 rental assistance to mentally and physically handicapped outpatients who are otherwise unable to afford adequate housing. Presently, the demand for program assistance exceeds its financial resources. The Housing Authority of San Luis Obispo implements the program in both the cities and unincorporated areas of the county. Residential care facilities in the county provide care for disabled persons and elderly.

Transitions Mental Health Association provides services and transitional and permanent housing for mentally ill disabled adults. They provide resources for persons with disabilities by referring those in need to adult day care, meals on wheels, respite care, home health care, transportation, and independent living services programs.

### The Elderly

The unincorporated county was home to 24,407 elderly (age 65+) persons in 2017, comprising 20 percent of all persons in the jurisdiction (2013-2017 5-Year Estimates: Table S0101). Approximately 87 percent of housing units occupied by elderly were owner occupied and 13 percent were renter occupied.

While the majority of the elderly are financially stable, there are still many who live on low or fixed incomes. Thus, many elderly need affordable housing. In 2017, there was a total of 14,209 senior households in the unincorporated county, representing approximately 34 percent of all households in the same area. Large numbers of seniors tended to have higher household incomes—approximately 42 percent of all senior households in the unincorporated county earned a household income above \$75,000 per year. Table 6.29 shows the number of senior households by income in unincorporated San Luis Obispo County.

Table 6.29: Senior Household Income

Category	Number of Households
Total Senior and Nonsenior Households	41,643
Householder 65 years and over	14,209
Less than \$10,000	522
\$10,000 to \$14,999	797
\$15,000 to \$19,999	611
\$20,000 to \$24,999	606
\$25,000 to \$29,999	537
\$30,000 to \$34,999	849
\$35,000 to \$39,999	676
\$40,000 to \$44,999	500
\$45,000 to \$49,999	562
\$50,000 to \$59,999	1,184



\$60,000 to \$74,999	1,436
\$75,000 to \$99,999	1,771
\$100,000 to \$124,999	1,629
\$125,000 to \$149,999	694
\$150,000 to \$199,999	719
\$200,000 or more	1,116
Source: 2013-2017 ACS (B19037).	

Many elderly citizens live in mobile home parks. Mobile home parks are a significant part of the county's affordable housing stock. Park residents are protected from extreme rent increases by the County's Mobile Home Park Rent Stabilization Ordinance. The County has successfully defended its mobile home park rent control ordinance in court. The County has a mobile home park closure ordinance that will provide residents with ample payment and relocation assistance if a park is closed. The County's subdivision ordinance also requires that a very comprehensive Tenant Impact Report be submitted with any application to subdivide a rental mobile home park into a condominium park. This ordinance also allows the County to consider denial of the subdivision if a resident survey indicates that the majority of park residents do not support the conversion of their mobile home park from a rental to a condominium park. The recently passed state Senate Bill 510 strengthened the County's ability to deny such condominium conversions where there is an unfavorable survey.

Senior apartment developments and co-housing are also desirable options for some seniors. These housing types provide a strong sense of community and support for residents.

The Area Agency on Aging provides services such as home-delivered meals, senior citizen centers, senior employment services, legal assistance, transportation services, and respite for caregivers. Senior centers in urban communities provide regular gatherings and meetings for seniors. Ride On transportation provides door-to-door shuttle service for seniors throughout the county for a small fee.

### Large Households

Large households of five or more members made up approximately 9 percent of unincorporated county households in 2017. Roughly, two-thirds of these larger households live in owner-occupied residences. Approximately 17 percent of all homes in the unincorporated county have more than four bedrooms.

The County has helped to fund the development of projects with large residential units. These are units that have 4 or 5 bedrooms. The County provides direct financial assistance to projects for low and very-low income households with federal funds from the Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) programs. The local nonprofit, Peoples' Self-Help Housing Corporation, has used HOME funds and Section 502 funding from the US Department of Agriculture to build several subdivisions that are affordable to low and very low income households. These subdivisions use the "sweat equity" method of construction that helps qualified households to build their own units. Large families with low incomes may also be eligible for the Section 8 rental assistance program that is administered by the Housing Authority of San Luis Obispo.

### Households with Single Person Head of Households

According to the 2007-2011 ACS 5-Year Estimates (Table B17012), approximately 27,000 families countywide (including cities) had children under 18 years of age. Of these, married-couple families represented approximately 48 percent (13,415). Families with children under 18 years headed by a single female represented 8 percent (5,259) of families, and families headed by a single male represented 4 percent (2,410).

In 2011, one out of every three families with female householders countywide were under the poverty line. Table 6.30 illustrates the data regarding families with female householders and under the poverty line.

Table 6.30: Families with Female Householders and Poverty (Countywide), 2011

	Number	Percent of Total Family Households	Percentage of Total Family Households under the Poverty Line	Percentage of Families with Female Householder
Total Family Households	64,511	100%	-	-
Families with Female Householder*	5,259	8.2%	-	100%
Total Families under the Poverty Line	6,175	9.6%	100%	-
Families with Female Householder under the Poverty Line*	1,794	2.8%	29.1%	34.1%

Source: 2007-2011 American Community Survey (B17012).

\*With children under 18

### **Housing for Extremely Low and Very Low Income and Homeless Families**

A minimum of 80 percent of the County's annual allocation of federal Home Investment Partnership (HOME) funds and Emergency Solutions Grant (ESG) funds are typically allocated to local nonprofit groups that provide housing (including emergency shelter and transitional housing) to very low income and homeless families. The Community Action Partnership of San Luis Obispo County (CAPSLO) operates the homeless campus with homeless shelter and homeless day care facilities in San Luis Obispo. RISE of San Luis Obispo and the North County Women's Shelter operate facilities and programs in their communities. The El Camino Homeless Organization (ECHO) operates a homeless shelter in Atascadero. The Housing Authority of San Luis Obispo (HASLO) administers the Tenant Based Rental Assistance and Section 8 programs, and manages several affordable apartment projects. Peoples' Self-Help Housing Corporation and HASLO build affordable ownership and rental units throughout the county. All of these programs face the impacts of government budget shortfalls and the rapidly rising cost of the local housing market.

### **Farmworkers**

Although agriculture is one of the county's primary industries, it is difficult to determine the exact number of farmworkers that live here. The USDA Agricultural Census counts the number of farmworkers in San Luis Obispo County. Countywide as of 2017 there are 879 farms, and there are 11,416 farmworkers. There are more farmworkers who work more than 150 days per year than those who work less than 150 days. Specifically, there are 8,421 farmworkers who work 150 days or more in the county as opposed to the 6,681 farmworkers who work only 149 days or fewer. HCD estimates that there are 83 farmworker housing units built as part of the Joe Serna Farm Worker Grant Program. Farmworker families need housing that is near schools, shopping, and community services. It is difficult to provide such housing for the families of the workers who are still seasonal migratory workers. Local farmers find that workers with families need family dwelling units, while single workers may use bunkhouses or dormitory-style quarters that are located on the farms.

In recent years there appears to be a trend away from migratory farmworkers. Although many of the farmworker jobs are seasonal, more farmworkers are finding other sources of income during the off season and remain in the area. In general, farmworkers in the Guadalupe area tend to live in the community and work in the outlying farms, whereas farmworkers working in the Oso Flaco Valley tend to live in Santa Maria. Similarly, farmworkers working in the Huasna Valley live in neighboring communities such as Arroyo Grande or Oceano. North San Luis Obispo County farmers commonly use labor contractors from the Central Valley, and the farmworkers often commute from communities such as Avenal.

Housing needs may be met with farm support quarters at the site of the agricultural use. Farm support quarters may be single-family dwellings (including mobile homes) or dormitory-style group quarters. The amount of allowable on-site farmworker housing is determined by the intensity of agricultural activities.

The County's Growth Management Ordinance exempts farm support quarters from the permit allocation process, whether in the form of group quarters or single-family dwellings. Farm support quarters are permitted in the Agriculture and Rural Land categories. Additionally, farmworker housing is sometimes provided in developments in single-family and multifamily zones. The County has provided federal HOME and CDBG funds to the nonprofit Peoples' Self-Help Housing Corporation (PSHHC) to build housing projects for farmworker families. PSHHC also uses federal USDA Section 502 funds and state HCD funds (Joe Serna, Jr. Farm Worker Housing Grant Program) for its projects.

### **Families and Persons in Need of Emergency Shelter**

Homeless persons in San Luis Obispo County include families, seniors, single men and women, and youth. In 2019, a point in time enumeration counted 1,483 homeless persons living in San Luis Obispo County, an increase of 32 percent from 2017. However, it represents a decrease of 32 percent from 2013 when the housing element was last updated. According to the 2019 point in time count and survey:

- Approximately 10 percent of all homeless persons counted were children under the age of 18, and 11 percent were transitional-aged youth (ages 18 to 24).
- 10 percent of homeless people were veterans.
- More than half (68 percent) were males, and 32 percent were females.
- Of the homeless persons counted, 32 percent were in the north county, 14 percent were in the south county, 38 percent were in the City of San Luis Obispo, and 15 percent were counted on the north coast of the county.
- Approximately 79 percent were unsheltered, 2 percent were in transitional housing, and 19 percent were in shelters. Of those who were unsheltered, approximately 26 percent were sleeping in a vehicle, 2 percent were in abandoned buildings, and the remainder were living on the streets, in park areas, or in encampments.
- 20 percent of the population was chronically homeless, and 84 percent of those were unsheltered.
- The majority (24 percent) of the homeless population was between the ages of 31 to 40 years.

According to the County's Homeless Management Information System (HMIS) system, there were 1,834 new clients recorded in 2018. The County is a major financial contributor to homeless services and shelters countywide. To ensure that the county has adequate capacity to meet the needs of homeless persons, the County assumes that—based on the 2019 count—the unmet need in the unincorporated county is 393 and the unmet need countywide (including cities) is 1,483. According to the HMIS data, approximately 47% of the persons served by HMIS participating agencies during the federal Fiscal Year (FY) 19-20 had one or more disabling conditions. HMIS data also indicates that approximately 24% of the persons served during that time period had previously experienced domestic violence. Approximately 19% of the persons served reported substance abuse problems. During federal FY 19-20, a total of 1,168 households were engaged for the first time by the Coordinated Entry System, which is the entry point for the county's

homeless services system. The number of persons who have transitioned out of homelessness, this is more difficult to measure, as the largest housing program for homeless persons in the county does not currently participate in the county HMIS. Several other programs also do not participate, e.g. Mental Health Services Act funded programs. This means that the HMIS data does not provide a complete picture of the number of persons exiting from homelessness. Of the persons served by HMIS participating programs, approximately 17% exited to permanent housing in federal FY 19-20.

Many homeless individuals and families use shelter and services in the incorporated cities. The Community Action Partnership of San Luis Obispo County (CAPSLO) uses local and federal funds from the County and local cities to operate a homeless services campus at 40 Prado Road in the City of San Luis Obispo. The homeless shelter provides up to 150 beds year round, showers, clothing, meals, mail and phone services, counseling services, health screening, and access to transitional and permanent housing. CAPSLO also works in partnership with the Interfaith Coalition for the Homeless to provide “overflow” sheltering during winter months. A different church hosts the “overflow” program each month, providing 25 to 40 beds nightly.

In the north county, the El Camino Housing Organization (ECHO) provides 50 emergency shelter beds year round. Additionally, the Central Coast LINK, Housing Authority of the City of San Luis Obispo, and 5 Cities Homeless Coalition provide deposits and short-term rental assistance to rapidly rehouse homeless individuals and families and those at risk of becoming homeless.

In the north county, CAPSLO and Transitions Mental Health Association operate permanent supportive housing programs for homeless persons with disabilities. These programs provide housing and case management services for homeless clients. Various churches and nonprofit groups in the north county area provide other services such as day meals, food, clothing, and a motel voucher program. These groups include, for example, Transitional Food and Shelter, Loaves and Fishes, the Salvation Army, Harvest Bag, and the El Camino Housing Organization (ECHO). In the south county, CAPSLO operates a case management program.

Emergency shelters are currently allowable in the Commercial Service, Industrial, and Public Facilities land use categories and the shelters are allowed that can accommodate up to 100 persons. There are more than 538 parcels totaling over 23,000 acres in the three land uses. There are many sites that are in proximity to transit and services, so these land uses are suitable for emergency shelter development. They can be built with a zoning clearance in urban areas if certain conditions are met. Transitional and supportive housing can be constructed anywhere that single- and multifamily homes can be built.

