

# **Issue Paper on Housing**

City of Lompoc General Plan Update

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## Table of Contents

<b>Overview of the Housing Element</b> .....	<b>1</b>
Content and Relationship to the General Plan.....	1
Existing Housing Element Goals.....	1
<b>Housing Element Basics</b> .....	<b>1</b>
Statutory Requirement.....	1
Planning Process.....	1
<b>Existing Housing Needs in the City</b> .....	<b>3</b>
Demographics.....	3
Existing Housing Needs.....	4
<b>Regional Housing Needs Assessment</b> .....	<b>4</b>
<b>Community Input</b> .....	<b>5</b>
<b>Policy Considerations</b> .....	<b>6</b>
<b>References</b> .....	<b>7</b>

### Tables

1 – Potential Housing Needs.....	2
2 – Housing Program Implementation.....	3
3 – Existing City Housing Mix.....	3
4 – Existing City Population Composition.....	3
5 – City Housing Needs Indicators.....	4
6 – City Special Needs Population.....	4
7 – City Vacant Land Inventory.....	5
8 – City Density – RHNA Match.....	5



## **OVERVIEW OF THE HOUSING ELEMENT**

### **Content and Relationship to the General Plan**

The Housing Element is one of the seven required elements of every city's General Plan, prepared pursuant to California Government Code (CGC) 65580. It analyzes the housing needs of the city, provides a detailed assessment of those needs, and sets out a five-year schedule of goals, quantified objectives & policies intended to create housing opportunities where they are needed. In order to remain current, the Housing Element must be updated every five years, and must be consistent with the rest of the General Plan.

### **Existing Housing Element Goals**

The City of Lompoc General Plan Housing Element was most recently updated in 2003. The existing Housing Element contains four primary goals, as follows:

- Provide a choice of housing opportunities for all economic segments of the community;
- Restore, protect and improve the condition of existing housing and neighborhoods;
- Locate and design housing so as to assure an attractive and high quality living environment; and
- Maximize energy efficiency in existing and future residential development.

The existing 2003 Housing Element contains policies, objectives, and implementation measures to achieve State mandated housing standards and local goals. Identified implementation measures present a five year program schedule of actions for the years 2003-2008. The measures include several actions to promote the production of housing at various affordability levels.

## **HOUSING ELEMENT BASICS**

### **Statutory Requirement**

The Housing Element is part of the General Plan, but is distinguished from other elements in that it is subject to a State mandated update and review process every five years, with potential penalties for non-compliance. These penalties may include increased vulnerability to litigation, limitations on access to State funding sources, and punitive State mandated policy repercussions. Lompoc's Housing Element must be updated and certified by the State Department of Housing and Community Development (HCD) by August 2009.

### **Planning Process**

The process of updating the City's Housing Element can be broken into five essential steps: (1) review of the existing element; (2) determine the City's housing needs; (3) assess available resources; (4) evaluate current regulations; and (5) develop new programs.



1. **Review and Revise.** In this step, the City reviews the results of previous policies, programs, and objectives, and determines whether progress has been made since the previous update. This assessment can be quantified based on an analysis of the difference between the projected goals of the previous update and the degree to which they have been achieved. Revisions to housing programs can be made based on this evaluation.
2. **Determine Housing Needs.** Some examples of problem housing situations and corresponding housing needs are shown in Table 1.

**Table 1: Potential Housing Needs**

<b>Housing Problem</b>	<b>Related Housing Need</b>
Overpaying	Down payment and rent assistance programs
Overcrowding	New larger units/ expand existing units
Substandard	Housing rehabilitation/code enforcement
Disabled Residents	Address ADA needs/assisted living
Elderly Residents	Supporting services
Large Families	Low income and overcrowding
Female Households	Low/very low income with child care needs and seasonal & temporary needs

3. **Assess Available Resources: Land and Money.** This step includes an inventory of sites suitable for residential development and an evaluation of their availability and suitability for different types of housing. Potential sites for residential development are assessed for their realistic development potential, especially with regard to their appropriate density (20 du/acre default). The location of zoning to accommodate special needs housing is identified. Finally, the City identifies the financial resources that will be used to implement the housing plan.
4. **Government Involvement.** The City government fulfills the housing needs identified in Step 2 and uses the resources identified in Step 3 via specific policy measures put in place by way of the updated Housing Element. These include land use controls, building codes & enforcement, site improvement, permit processing procedures, fees and extractions, and housing provisions for disabled and other special needs residents.
5. **Develop Programs.** More comprehensive programs will also be put in place by the updated Housing Element. These can include creation of adequate sites for future housing, the production of affordable housing for low and very low income residents, the removal of housing constraints, the conservation and/or improvement of existing housing, the preservation of at-risk housing units, and promotion of equal housing opportunities. An example of the implementation of a program for special-needs housing provision is shown in Table 2.



**Table 2: Housing Program Implementation**

Specific commitment and timeframe	<u>Policy</u> : Encourage the development of housing to assist persons with special needs.
Program	<u>Program</u> : The City will amend the zoning ordinance to allow transitional housing facilities without a conditional use permit in multifamily zoning districts.
Responsible agency	<u>Responsibility</u> : Planning Division
Realistic measurable commitment to implement	<u>Timing</u> : December 30, 2009

## EXISTING HOUSING NEEDS IN THE CITY

Updated Housing Element goals, policies, and implementation measures must be matched to the local demographic context and characteristics of the existing housing stock.