Table 6.31 shows emergency shelters and transitional housing facilities countywide.

Table 6.31: Emergency Shelter and Transitional Housing in San Luis Obispo County

Name	Location	Number of Beds	Population Served
EMERGENCY SHELTERS			
40 Prado Homeless Campus - CAPSLO	San Luis Obispo	150	Single Homeless Adults and Families with Children
ECHO Homeless Shelter	Atascadero	31	Single Homeless Adults
Transitional Food and Shelter - TFS (medically fragile homeless)	San Miguel, Atascadero, Paso Robles, Arroyo Grande, San Luis Obispo	14	Single Medically Fragile Adults
North County RISE and San Luis Obispo RISE Women's Shelter	Atascadero, Paso Robles, and San Luis Obispo	38	Single women and women with children
TRANSITIONAL HOUSING			
Adult Transitional Housing - TMHA	San Luis Obispo	4	Single adults
Transitional Housing for Homeless - TMHA	San Luis Obispo	20	Single adults
TH for Homeless Women/Children in San Luis Obispo (Women's Shelter)	Grover Beach and San Luis Obispo	34	Single women & women with children
Congregate Housing - TMHA	San Luis Obispo and Atascadero	13	Single adults
PERMANENT SUPPORTIVE HOUSING			
North County Permanent Housing and Case Management – CAPSLO	Atascadero	6	Single adults
North County Permanent Housing with Supports - TMHA	Atascadero and Los Osos	10	Single adults
North County Permanent Housing (Bordeaux) - TMHA	Atascadero	11	Single adults and one family with children
South County Permanent Housing	Arroyo Grande and Pismo Beach	5	Single adults

Name	Location	Number of Beds	Population Served
HUD VASH vouchers (Housing Authority of the City of San Luis Obispo)	Countywide	226	Veterans (single adults, couples, and families with children)
Family Unification Program (FUP) Vouchers - SLO County Child Welfare Services	Countywide	30	Children who are at risk of separation from parents due to housing unaffordability
Total Beds		542	

The County, in conjunction with the cities and a large stakeholder group, convened in 2008 to create a 10-Year Plan to End Homelessness (10-Year Plan). The 10-Year Plan provides a clear vision of steps necessary to help homeless or at-risk persons arrive to stable housing as productive members of the community. A central goal of the 10-Year Plan is to assist the county in stabilizing and sustaining critical services to people who are homeless and at risk by enhancing interagency collaboration and increasing systemwide efficiency in provision of services and use of resources. Four priorities and several implementing strategies based on each priority are incorporated in the 10-Year Plan. Priorities include:

**Priority 1**

Facilitating access to affordable housing to put an end to homelessness.

**Priority 2**

Stopping homelessness before it starts through prevention and effective intervention.

**Priority 3**

Ending and preventing homelessness through integrated, comprehensive, responsive supportive services.

**Priority 4**

Coordinating a solid administrative & financial structure to support effective plan implementation.

All seven cities as well as the County agreed in 2009 to endorse the 10-Year Plan to End Homelessness, to use the plan as a guide for future efforts, and to designate a city council or board member to serve as a representative in ongoing collaboration to address homelessness. A Continuum of Care governing body, the Homeless Services Oversight Council, was created in 2009 as a forum for the ongoing collaboration and implementation of the 10-Year Plan to End Homelessness. This body incorporates a diverse membership of stakeholders, such as government

representatives, educational representatives, law enforcement, mental health and social services providers, nonprofit homeless providers, affordable housing developers, a formerly homeless person, a veterans' representative, and others.



# CHAPTER 7: SITES ANALYSIS

## OVERVIEW

This chapter shows how the County is planning for housing needs in the 2020-2028 planning period. The County analyzed vacant land in urban areas that is suitable for residential development to show there is enough land zoned for housing to meet projected housing needs over the next eight (8) years. Specific sites or parcels are (a) identified in this chapter to demonstrate that the County is planning for enough land and (b) for informational purposes only. The County cannot require development of these parcels.

This analysis also takes into consideration zoning provisions, development standards, growth patterns, environmental constraints, infrastructure, and various housing types.

## HOUSING NEEDS SHARE ALLOCATIONS

The State Department of Housing and Community Development issued its determination of each region's share of the statewide housing need, broken down by income level. The San Luis Obispo region consists of eight (8) local government jurisdictions, the unincorporated county and the seven (7) incorporated cities.

The San Luis Obispo Council of Governments, the agency responsible for administering the San Luis Obispo region's housing needs share, then prepared and adopted the Regional Housing Needs Allocation Plan to (a) further divide the region's housing needs share and (b) allocate to the unincorporated county and each incorporated city their respective share of the region's housing needs.

### **San Luis Obispo Region's Share of Statewide Housing Need**

10,810 Housing Units

### **Unincorporated County's Share**

3,256 Housing Units  
of the 10,810 Total Regional Share

Each jurisdiction's share represents the number of housing units that jurisdiction must plan for to meet housing needs for the Regional Housing Need Allocation projection period, which is from December 31, 2018 to December 31, 2028. Since the Regional Housing Need Allocation period begins before the adoption of this Housing Element, the sites analysis will account for housing units approved, completed, or under construction since January 1, 2019.

Table 7.1 provides a breakdown of the housing needs share allocations for the San Luis Obispo region by jurisdiction and income category.

Table 7.1: San Luis Obispo Region Housing Needs Share Allocations

Jurisdictions	Total Share	Income Category			
		Very Low	Low	Moderate	Above Moderate
		24.6%	15.5%	18.0%	41.9%
Unincorporated County	3,256	801	505	585	1,365
Arroyo Grande	692	170	107	124	291
Atascadero	843	207	131	151	354
Grover Beach	369	91	57	66	155
Morro Bay	391	97	60	70	164
Paso Robles	1,446	356	224	259	607
Pismo Beach	459	113	71	82	193
San Luis Obispo	3,354	825	520	603	1,406
<b>Regional Total</b>	<b>10,810</b>	<b>2,660</b>	<b>1,675</b>	<b>1,940</b>	<b>4,535</b>
Note: Number of shares represent number of housing units needed					
Source: 2019 San Luis Obispo Council of Governments Regional Housing Needs Allocation Plan					

Workforce housing needs are not addressed in the Regional Housing Needs Allocation Plan; however, the County has adopted policies to encourage the development of housing that is affordable to workforce-income households. Workforce housing is a subset of the above moderate-income category.

---

## REMAINING SHARE OF HOUSING NEEDS

Although the unincorporated county's housing needs share is 3,256 housing units, the number of housing units that the County must plan for is lower after accounting for the following factors:

- Housing units approved, under construction, or completed from January 2019 through August 2019
- ADUs approved, under construction, or completed from January 2019 through August 2019
- Projected accessory dwelling production (based on historical data and HCD guidance)

### Recently Approved, Under Construction, or Completed Housing Units

The number of housing units approved, under construction, or completed since the beginning of 2019 can be counted towards fulfilling the unincorporated county's housing needs share. This reduces the amount of vacant land needed to be identified in order to fulfill the unincorporated county's housing needs share, per California Government Code Section 65583.

All recently approved, under construction, or completed housing units counted in this analysis are deed-restricted affordable housing units, other than accessory dwellings and above moderate-income category housing units. Of the very low- and low-income category housing units counted, 29 are deed-restricted, sweat-equity housing units funded by the United State Department of Agriculture and developed by Peoples' Self-Help Housing.

### Accessory Dwellings

The number of accessory dwellings approved, under construction, or completed since the beginning of 2019 can be counted towards fulfilling the unincorporated county's housing needs share. This also reduces the amount of vacant land needed to be identified in order to fulfill the unincorporated county's housing needs share.

Based on the 37 accessory dwellings approved, under construction, or completed from January 2019 through August of 2019, the County anticipates that at least 37 accessory dwellings will be approved, completed, or under construction annually. However, with guidance from the State Department of Housing and Community Development, the County projects that accessory dwelling production will increase by five (5) times this amount. Thus, it is projected that 1,665 accessory dwellings will be approved, under construction, or completed from January 2020 through December 2028 (9 years).

The County conducted a market study (January 2020) to examine the affordability of accessory dwellings and manufactured homes. The market study found that accessory dwellings currently available in San Luis Obispo County are affordable to (a) two-person and larger low-income households and (b) moderate- and above moderate-income households of all sizes. In addition, according to the 2017 research by Chapple et al., typically 40 percent (40%) of accessory dwellings are rented to family members or friends at lower or no cost. Based on the market study and

industry research, it is anticipated that up to fifty percent (50%) of accessory dwellings in the unincorporated county will be affordable to low-income category households and up to fifty percent (50%) of accessory dwellings in the unincorporated county will be affordable to moderate-income category households. Accessory dwellings that have been recently approved, completed, or under construction, along with projected accessory dwellings, have been assigned to specific income categories in accordance with this analysis. The same water and wastewater capacity limitations apply to accessory dwellings that apply to single-family dwelling development (see Chapter 6 and discussion later in this chapter, including Table 7.8). In addition, accessory dwellings are exempt from the County's Growth Management Ordinances.

Table 7.2 provides the number of housing units the County must plan for through December 2028 after accounting for the factors described above, along with a breakdown of each factor.

Table 7.2: Summary of Unincorporated County's Housing Needs Share

	Total	Income Category			
		Very Low <sup>(1)</sup>	Low	Moderate	Above Moderate
<b>Unincorporated County's Share</b>	<b>3,256</b>	<b>801</b>	<b>505</b>	<b>585</b>	<b>1,365</b>
Housing Units Approved, Under Construction, or Completed (Jan – Aug 2019)	388	15	14	0	359
ADUs Approved, Under Construction, or Completed (Jan – Aug 2019)	37	0	18	19	0
ADUs Projected Through Dec 2028	1,665	832		566	267
Remaining Share of Housing Needs	1,166	427		0	739
Note 1: The low-income category includes the extremely low-income category.					

## **ANALYSIS FOR VACANT SITES**

### **Potential Densities of Vacant and Underutilized Sites**

Due to the high cost of land in San Luis Obispo County, it is more feasible for affordable housing units to be developed on vacant sites that allow for higher densities.

For reference, California Government Code Section 65583.2 provides that, in suburban jurisdictions such as the unincorporated county, land designated for residential development at densities of 20 dwelling units or more per acre may be counted toward meeting the allocated housing needs share for the very low- and low- income categories. In the unincorporated county, sites under the Residential Multi-Family ("RMF") and Commercial Retail ("CR") land use categories (or zones) allow for residential development at densities of 26 dwelling units or more per acre. As such, it is more likely for housing units that are affordable to very low- and low-income households to be developed on sites in the RMF and CR land use categories. Housing units that are affordable to moderate-income households may also be developed on sites in the RMF and CR land use categories, where at least 10 to 15 dwelling units per acre is allowable and achievable. Accordingly, the County identified sites in RMF and CR land use categories to count toward meeting the unincorporated county's housing needs share in the very low-, low-, and moderate-income categories. For the above moderate-income category, the County identified sites in the Residential Single-Family ("RSF") and Residential Rural ("RR") land use categories.

### **Realistic Development Capacity**

The County Land Use Element and Land Use Ordinance for both inland areas and Coastal Zone allow maximum residential multi-family densities of 26 or 38 dwelling units per acre, generally. However, residential developments at such densities are not frequently produced. This may be due to many variables, which may include, but are not limited to, the following:

- Considering natural site features, such as terrain, creeks, and trees
- Balancing dwelling unit production with meeting development standards, such as requirements for minimum off-street parking, maximum building height, maximum floor-area, and minimum open space area
- Accounting for cost of construction
- Addressing opposition to high-density development

Since it is unlikely for all parcels to be developed at the allowable maximum residential densities, the County utilizes a realistic development capacity to represent the number of dwelling units that a parcel will likely yield. This allows the County to identify a sufficient amount of vacant parcels to show that there is enough land zoned for housing to meet projected housing needs.

To determine the realistic development capacity of vacant parcels, the County analyzed residential projects approved or built on parcels with allowable residential densities greater than 20 dwellings units per acre over a five-year period. This analysis considers the actual number of dwelling units approved or built and the parcel size to determine the density achieved for each residential

development. The average of the density achieved is then used to represent the realistic development capacity assumed for vacant and underutilized parcels.

Table 7.3: Realistic Development Capacity

Community	Parcel Size (Acres)	Number of Dwelling Units Approved or Built	Maximum Allowable Density (Dwelling Units per Acre)	Density Achieved (Dwelling Units per Acre)
Avila Beach	0.10	2	38	20
Avila Beach	0.40	7	26	18
Avila Beach	0.40	7	26	18
Avila Beach	0.48	9	38	19
Avila Beach	0.60	17	38	28
Avila Beach	1.36	17	38	13
Avila Beach	1.50	10	38	7
Avila Beach	1.60	28	38	18
Cambria	0.90	11	26	12
San Miguel	0.17	5	26	29
San Miguel	0.21	4	26	19
San Miguel	0.55	8	26	15
San Miguel	0.80	12	26	15
Templeton	1.70	43	26	25
Average Density Achieved (Dwelling Units per Acre)				18

The average density achieved was 18 dwelling units per acre, and thus, the realistic development capacity assumed for vacant and underutilized parcels is 18 dwelling units per acre. This figure is considered conservative, as such developments occurred prior to the full implementation of the County Housing Initiatives Package.

The County Housing Initiatives Package is a series of ordinance and policy amendments aiming to streamline housing development, facilitate housing production, and increase financial feasibility for housing developments. This package includes:

- Streamlining and removing barriers for the development of accessory dwellings
- Streamlining and removing barriers for the development of agricultural worker dwellings
- Reducing, waiving, and deferring fees for housing development
- Streamlining the environmental review process
- Streamlining the density bonus program

With the above initiatives taking effect in 2019 and 2020, the County anticipates substantial increases in housing development moving forward. For more information on the County Housing Initiatives Package, see “Chapter 3: The Need for Housing is a Regional Issue”.

### **Small Sites**

Small sites –parcels less than one (1) acre– are feasible for multi-family dwelling development and do not prevent multi-family dwelling densities at or above 20 dwelling units per acre. In some instances, smaller sites were developed with higher densities than larger sites, as shown in Table 7.3. Since the multi-family dwelling developments considered in Table 7.3 included both small and larger sites, a realistic development capacity of 18 dwelling units per acre is assumed for small sites, as well as larger sites.

## SUMMARY OF IDENTIFIED VACANT SITES

The County has identified an adequate number of vacant sites to accommodate the unincorporated county's remaining housing needs share.

Table 7.4: Summary of Identified Vacant Sites

Income Category	Identified Vacant Parcels		Housing Units		
	Total Number of Parcels	Number of Parcels by Land Use Category	Number of Realistic Potential Housing Units <sup>(1)</sup>	Remaining Share of House Needs <sup>(2)</sup>	Unincorporated County's Share
Very Low and Low	36	RMF: 12	1,459	427	1,306
		CR: 23			
Moderate	38	RMF: 13	975	0	585
		CR: 25			
Above Moderate	157	RSF: 147	821	739	1,365
		RR: 7			
		CR: 3			
Note 1: Based on realistic development capacity of 18 dwelling units per acre.					
Note 2: For more information on this, see "Remaining Share of Housing Needs" section of this chapter.					

As shown in Table 7.4, the number of realistic potential housing units that could result from the identified vacant parcels exceeds the unincorporated county's remaining share of housing needs for all required income categories (very low-, low-, moderate-, and above moderate-income). These vacant parcels can potentially be subdivided and developed at higher residential densities than the assumed realistic development capacity (18 dwelling units per acre). However, the County identified more parcels than necessary to meet the unincorporated county's remaining share of housing needs to account for parcels that may be developed at residential densities below the assumed realistic development capacity.



## INVENTORY OF SITES

This section provides the lists of specific vacant parcels identified to demonstrate that the County is planning for enough residential land to meet projected housing needs over the next eight (8) years.

See Table 7.5 for sites that may potentially be developed with housing for **very low- and low-income** households.

See Table 7.6 for sites that may potentially be developed with housing for **moderate-income** households.

See Table 7.7 for sites that may potentially be developed with housing for **above moderate-income** households.

Maps of identified vacant RMF and CR sites can be found in Appendix A.

The identified parcels are for informational purposes only, as the County cannot require development of these parcels. None of the parcels in Table 7.5 were included for lower income RHNA in the 4<sup>th</sup> and 5<sup>th</sup> round housing elements.

Table 7.5: Vacant Parcels for the Very Low- and Low-Income Categories

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units (18 units/ac)	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
021-401-001	San Miguel	RMF	2.19	38	83	39	Lower	No	No	Yes	Yes
021-231-033	San Miguel	RMF	9.91	38	377	178	Lower	No	No	Yes	Yes
092-271-008	Nipomo	RMF	1.18	38	45	21	Lower	Yes	Yes	Yes	Yes
092-577-002	Nipomo	RMF	1.83	38	70	32	Lower	Yes	Yes	Yes	Yes
092-141-035	Nipomo	RMF	2.30	38	87	41	Lower	Yes	Yes	Yes	Yes
092-578-005	Nipomo	RMF	3.83	38	146	68	Lower	Yes	Yes	Yes	Yes
092-579-003	Nipomo	RMF	9.44	38	359	169	Lower	Yes	Yes	Yes	Yes
075-032-005	Oceano	RMF	1.13	38	43	20	Lower	Yes	Yes	Yes	Yes
061-046-028	Oceano	RMF	0.70	38	27	12	Lower	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units (18 units/ac)	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
061-044-012	Oceano	RMF	1.52	38	58	27	Lower	Yes	Yes	Yes	Yes
061-044-013	Oceano	RMF	0.79	38	30	14	Lower	Yes	Yes	Yes	Yes
017-322-009	Shandon	RMF	1.05	38	40	18	Lower	Yes	Yes	Yes	Yes
090-095-015	Nipomo	CR	1.33	38	51	23	Lower	Yes	Yes	Yes	Yes
090-101-001	Nipomo	CR	2.57	38	98	46	Lower	Yes	Yes	Yes	Yes
090-131-001	Nipomo	CR	1.49	38	57	26	Lower	Yes	Yes	Yes	Yes
091-328-028	Nipomo	CR	4.78	38	182	86	Lower	Yes	Yes	Yes	Yes
092-083-010	Nipomo	CR	1.34	38	51	24	Lower	Yes	Yes	Yes	Yes
092-572-015	Nipomo	CR	9.62	38	366	173	Lower	Yes	Yes	Yes	Yes
092-572-018	Nipomo	CR	2.58	38	98	46	Lower	Yes	Yes	Yes	Yes
092-572-045	Nipomo	CR	2.64	38	100	47	Lower	Yes	Yes	Yes	Yes
092-572-057	Nipomo	CR	1.10	38	42	19	Lower	Yes	Yes	Yes	Yes
092-577-004	Nipomo	CR	1.13	38	43	20	Lower	Yes	Yes	Yes	Yes
092-577-005	Nipomo	CR	1.12	38	43	20	Lower	Yes	Yes	Yes	Yes
092-579-004	Nipomo	CR	1.16	38	44	20	Lower	Yes	Yes	Yes	Yes
092-579-006	Nipomo	CR	4.15	38	158	74	Lower	Yes	Yes	Yes	Yes
092-579-009	Nipomo	CR	1.68	38	64	30	Lower	Yes	Yes	Yes	Yes
090-121-009	Nipomo	CR	0.86	38	33	15	Lower	Yes	Yes	Yes	Yes
090-141-002	Nipomo	CR	0.69	38	26	12	Lower	Yes	Yes	Yes	Yes
090-161-020	Nipomo	CR	0.73	38	28	13	Lower	Yes	Yes	Yes	Yes
062-118-012	Oceano	CR	1.52	38	58	27	Lower	Yes	Yes	Yes	Yes
017-182-055	Shandon	CR	0.64	38	24	11	Lower	Yes	Yes	Yes	Yes
017-202-001	Shandon	CR	0.51	38	19	9	Lower	Yes	Yes	Yes	Yes
017-321-001	Shandon	CR	1.06	38	40	19	Lower	Yes	Yes	Yes	Yes
017-322-015	Shandon	CR	1.08	38	41	19	Lower	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units (18 units/ac)	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
017-322-016	Shandon	CR	2.31	38	88	41	Lower	Yes	Yes	Yes	Yes
<b>TOTALS</b>			<b>81.96</b>		<b>3,114</b>	<b>1,459</b>					
Note: Land use category and zone is the same for the unincorporated county.											

Table 7.6: Vacant Parcels for the Moderate-Income Category

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
092-578-004	Nipomo	RMF	2.00	15	30	30	Moderate	Yes	Yes	Yes	Yes
092-141-037	Nipomo	RMF	1.70	10	17	17	Moderate	Yes	Yes	Yes	Yes
062-082-017	Oceano	RMF	0.20	15	3	3	Moderate	Yes	Yes	Yes	Yes
021-231-017 021-231-024 021-231-041	San Miguel	RMF	1.60	26	42	28	Moderate	No	No	Yes	Yes
021-151-043	San Miguel	RMF	0.90	38	34	16	Moderate	No	No	Yes	Yes
021-231-005	San Miguel	RMF	0.72	38	27	12	Moderate	No	No	Yes	Yes
092-262-004	Nipomo	RMF	0.76	38	29	13	Moderate	Yes	Yes	Yes	Yes
092-577-006	Nipomo	RMF	0.92	38	35	16	Moderate	Yes	Yes	Yes	Yes
092-157-027	Nipomo	RMF	0.79	38	30	14	Moderate	Yes	Yes	Yes	Yes
092-272-002	Nipomo	RMF	0.81	38	31	14	Moderate	Yes	Yes	Yes	Yes
090-161-013	Nipomo	RMF	0.51	38	19	9	Moderate	Yes	Yes	Yes	Yes
043-081-013	Creston	CR	0.69	38	26	12	Moderate	No	No	Yes	Yes
043-085-001	Creston	CR	0.52	38	20	9	Moderate	No	No	Yes	Yes
092-083-009	Nipomo	CR	0.86	38	33	15	Moderate	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
092-251-022	Nipomo	CR	0.60	38	23	10	Moderate	Yes	Yes	Yes	Yes
092-451-048	Nipomo	CR	0.62	38	23	11	Moderate	No	No	Yes	Yes
092-579-007	Nipomo	CR	0.54	38	21	9	Moderate	Yes	Yes	Yes	Yes
021-112-002	San Miguel	CR	1.10	38	42	19	Moderate	No	No	Yes	Yes
021-131-011	San Miguel	CR	0.55	38	21	9	Moderate	No	No	Yes	Yes
021-323-004	San Miguel	CR	0.75	38	29	13	Moderate	No	No	Yes	Yes
039-411-033	Templeton	CR	8.58	38	326	154	Moderate	No	No	Yes	Yes
040-153-005	Templeton	CR	5.08	38	193	91	Moderate	No	No	Yes	Yes
040-153-006	Templeton	CR	0.92	38	35	16	Moderate	No	No	Yes	Yes
040-153-007	Templeton	CR	1.15	38	44	20	Moderate	No	No	Yes	Yes
040-214-063	Templeton	CR	3.51	38	133	63	Moderate	Partial <sup>4</sup>	Partial <sup>4</sup>	Yes	Yes
040-311-049	Templeton	CR	2.09	38	79	37	Moderate	Partial <sup>4</sup>	Partial <sup>4</sup>	Yes	Yes
040-311-050	Templeton	CR	2.38	38	90	42	Moderate	Partial <sup>5</sup>	Partial <sup>5</sup>	Yes	Yes
040-372-004	Templeton	CR	1.84	38	70	33	Moderate	Partial <sup>9</sup>	Partial <sup>10</sup>	Yes	Yes
040-372-005	Templeton	CR	1.97	38	75	35	Moderate	Partial <sup>7</sup>	Partial <sup>1</sup>	Yes	Yes
040-372-006	Templeton	CR	1.85	38	70	33	Moderate	Partial <sup>4</sup>	Partial <sup>4</sup>	Yes	Yes
040-372-007	Templeton	CR/OP	1.82	38	69	32	Moderate	Partial <sup>4</sup>	Partial <sup>5</sup>	Yes	Yes
040-372-008	Templeton	CR/OP	1.69	38	64	30	Moderate	Partial <sup>2</sup>	Partial <sup>2</sup>	Yes	Yes
040-372-014	Templeton	CR	1.03	38	39	18	Moderate	Partial <sup>8</sup>	Partial <sup>2</sup>	Yes	Yes
040-372-015	Templeton	CR/OP	3.16	38	120	56	Moderate	Yes	Yes	Yes	Yes
040-372-016	Templeton	CR	2.28	38	86	14	Moderate	Partial <sup>7</sup>	Partial <sup>2</sup>	Yes	Yes
041-083-038	Templeton	CR	1.26	38	48	22	Moderate	Partial <sup>1</sup>	Partial <sup>1</sup>	Yes	Yes
<b>Totals</b>			<b>57.8</b>		<b>2,003</b>	<b>975</b>					

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
<p>Note: Land use category and zone is the same for the unincorporated county.</p> <p><sup>1</sup>Parcel has current outstanding will-serve/virtual meter agreement for two units.</p> <p><sup>2</sup>Parcel has current outstanding will-serve/virtual meter agreement for four units.</p> <p><sup>3</sup>Parcel has current outstanding will-serve/virtual meter agreement for twenty-three units.</p> <p><sup>4</sup>Parcel has current outstanding will-serve/virtual meter agreement for eight units.</p> <p><sup>5</sup>Parcel has current outstanding will-serve/virtual meter agreement for seven units.</p> <p><sup>6</sup>Parcel has current outstanding will-serve/virtual meter agreement for one unit.</p> <p><sup>7</sup>Parcel has current outstanding will-serve/virtual meter agreement for three units.</p> <p><sup>8</sup>Parcel has current outstanding will-serve/virtual meter agreement for nine units.</p> <p><sup>9</sup>Parcel has current outstanding will-serve/virtual meter agreement for six units.</p> <p><sup>10</sup>Parcel has current outstanding will-serve/virtual meter agreement for five units.</p>											

Table 7.7: Vacant Parcels for the Above Moderate-Income Category

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
041-181-017	Templeton	RSF	1.00	7	7	5	Above Mod	Partial <sup>2</sup>	Partial <sup>2</sup>	Yes	Yes
041-031-006	Templeton	RSF	1.50	7	11	8	Above Mod	No	No	Yes	Yes
041-031-013	Templeton	RSF	2.10	7	15	11	Above Mod	No	No	Yes	Yes
040-292-033	Templeton	RSF	3.00	7	21	16	Above Mod	No	No	Yes	Yes
041-181-021	Templeton	RSF	0.50	7	4	2	Above Mod	Partial <sup>2</sup>	Partial <sup>2</sup>	Yes	Yes
017-311-005	Shandon	RSF	2.90	7	20	16	Above Mod	Yes	Yes	Yes	Yes
017-164-012	Shandon	RSF	5.00	7	35	28	Above Mod	Yes	Yes	Yes	Yes
017-182-025	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-192-052	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-292-001	Shandon	RSF	0.46	7	3	2	Above Mod	Yes	Yes	Yes	Yes
017-182-036	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
017-322-012	Shandon	RSF	1.00	7	7	5	Above Mod	Yes	Yes	Yes	Yes
017-301-036	Shandon	RSF	0.30	7	2	1	Above Mod	Yes	Yes	Yes	Yes
017-181-036	Shandon	RSF	0.15	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-322-011	Shandon	RSF	1.00	7	7	5	Above Mod	Yes	Yes	Yes	Yes
017-182-042	Shandon	RSF	1.29	7	9	7	Above Mod	Yes	Yes	Yes	Yes
017-192-050	Shandon	RSF	0.63	7	4	3	Above Mod	Yes	Yes	Yes	Yes
017-292-026	Shandon	RSF	0.47	7	3	2	Above Mod	Yes	Yes	Yes	Yes
017-182-011	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-182-012	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-192-043	Shandon	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
017-292-027	Shandon	RSF	0.46	7	3	2	Above Mod	Yes	Yes	Yes	Yes
017-192-044	Shandon	RSF	0.32	7	2	1	Above Mod	Yes	Yes	Yes	Yes
017-192-051	Shandon	RSF	0.86	7	6	4	Above Mod	Yes	Yes	Yes	Yes
092-183-012	Nipomo	RSF	0.91	7	6	5	Above Mod	Yes	Yes	Yes	Yes
092-136-057	Nipomo	RSF	0.02	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-136-059	Nipomo	RSF	0.24	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-136-009	Nipomo	RSF	0.21	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-145-049	Nipomo	RSF	0.09	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-128-021	Nipomo	RSF	0.22	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-351-027	Nipomo	RSF	0.49	7	3	2	Above Mod	Yes	Yes	Yes	Yes
090-091-018	Nipomo	RSF	0.52	7	4	2	Above Mod	Yes	Yes	Yes	Yes
092-361-022	Nipomo	RSF	2.80	7	20	15	Above Mod	Yes	Yes	Yes	Yes
090-371-058	Nipomo	RSF	1.11	7	8	6	Above Mod	Yes	Yes	Yes	Yes
092-321-035	Nipomo	RSF	0.24	7	2	1	Above Mod	Yes	Yes	Yes	Yes
090-093-019	Nipomo	RSF	1.00	7	7	5	Above Mod	Yes	Yes	Yes	Yes
092-321-034	Nipomo	RSF	0.73	7	5	4	Above Mod	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
092-551-038	Nipomo	RSF	0.52	7	4	2	Above Mod	Yes	Yes	Yes	Yes
092-351-019	Nipomo	RSF	1.45	7	10	8	Above Mod	Yes	Yes	Yes	Yes
092-136-073	Nipomo	RSF	0.01	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-281-005	Nipomo	RSF	5.89	7	41	32	Above Mod	No	No	Yes	Yes
092-281-007	Nipomo	RSF	1.14	7	8	6	Above Mod	No	No	Yes	Yes
092-281-006	Nipomo	RSF	0.45	7	3	2	Above Mod	No	No	Yes	Yes
090-391-011	Nipomo	RSF	5.18	7	36	29	Above Mod	No	No	Yes	Yes
092-351-018	Nipomo	RSF	0.49	7	3	2	Above Mod	Yes	Yes	Yes	Yes
092-361-012	Nipomo	RSF	0.52	7	4	2	Above Mod	Yes	Yes	Yes	Yes
090-364-016	Nipomo	RSF	0.31	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-351-028	Nipomo	RSF	0.49	7	3	2	Above Mod	Yes	Yes	Yes	Yes
092-094-004	Nipomo	RSF	0.13	7	1	1	Above Mod	No	No	Yes	Yes
092-091-006	Nipomo	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
092-136-060	Nipomo	RSF	0.29	7	2	1	Above Mod	Yes	Yes	Yes	Yes
090-363-016	Nipomo	RSF	0.27	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-351-013	Nipomo	RSF	0.52	7	4	2	Above Mod	Yes	Yes	Yes	Yes
092-321-031	Nipomo	RSF	0.24	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-361-008	Nipomo	RSF	0.88	7	6	4	Above Mod	Yes	Yes	Yes	Yes
092-573-010	Nipomo	RSF	0.26	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-351-026	Nipomo	RSF	2.90	7	20	16	Above Mod	Yes	Yes	Yes	Yes
092-361-021	Nipomo	RSF	0.95	7	7	5	Above Mod	Yes	Yes	Yes	Yes
092-331-024	Nipomo	RSF	0.18	7	1	1	Above Mod	Yes	Yes	Yes	Yes
090-364-015	Nipomo	RSF	0.61	7	4	3	Above Mod	Yes	Yes	Yes	Yes
092-105-013	Nipomo	RSF	0.06	7	1	1	Above Mod	No	No	Yes	Yes
092-453-001	Nipomo	RSF	0.16	7	1	1	Above Mod	No	No	Yes	Yes
092-452-012	Nipomo	RSF	0.16	7	1	1	Above Mod	No	No	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
092-107-023	Nipomo	RSF	0.11	7	1	1	Above Mod	No	No	Yes	Yes
090-381-011	Nipomo	RSF	1.45	7	10	8	Above Mod	Yes	Yes	Yes	Yes
090-381-010	Nipomo	RSF	0.32	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-321-025	Nipomo	RSF	0.73	7	5	4	Above Mod	Yes	Yes	Yes	Yes
092-125-025	Nipomo	RSF	0.19	7	1	1	Above Mod	Yes	Yes	Yes	Yes
090-371-059	Nipomo	RSF	0.80	7	6	4	Above Mod	Yes	Yes	Yes	Yes
092-351-036	Nipomo	RSF	0.33	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-321-033	Nipomo	RSF	0.24	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-272-008	Nipomo	RSF	0.99	7	7	5	Above Mod	Yes	Yes	Yes	Yes
092-572-014	Nipomo	RSF	4.98	7	35	27	Above Mod	Yes	Yes	Yes	Yes
090-381-009	Nipomo	RSF	0.32	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-581-003	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-014	Nipomo	RSF	0.18	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-010	Nipomo	RSF	2.30	7	16	12	Above Mod	Yes	Yes	Yes	Yes
092-581-008	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-006	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-001	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-015	Nipomo	RSF	0.18	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-007	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-011	Nipomo	RSF	0.35	7	3	2	Above Mod	Yes	Yes	Yes	Yes
092-581-004	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-002	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-013	Nipomo	RSF	0.19	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-009	Nipomo	RSF	0.28	7	2	1	Above Mod	Yes	Yes	Yes	Yes
092-581-012	Nipomo	RSF	0.19	7	1	1	Above Mod	Yes	Yes	Yes	Yes
092-581-005	Nipomo	RSF	0.14	7	1	1	Above Mod	Yes	Yes	Yes	Yes



Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
021-271-011	San Miguel	RSF	0.10	7	1	1	Above Mod	No	No	Yes	Yes
021-271-012	San Miguel	RSF	0.10	7	1	1	Above Mod	No	No	Yes	Yes
021-195-002	San Miguel	RSF	0.30	7	2	1	Above Mod	No	No	Yes	Yes
021-371-001	San Miguel	RSF	24.43	7	171	136	Above Mod	No	No	Yes	Yes
021-361-001	San Miguel	RSF	1.00	7	7	5	Above Mod	No	No	Yes	Yes
021-323-001	San Miguel	RSF	0.22	7	2	1	Above Mod	No	No	Yes	Yes
021-361-010	San Miguel	RSF	10.28	7	72	57	Above Mod	No	No	Yes	Yes
021-362-006	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-362-007	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-362-008	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-001	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-002	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-003	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-004	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-005	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-006	San Miguel	RSF	0.19	7	1	1	Above Mod	No	No	Yes	Yes
021-363-007	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-008	San Miguel	RSF	0.11	7	1	1	Above Mod	No	No	Yes	Yes
021-363-009	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-010	San Miguel	RSF	0.22	7	2	1	Above Mod	No	No	Yes	Yes
021-363-011	San Miguel	RSF	0.24	7	2	1	Above Mod	No	No	Yes	Yes
021-363-012	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-013	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-014	San Miguel	RSF	0.12	7	1	1	Above Mod	No	No	Yes	Yes
021-363-015	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-016	San Miguel	RSF	0.17	7	1	1	Above Mod	No	No	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
021-363-017	San Miguel	RSF	0.16	7	1	1	Above Mod	No	No	Yes	Yes
021-363-018	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-019	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-020	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-021	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-022	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-023	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-024	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-025	San Miguel	RSF	0.18	7	1	1	Above Mod	No	No	Yes	Yes
021-363-026	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-027	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-028	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-029	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-030	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-031	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-032	San Miguel	RSF	0.15	7	1	1	Above Mod	No	No	Yes	Yes
021-363-033	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-034	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-035	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-036	San Miguel	RSF	0.14	7	1	1	Above Mod	No	No	Yes	Yes
021-363-037	San Miguel	RSF	2.24	7	16	12	Above Mod	No	No	Yes	Yes
069-131-021	Santa Margarita	RSF	0.30	7	2	1	Above Mod	Yes	Yes	Yes	Yes
069-113-030	Santa Margarita	RSF	0.17	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-153-023	Santa Margarita	RSF	0.17	7	1	1	Above Mod	Yes	Yes	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
069-142-005	Santa Margarita	RSF	0.18	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-142-017	Santa Margarita	RSF	0.02	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-113-010	Santa Margarita	RSF	0.08	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-153-026	Santa Margarita	RSF	0.31	7	2	1	Above Mod	Yes	Yes	Yes	Yes
069-113-031	Santa Margarita	RSF	0.17	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-073-001	Santa Margarita	RSF	0.98	7	7	5	Above Mod	Yes	Yes	Yes	Yes
069-025-014	Santa Margarita	RSF	0.26	7	2	1	Above Mod	Yes	Yes	Yes	Yes
069-126-029	Santa Margarita	RSF	0.17	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-021-002	Santa Margarita	RSF	0.16	7	1	1	Above Mod	Yes	Yes	Yes	Yes
069-131-022	Santa Margarita	RSF	0.30	7	2	1	Above Mod	Yes	Yes	Yes	Yes
069-033-008	Santa Margarita	RSF	0.43	7	3	2	Above Mod	Yes	Yes	Yes	Yes
092-163-015	Nipomo	RR	1.20	0.2	1	1	Above Mod	Yes	Yes	Yes	Yes
090-012-018	Nipomo	RR	11.51	0.2	2	1	Above Mod	Yes	Yes	Yes	Yes
092-161-064	Nipomo	RR	1.82	0.2	1	1	Above Mod	Yes	Yes	Yes	Yes
070-041-028	Santa Margarita	RR	26.16	0.2	5	4	Above Mod	Yes	Yes	Yes	Yes
040-351-059	Templeton	RR	4.93	0.2	1	1	Above Mod	No	No	Yes	Yes
040-201-057	Templeton	RR	14.26	0.2	2	1	Above Mod	Partial <sup>1</sup>	Partial <sup>1</sup>	Yes	Yes
033-281-038	Templeton	RR	2.43	0.2	1	1	Above Mod	No	No	Yes	Yes

Assessor's Parcel Number	Community	General Plan Designation and Zone	Acres	Maximum Allowable Density (units/ac)	Maximum Potential Units Per General Plan	Realistic Potential Units	Affordability Category	Water Capacity (Y/N?)	Sewer Capacity (Y/N?)	Electrical Service Available (Y/N?)	Internet Service Available (Y/N?)
040-183-023	Templeton	RS	3.79	1	3	2	Above Mod	No	No	Yes	Yes
041-154-002	Templeton	CR	5.53	38	210	99	Above Mod	Partial <sup>5</sup>	Partial <sup>5</sup>	Yes	Yes
041-173-013	Templeton	CR	0.80	38	30	14	Above Mod	Partial <sup>3</sup>	Partial <sup>3</sup>	Yes	Yes
041-211-011	Templeton	CR	2.79	38	106	50	Above Mod	Partial <sup>4</sup>	Partial <sup>4</sup>	Yes	Yes
<b>Totals</b>			<b>194.39</b>		<b>1,205</b>	<b>821</b>					

## Notes:

- Land use category and zone is the same for the unincorporated county.
- Realistic potential number of dwelling units were calculated as 80% of maximum potential number of dwelling units for a conservative estimate of dwelling units that could be developed on a site, while taking into account environmental and other site factors and other considerations (such as access).

<sup>1</sup>Parcel has existing will-serve/virtual meter agreement for three units.

<sup>2</sup>Parcel has existing will-serve/virtual meter agreement for two units.

<sup>3</sup>Parcel has current outstanding will-serve/virtual meter agreement for four units.

<sup>4</sup>Parcel has current outstanding will-serve/virtual meter agreement for twenty units.

<sup>5</sup>Parcel has current outstanding will-serve/virtual meter agreement for thirty-five units.

## ENVIRONMENTAL CONSTRAINTS

Various environmental constraints throughout San Luis Obispo County can affect the character and density of residential developments. Environmental constraints may include, but are not limited to, sensitive wildlife habitats, archeological sites, flood hazards, wetlands, and sensitive plant species. These environmental constraints can usually be avoided or mitigated and are not likely to prevent residential development at or above a site's realistic development capacity (18 dwellings units per acre).

For reference, example environmental constraints that may lead to increases in development costs are described in more detail below.

**San Joaquin Kit Fox.** The habitat of the San Joaquin kit fox in the San Miguel area is sensitive, and as such, the County implements a number of mitigation measures to prevent loss of habitat. Mitigations include applying the kit fox habitat mitigation fee established by the State of California Department of Fish and Wildlife.

**Flood Hazards.** Potential flood hazards exist in many urban areas of San Luis Obispo County. In the inland areas, the Communities of San Miguel and Templeton are located near the Salinas River and creeks; while in the Coastal Zone, portions of the Communities of Cambria, Los Osos, and Oceano are in flood zones. In most cases, houses can be elevated above the floodplain.

**Cultural Resources.** Some parts of San Luis Obispo County, such as the San Miguel, Cambria, and Nipomo areas, were historically occupied by the Salinan, Chumash, and Yukat tribes. The County requires that archaeological sites be preserved and protected, which may include monitoring of the site during excavation and construction.

**Noise.** Some parts of San Luis Obispo County, such as the Nipomo and Avila Beach areas, are exposed to higher noise levels (greater than 60 decibels). Development in these areas would require noise mitigation.

**Liquefaction Zones.** Portions of the Avila Beach, Cambria, Los Osos, Nipomo and Oceano areas are located in liquefaction zones, and as such, are at risk of landslides.

## **WATER AND WASTEWATER SERVICE CAPACITY**

Some areas of the unincorporated county lack adequate water and wastewater service capacity to accommodate significant residential development. For example, over the past several decades, a majority of the Community of Los Osos was under a development moratorium due to reduced water quality, mainly because of on-site wastewater treatment systems (commonly referred to as septic systems). However, in 2016, construction of the community sewer system was completed. The Los Osos Groundwater Basin continues to be under adjudication by the Regional Water Quality Control Board to determine sustainable levels of groundwater usage. Increasing the availability of water and wastewater service capacity will continue to be a priority for the County, and the County will work with water and wastewater providers to increase this capacity (Program S) The County currently supports the provision of water and sewer service to affordable housing by exempting affordable housing units from Title 26, the County's Growth Management Ordinance.

The 2019 State Water Project allocation for the San Luis Obispo County Flood Control and Water Conservation District is 17,500 acre-feet. This represents 70 percent of the County's requested allocation for the year. Within the unincorporated county, State Water Project resources are allocated to nine (9) subcontractors, including the Oceano Community Services District ("CSD"). According to the 2016-2018 Resource Summary Report, Oceano CSD represented approximately one-third of the total State Water Project water reserved within the unincorporated county, with 1,500 acre-feet per year ("AFY") assigned for both the water service and "drought buffer" resource reservations.

Due to current limitations in certain communities of the unincorporated county, this section and the sites identified in Tables 7.5, 7.6, and 7.7 are focused in a subset of the communities. Residential development is allowed under County Code in other communities. Targeting development in these areas is consistent with Policy HE 1.01, and is in close proximity to employment centers, services and the Highway 101 corridor. Additionally, inland parcels tend to be less expensive and larger, which gives more flexibility for multifamily development. The potential for multifamily development was also highlighted by non-profit developers of affordable housing during stakeholder outreach conversations.

The following subsections describe the current availability of water and wastewater services for unincorporated communities, including recent or planned infrastructure improvement projects related to storage, treatment, collection, and distribution that may affect development in the respective areas.

### **San Miguel**

The community of San Miguel does not have adequate water service capacity to accommodate any of the total of 567 residential units identified in Tables 7.5, 7.6, and 7.7. There is some additional capacity within its wastewater system, but is also in the process of developing a new wastewater treatment system to improve system capacity. According to a representative from the

San Miguel CSD, the existing groundwater wells are hydraulically capable of meeting the current demand. However, developers are currently required to show no net increase in demand from the Paso Robles groundwater basin, which has proved to be a barrier to new development. The existing sewage collection system in San Miguel has two drainage areas but will need to expand to accommodate future growth. Meanwhile, there are a number of ongoing capital improvement projects in San Miguel to increase water and wastewater capacity.

**Water**

The San Miguel Community Service District is part of the Paso Robles Groundwater Basin, along with County Service Area (CSA) 16 in Shandon. The San Miguel CSD was providing water service to 900 connections as of early 2020. The Draft 2016-18 Resource Summary Report (RSR) identifies this basin as having a Level of Severity of II, suggesting that there is a risk that demand for water resources from this basin might meet or exceed capacity within the next 15 years. As of 2016, the local demand on the groundwater basin in San Miguel was 236.3 AFY and is expected to expand to 524 AFY within 20 years. The current production from the combined wells as of early 2020 is 276 AFY. While this is sufficient for the current projected demand, future growth may need to be matched with infrastructure and sustainability improvements to temper demand on the basin.

**Wastewater**

San Miguel CSD's wastewater system serves 760 connections as of early 2020. According to the Draft 2016-18 RSR, the system is not currently rated with a level of severity, as it is not expected to reach capacity in the near future. The District is also currently in the process of developing a new wastewater treatment plant, which will allow the system to produce a recycled water supply for agricultural crop and landscape irrigation.

**Shandon****Water**

Shandon receives water through CSA 16, a County-run water service area. As of early 2020, CSA 16 serves 342 connections, including commercial connections. CSA 16 is part of the Paso Robles Groundwater Basin, which is considered a critical overdraft water region. The community of Shandon does have an allocation of 100 AFY of State Water in addition to existing groundwater. However, a turnout pipeline is needed to deliver this water to the community.

As of 2016, total available supply was 213 AF. While the CSA represents a small portion of the overall demand on the Paso Robles Groundwater Basin, demand is expected to increase from 90.2 AFY in 2016 to 686 AFY in 20 years. Demand for water resources in the Paso Robles Groundwater Basin as a whole is expected to meet or exceed estimated dependable supply, so water access represents a constraint to demand in this area. Despite constraints, the community of Shandon does currently have adequate water capacity to accommodate the total of 200 residential units identified in Tables 7.5 and 7.7.

---

**Wastewater**

In addition to water infrastructure constraints, the community will also need to construct a community sewer system. As of 2018, the community of Shandon uses on-site septic systems and leach fields. The recently approved Shandon Community Plan requires construction of a sewer in conjunction with new development if proposed at full density. The sewer system is anticipated to include gravity sewer lines and a wastewater treatment facility. Development of new residential units in Shandon rely on septic for wastewater treatment until a sewer is constructed.

**Templeton****Water**

Templeton has two primary water sources—the Atascadero Subbasin of the Paso Robles Formation and the Salinas River underflow. Additionally, the region receives water from Lake Nacimiento and through water recycling.

As of the end of 2019, the Templeton CSD provided water service to 2,506 residential connections, and the total available water supply for all uses was 1,737 AFY. In 2016, demand for water supply was 997.8 AFY. By 2036, demand is forecast to more than double to 2,147 AFY.

As of the publication of the Draft 2016-18 RSR, the region received 1,050 AFY from the Paso Robles Formation and 500 AFY from the Salinas River underflow. The CSD also receives water from the Monterey County Water Resources Agency from Lake Nacimiento. The District had an annual allocation of 406 AF. Templeton's water supply is currently constrained beyond any pending will-serve commitments due to a 2016 policy that requires the district to have a water supply buffer of at least 20% prior to approving new water connections. As of early 2020, the buffer was at 18.9%. However, some of the parcels identified in Tables 7.6 and 7.7. have existing will-serve or virtual meter agreements that will permit water service for all or part of the realistic unit estimates. The majority of these sites are moderate-income parcels zoned CR or OP. At present, there is a waiting list for new connections, so the district does not currently have the capacity to serve all of the 906 residential units identified in Tables 7.6 and 7.7.

**Wastewater**

The community of Templeton is not currently able to serve all of the 906 residential units identified in Tables 7.6 and 7.7 with wastewater treatment. Some of the parcels identified in Tables 7.6 and 7.7. have existing will-serve agreements for sewer service that will allow all or part of the realistic estimate of potential units to be served. As of 2019, the residential annual average wastewater use is 64 gallons per capita daily, which can accommodate the existing and committed demand. The Meadowbrook Wastewater Treatment Plant was designed to accommodate 0.6 MGD; however, higher strength wastewater from the industrial area and water conservation processes have reduced the treatment capacity of the wastewater treatment plant. Necessary improvements are scheduled to be implemented within the next year.

Templeton CSD completed a wastewater collection system project in June 2019, but additional process improvements are needed and are anticipated to be completed within the next two years.



The District has also purchased 406 AFY of Nacimiento raw water, but the turn-out will need to be moved before the water can be treated and used within the District's water system. This project is tentatively scheduled to be completed in 2027. These improvements may increase the water buffer such that new water connections may be permitted by decreasing the demand on the groundwater basin for irrigation purposes.

## Oceano

### Water

Oceano has water available from three sources, including State Water, and no current water system infrastructure constraints. The Oceano CSD receives a supplemental water allocation as part of the State Water Project.

Oceano CSD has an annual distribution of 1,500 AF provided by the State Water Project. This includes 750 AFY of water service with an additional 750 AFY of drought buffer. The CSD also receives an annual allocation of 900 AF from the Santa Maria Groundwater Basin as part of its Northern Cities Management Area (NCMA). This management area also covers the cities of Arroyo Grande, Pismo Beach, and Grover Beach. This basin is currently operating within its design capacity. Water conservation within this area is funded by a fee on new construction. Changing estimates on the "safe yield" for the NCMA may change the supply capacity of the Basin and limit the allocation available to the Oceano CSD. Additionally, possible seawater intrusion may limit the amount of groundwater pumping in the Oceano CSD in the future, as it has for other purveyors in the NCMA. The district also has an allocation of 303 AFY from Lopez Lake Reservoir. However, due to drought and the need to release reservoir water for stream conservation, the amount of water available from this source may decrease in the future.

The Oceano CSD provided water service to 2,200 connections as of early 2020. Average water demand is 79 gallons per capita daily (0.088 AFY per capita), and the system's maximum water service capacity is 0.25 AFY per capita. Due to uncertainties about the "safe yield" and possible limits of groundwater pumping, it is not possible to determine with certainty whether the projected demand will exceed the available supply of water in the Oceano CSD in the future. Despite some constraints, the community of Oceano has adequate water capacity to accommodate the 103 residential units identified in Tables 7.5, 7.6, and 7.7.

### Wastewater

The South San Luis Obispo County Sanitary District, which serves Oceano and other communities in the area, currently has capacity to serve new projects. Due to water conservation efforts, demand has been trending downward. As of early 2020, the average demand was 2.4 million gallons daily, which is a decrease from the system's peak of 2.8 million. Wastewater does not represent a constraint to development in this region. The community of Oceano has adequate wastewater treatment capacity to accommodate the 103 residential units identified in Tables 7.5, 7.6, and 7.7.

## Nipomo

### Water

The community of Nipomo is located within the Nipomo Mesa Water Conservation Area, which includes a much larger area than the Nipomo urban reserve.

The Nipomo Community Service District (NCS D) provides both groundwater and imported supplemental blended water.

- Groundwater is extracted from the area defined, by the Santa Maria Groundwater Adjudication as the Nipomo Mesa Management Area (NMMA) of the Santa Maria Groundwater Basin.
- Imported Supplemental Water is transported via a pipeline from the City of Santa Maria. Deliveries of blended water to the NMMA commenced in July of 2015.

A Resource Capacity Study in 2004 (updated in 2007) determined that the Nipomo Mesa area of the groundwater basin, the sole water source for this area, was in overdraft.

The County responded with a number of measures to help address the land use implications, including water-neutral general plan amendments, mitigation fees for new development to help a supplemental water project, and community-wide water conservation program. The region was also determined to be in a severe drought in 2015, which has limited the amount of groundwater pumping that can be done in the region.

In July of 2015, the pipeline project was completed and began providing supplemental blended water from Santa Maria. The water supply agreement with the City of Santa Maria dictates that water will be delivered in increasing quantities. In 2019, NCS D pumped 901 AF of water (a 60% reduction from peak pumping) and received 950 AF of blended water for Santa Maria. By 2025, NCS D will receive 1,668 AF of imported water. The importation of this blended water allowed the NCS D to lift its moratorium on new connections which had been in place since 2015.

In the County's 2016-18 Resource Summary Report, the Santa Maria Groundwater Basin was listed as a Level II or III Level of Severity for this area, indicating that the area has either met its available capacity or may do so within five years. The CSD continues to look for additional water resources.

The Nipomo Mesa Management Area of Santa Maria Groundwater Basin also serves the Golden State Water Company in this area, including the GSWC's Cypress Ridge System, and the Woodlands Mutual Water Companies. Due to severe water shortages, these districts are required to develop a Well Management Plan as part of an adjudication of the Santa Maria Groundwater Basin. The region entered a severe drought period in 2015, which required the NMMA to reduce its groundwater pumping by 30 percent. In 2016, it was recommended that the water purveyors reduce their groundwater extractions to 50 percent due to further water shortages. As of 2017, the groundwater pumping reduction had reached 40 percent.

Nipomo CSD also manages a supplemental allocation from the City of Santa Maria that requires the Nipomo CSD to purchase 2,500 AF from the City each year beginning on July 1, 2025. This agreement was paired with a water pipeline extension between Santa Maria and the NMMA, as well as additional infrastructure development. Two of the private purveyors in the region, Woodlands MWC and Golden State Water Company, combined, receive one-third of this allocation leaving the other two-thirds of the allocation to Nipomo CSD.

In 2018, demand for water within the Nipomo CSD area was 1,940 AF and is projected to increase to 4,103 AFY within 20 years. The 2018 total supply available to Nipomo CSD was 4,244 AF. Woodlands MWC had a 2018 demand of 1,175 AF, and this demand is expected to increase to 1,583 AFY per the Monarch Dunes Village Specific Plan. Supply is expected to be sufficient to meet this demand. None of the housing sites currently identified in the sites inventory are located in the Woodlands MWC service area.

Golden State Water Company's 2018 level of demand was 1,224 AF, and like Woodlands MWC is not expected to experience substantial growth in demand over 20 years (1,250 AFY). The company's 2018 supply was 1,269 AF. Golden State Water Company can only provide a new water service connection if the applicant requesting the connection can identify a supplemental water source to offset the increased demand. At present, there is no available source of supplemental water.

The Nipomo CSD is currently issuing will-serve letters. The Nipomo area is subject to a residential growth allocation of 1.8 percent annually under the Growth Management Ordinance (Title 26). Affordable housing projects are not subject to Title 26 restrictions.

The community of Nipomo is estimated to have sufficient capacity to accommodate the 1,435 residential units identified in Tables 7.5, 7.6, and 7.7 during the 2020-2028 planning period.

### **Wastewater**

Nipomo Community Services District provides sewer service within the urban reserve line of Nipomo.

Nipomo CSD operates two wastewater treatment plants, Black Lake and Southland Treatment Plant. These plants are operating at 46 and 62 percent of design capacity, respectively. The District has created an Assessment District that will combine the Blacklake and Southland treatment plants. The Blacklake treatment plant will be removed and facilities are being designed to pump Blacklake sewer flows to the Southland treatment plant. The project is expected to be completed by March 2024. At present they do not represent a constraint to development. They served a combined 17,779 residents in 2018.

Some areas of Nipomo use on-site sewer systems rather than connecting to regional sewer systems. Due to system failures discovered in 55 percent of septic systems in the community in 1975, a prohibition zone was established that prohibited waste discharge. The prohibition zone also requires certain properties to connect to the Nipomo CSD sewer system upon change of

ownership, which may affect the wastewater treatment system's capacity in the future. The CSD currently has capacity to serve additional parcels within the urban reserve line. No service constraints or infrastructure constraints have been reported. The community of Nipomo has adequate wastewater treatment capacity to accommodate the 1,435 residential units identified in Tables 7.5, 7.6, and 7.7.

## **Santa Margarita**

### **Water**

The community of Santa Margarita is served by CSA 23. CSA 23 delivered 0.25 AFY per connection to approximately 500 connections as of early 2020. The CSA is part of the Atascadero Basin County Service Area. The 2016-18 RSR did not recommend any level of severity for this basin, indicating that the demand for water in this area is below the system's design capacity. The community of Santa Margarita has adequate water capacity to accommodate the 23 residential units identified in Table 7.7.

Additionally, the historic Santa Margarita Ranch property provides its own water service through the privately-owned Santa Margarita Ranch Mutual Water Company (MWC). The Santa Margarita Ranch MWC service area is directly north of CSA 23, and is also part of the Atascadero Basin. It receives an allocation of 80 AFY from the Nacimiento Water Project.

### **Wastewater**

Wastewater in Santa Margarita is managed through the use of individual septic systems. In the 2014-16 Draft RSR, Santa Margarita's wastewater system was ranked as having a Level of Severity (LOS) I, indicating that the two-year projected flows match 75 percent of the system capacity. Occasionally, system failures occur due in part to poor storm drainage and clay soil, so regular maintenance by property owners is encouraged. Development of new residential units in Santa Margarita will need to rely on septic for wastewater treatment until a sewer is constructed.

## **Creston**

### **Water**

Creston is within the Paso Robles Subbasin of the Salinas Valley Groundwater Basin, and its residents are served by private wells. This subbasin was identified as having a Level of Severity III by the 2016-18 RSR, indicating that the demand for water currently equals the design capacity of the available resources. The State has identified the subbasin as being high-priority and in critical condition of overdraft. The subbasin is also subject to the Sustainable Groundwater Management Act (SGMA) and a Groundwater Sustainability Plan (GSP) was adopted by the January 31, 2020 deadline required by SGMA. Creston is within the County of San Luis Obispo Groundwater Sustainability Agency (GSA) area, and the management activities recommended by the GSP have yet to be developed.

In late 2017, by special election, the Estrella-El Pomar-Creston Water District (EPCWD) was formed to work on water related projects and programs. In accordance with the Countywide Water Conservation Program, all new development must purchase water offset credits prior to the issuance of a permit for a new well, including the 21 units identified in Table 7.6. Because the subbasin is subject to the requirements of SGMA, groundwater management programs as recommended by the adopted GSP are expected to be developed, however the GSP recommends that domestic uses under 2 AFY be exempt.

### **Wastewater**

Creston is not currently served by a sanitary or sewer district, and wastewater management is provided by individual septic systems. Development of new residential units in Creston will need to rely on septic for wastewater treatment and there are currently no plans or requirements for homes to be on a community wastewater system.

### **Priority Water and Sewer Services for Affordable Housing**

Government Code Section 65589.7 require public agencies and private entities providing water or sewer services to adopt written policies and procedures with objective standards for provision of services in compliance with the law. For example, a public agency or private entity that provides water or sewer services shall not deny or condition the approval of an application for services to, or reduce the amount of services applied for by, a proposed residential development with affordable housing units unless the agency or entity makes specific written findings per Government Code Section 65589.7.

Some CSDs, such as Templeton CSD, prioritize affordable housing projects on water will-serve lists, and provide water service to these projects ahead of market-rate developments as water capacity becomes available. However, they must first have sufficient supply to provide this priority service. Other CSDs, such as Nipomo CSD, reserve a specific amount of water for lower-income housing. Most, but not all, water purveyors in the unincorporated county are working to address water resource constraints through development of new water sources, water offset programs, and water conservation strategies. Sewer service is typically available for lower-income housing in communities where community sewer is available.

Table 7.8 provides information pertaining to water and wastewater capacity in communities where sites have been identified in the “Inventory of Sites” section of this chapter.

Table 7.8: Summary of Water and Wastewater Capacity for Communities with Identified Sites

	San Miguel	Shandon	Templeton	Oceano	Nipomo	Santa Margarita	Creston
Service Provider	San Miguel CSD (Water and Wastewater)	CSA 16 (Water)	Templeton CSD (Water and Wastewater)	Oceano CSD (Water) South SLO County Sanitation District (Wastewater)	Nipomo CSD (Water and Wastewater) Golden State Water Company (Water) Woodlands Mutual Water Company (Water)	CSA 23 (Water)	N/A (Water)
Water Source	Groundwater	State Water Project Groundwater	Groundwater	State Water Project Lopez Reservoir	Groundwater	Groundwater	Groundwater
Current Connections	900 (Water) 760 (Wastewater)	324	2,506	2200 (Water) 17,515 (Wastewater)	7,269 (All Providers, Water) 3,320 (Nipomo CSD, Sewer)	500	N/A
Current Water Supply	276 AFY	-	1,737 AFY	0.25 AFY per capita	1,583 AFY (Woodlands)	-	61,000 AFY in the Paso Basin

	San Miguel	Shandon	Templeton	Oceano	Nipomo	Santa Margarita	Creston
Current Water Demand	-	0.29 AFY per Connection	113 Gallons per Capita Daily	0.09 AFY per Capita	0.149 AFY per Capita (Golden State) 0.2-0.4 AFY per Connection (Woodlands) 1251.9 AFY (Nipomo CSD, Residential Only)	0.25 AFY per Connection	0.75 AFY per Connection
Current Wastewater Design Capacity	200,000 Gallons per Day	N/A	0.6 Million Gallons per Day	5 Million Gallons per Day	-	N/A	-
Current Wastewater System Demand	180,000 Gallons per Day	N/A	64 Gallons per Capita Daily	2.4 Million Gallons per Day	-	N/A	-
Available Capacity / Connections for New Service	0	526 Residential 11 Public Authority Meters	There is currently a waiting list for new connections. 211 units within current water will-serve agreements in moderate and above-moderate inventory sites	1,953 AFY Capacity (Water) Wastewater is estimated to be able to serve a full build-out of the service region.	267 (Current)	514 Residential	0
Dwelling Units in Inventory of Sites	97	200	906	103	1,435	23	21

	San Miguel	Shandon	Templeton	Oceano	Nipomo	Santa Margarita	Creston
Surplus or Deficit of Connections	-97	+326	-695	Surplus (Estimated potential capacity of 9,058 water connections, assuming 2.45 persons per household)	0	+491	-21
Affordable Housing Reservation	0	0	0	0	0	0	0
Issuing Letters of Intent to Serve	Yes, but with limitations	Yes	No	Yes	Yes, but with limitations	Yes	N/A



	San Miguel	Shandon	Templeton	Oceano	Nipomo	Santa Margarita	Creston
Infrastructure Improvements	<p>Within 3-5 years, the District expects to build a "purple pipe" recycled water system. Preliminary supply is expected to be 200 AFY and will grow to 600 AFY over 30 years.</p>	<p>Deferred maintenance only.</p>	<p>A wastewater collection system project was completed in June 2019, but additional process improvements are needed prior to use. The District will also construct a water treatment facility within ten years that can recycle 406 AFY of raw water.</p>	<p>Water infrastructure projects over the next 10 years will improve reliability, but not service capacity.</p> <p>A wastewater redundancy project is expected to commence in 2020, but this is expected to increase reliability, not increase capacity. Within 20 years, sewer main increases will be needed.</p> <p>The South SLO County Sanitation District is scheduled to be in Phase 2 of the Central Coast Blue recycled water project. Implementing a recycled water system could provide an additional 2,400 AFY of water.</p>	<p>Future infrastructure improvements scheduled. (Nipomo CSD)</p>	<p>Deferred maintenance only.</p>	<p>N/A</p>
Development Potential with Capacity Constraints	0	200	14	103	1,435	164	0

	San Miguel	Shandon	Templeton	Oceano	Nipomo	Santa Margarita	Creston
Description of Limitation	Limited by requirements to show no additional demand.	Fire flow requirements for capacity and storage.	No additional water service is currently available.	None	Policy requiring new development to identify new sources of water. Monarch Dunes Specific Plan.	None.	No public water systems, Countywide Water Conservation Program requires the purchase of water offsets to permit new wells.

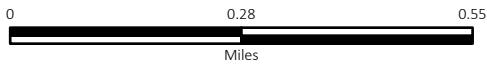
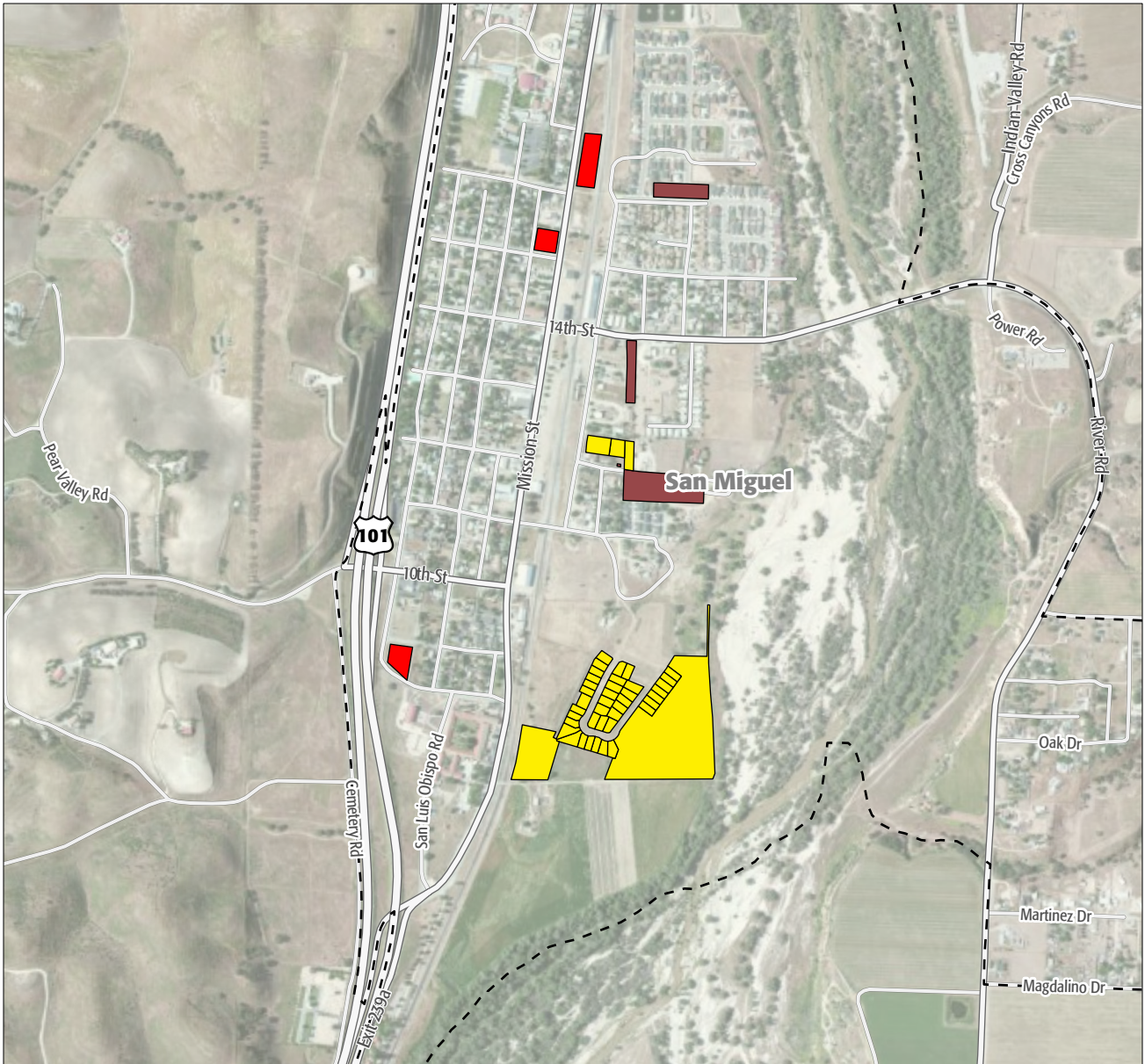
Source: PlaceWorks, Outreach to Service Providers, 2020.

---

Appendix A:  
Maps of Identified Vacant Sites

---

2020-2028 Housing Element  
 Appendix A: Maps of Identified Vacant Sites



--- Community Boundary Line

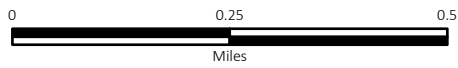
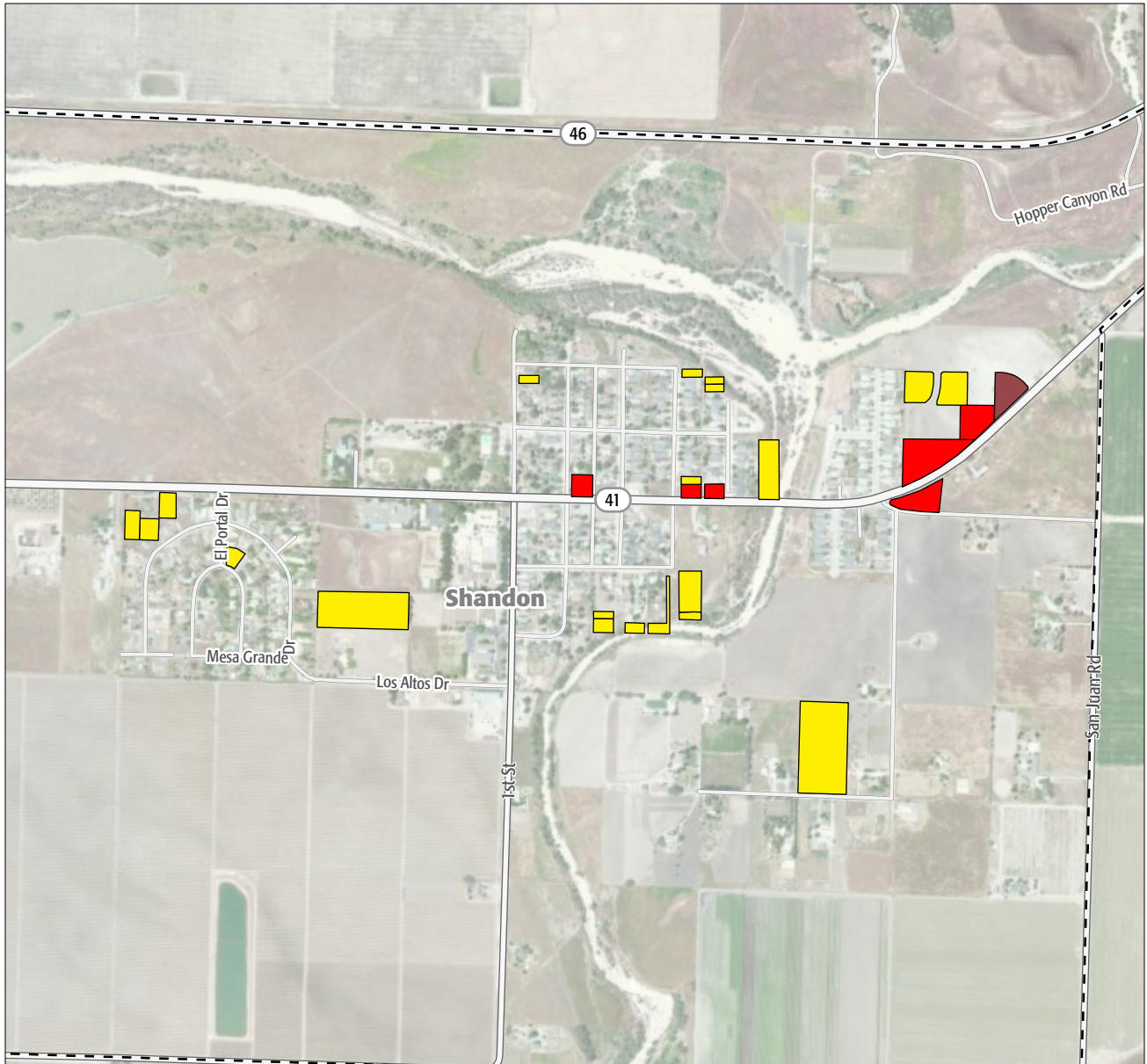
**Vacant Sites Inventory**

- Commercial Retail
- Residential Multi-family
- Residential Single Family





2020-2028 Housing Element  
Appendix A: Maps of Identified Vacant Sites



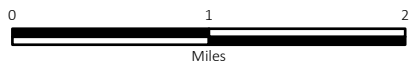
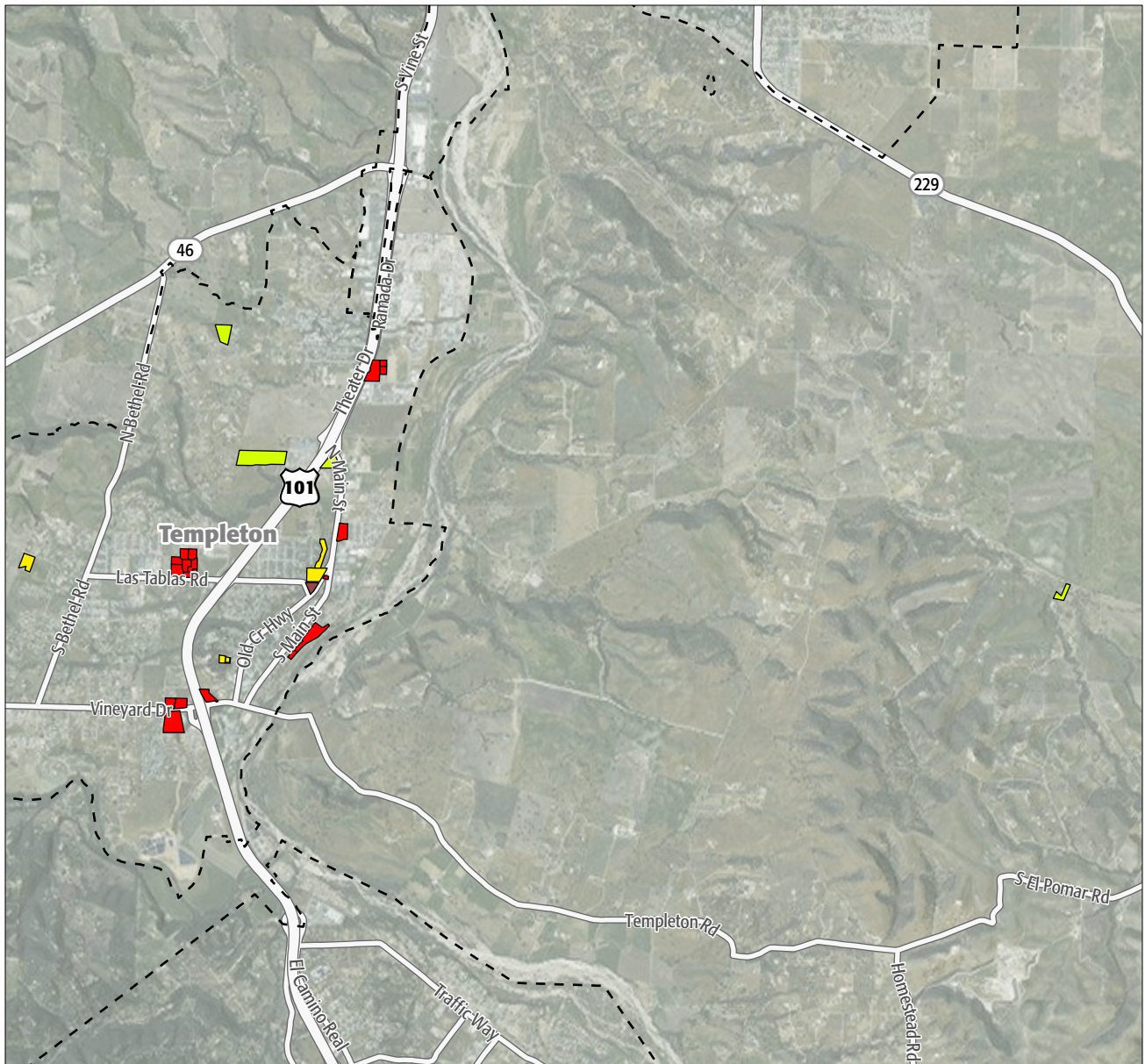
- - - - Community Boundary Line

**Vacant Sites Inventory**

- Commercial Retail
- Residential Multi-family
- Residential Single Family











- - - - Community Boundary Line

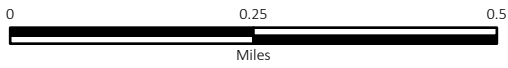
**Vacant Sites Inventory**

-  Commercial Retail
-  Residential Multi-family
-  Rural Residential
-  Residential Single Family






2020-2028 Housing Element  
Appendix A: Maps of Identified Vacant Sites



- - - - Community Boundary Line

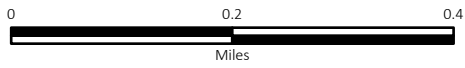
**Vacant Sites Inventory**

 Commercial Retail






2020-2028 Housing Element  
Appendix A: Maps of Identified Vacant Sites



- - - Community Boundary Line

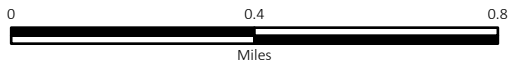
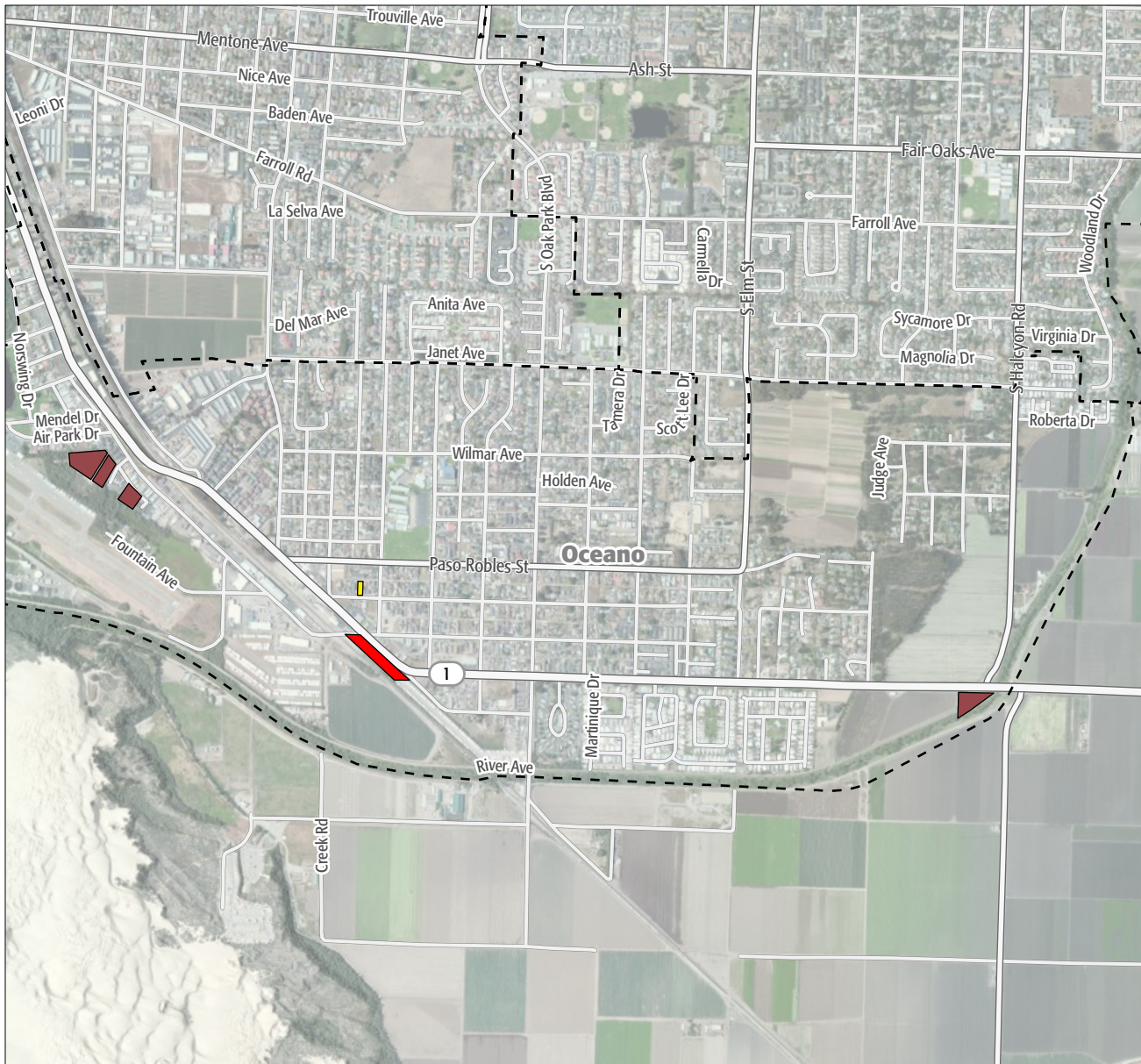
**Vacant Sites Inventory**

 Residential Single Family





2020-2028 Housing Element  
 Appendix A: Maps of Identified Vacant Sites



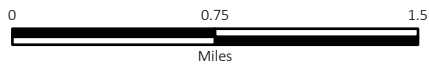
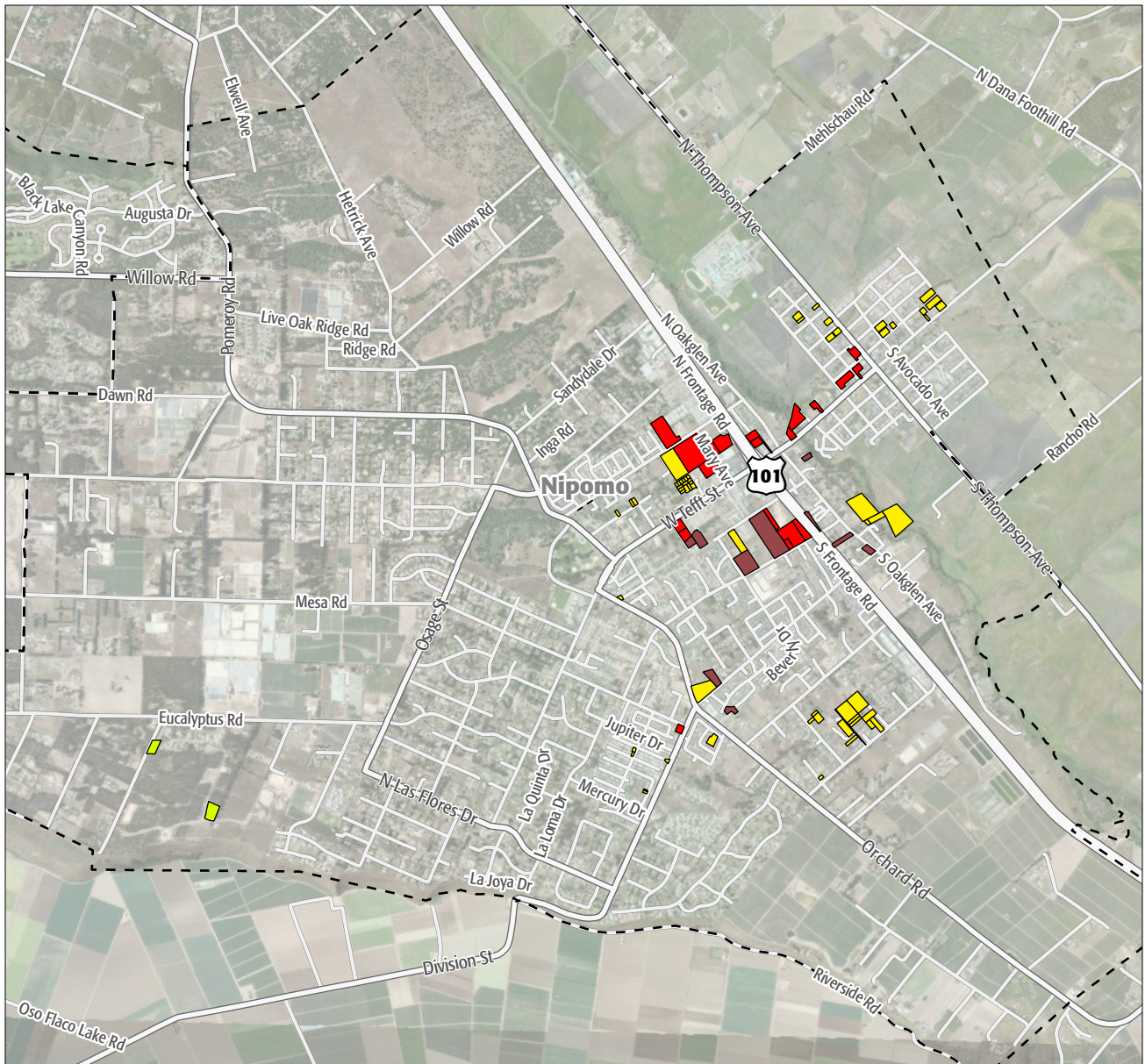
--- Community Boundary Line

**Vacant Sites Inventory**

- Commercial Retail
- Residential Multi-family
- Residential Single Family











- - - Community Boundary Line

**Vacant Sites Inventory**

-  Commercial Retail
-  Residential Multi-family
-  Rural Residential
-  Residential Single Family