### Demographics

The mix of housing types and the overall population make-up of Lompoc is shown in Tables 3 and 4. As shown in Table 3, the City has a relatively high percentage of multi-family units and relatively low percentage of single-family units relative to other cities in the county. As shown in Table 4, the City has a relatively high percentage of children and minorities, and a relatively low percentage of seniors compared to other cities in the county.

**Table 3: Existing City Housing Mix**

	Actual Distribution	County-wide Rank	Growth Trend
Single Family	60%	3 <sup>rd</sup> Lowest	=
Multifamily	33%	3 <sup>rd</sup> Highest	=
Mobile Home	7%	Middle	=
Vacancy	4.1%	3 <sup>rd</sup> Highest	=

*Source: State Department of Finance, 2007. Actual distribution and County-wide rank reflect year 2007 data. Growth trend reflects changes between 2001 and 2007.*

**Table 4: Existing City Population Composition**

	Actual Distribution	County-wide Rank	Growth Trend
Children	28%	3 <sup>rd</sup> Highest	=
Seniors	11%	2 <sup>nd</sup> Lowest	<
Minorities	34%	3 <sup>rd</sup> Highest	>
Household Size	2.88 persons	3 <sup>rd</sup> Highest	>
Median Age	32.2 years	3 <sup>rd</sup> Lowest	>

*Source: U.S. Bureau of Labor, Census Data. Actual distribution and County-wide rank reflect year 2000 data. Growth trend reflects changes between 1990 and 2000.*

The area median income (AMI) of Lompoc is \$47,000 for an individual and \$67,100 for a family of four. Lompoc's demographic profile shows 14% of the population at an extremely low income (<30% of AMI), 15% of the population at a very low income (<50% of AMI), 21% at a low income (<80% of AMI), 19% at a moderate income (<120% of AMI), and 32% above a moderate income (>120% of AMI). In Lompoc, low and moderate income households comprise 68% of total



households, which is the third highest percentage for cities in Santa Barbara County, after Guadalupe and Santa Maria.

The median housing price in Lompoc is \$376,000 for a single family home, and \$266,000 for a condominium. The median monthly rental rate is \$639. The affordability gap for a moderate income household is \$126,508. For a low income household the gap is \$248,808. Low income renters also face an affordability gap of \$154/month against the median rental cost. These gaps are even larger for very and extremely low income households.

### **Existing Housing Needs**

As shown in Table 5, 44% of renters in Lompoc are overpaying for their unit, and 21% are overcrowded. Additionally, a 2003 City Housing Survey showed that 1.4% of the City's housing stock was substandard and in need or repair. This suggests a need for assistance programs, larger units, and increased code enforcement. The citywide proportion of special needs residents (refer to Table 6) indicates a need for adequate assisted living units and supporting services for these residents.

**Table 5: City Housing Needs Indicators**

<b>Problems</b>	<b>Owners</b>	<b>Renters</b>
Overpaying	28%	44%
Overcrowding	9%	21%
Substandard	> 1%	1%

*Source: U.S. Bureau of Labor, Census Data 2000.*

**Table 6: City Special Needs Populations**

<b>Special Needs Population</b>	<b>Persons</b>	<b>Households</b>
Disabled	21%	-
Elderly	10%	-
Large Families	-	17%
Female-Headed	-	15%
Farmworkers	5%	-
Homeless	>1%	-

*Source: U.S. Bureau of Labor, Census Data 2000.*

## **REGIONAL HOUSING NEEDS ASSESSMENT**

As part of the Housing Element update, State law requires the City to accommodate housing production as quantified through the Regional Housing Needs Assessment (RHNA) process. Through the RHNA process, the State quantifies the existing and anticipated future housing needs by each county and a regional planning agency for each County distributes housing responsibilities to each jurisdiction during specified planning periods. The current planning period is January 1, 2006 to June 30, 2014. The RHNA allocation is used by local jurisdictions to prioritize resource allocation and decide how to address existing and predicted future housing needs. The City's RHNA allocation is anticipated to be finalized by the Santa Barbara County Association of Governments (SBCAG) in Summer/Fall 2008. SBCAG has preliminarily



indicated that the City's RHNA allocation will range from 500 to 1,000 total housing units during the planning period.

Lompoc has achieved 39% of its overall RHNA allocation for the 2001-2008 planning period. For the upcoming planning period, the Housing Element Update will establish land use strategies and programs to plan for the City's required RHNA allocation. Table 7 shows the land available for residential development in Lompoc with associated densities.

**Table 7: City Vacant Land Inventory**

<b>Residential Land Use</b>	<b>Max. Density</b>	<b>No. of Acres</b>	<b>Unit Potential</b>
Very Low Density	1 du/ac.	26	1
Low Density	6 du/ac.	138	460
Medium Density	14 du/ac.	75	1,050
High Density	21 du/ac.	7	150
<b>Total</b>		<b>246</b>	<b>1,661</b>

*Source: City of Lompoc Land Use Inventory, 2007.*

Table 8 shows the anticipated ability of this available land to meet anticipated RHNA goals. The data in Table 8 suggest that the Housing Element Update may need to consider strategies to promote the production of high density residential development to achieve RHNA goals. In addition, this data suggests that RHNA goals can likely be met by adjusting land use strategies within the existing City boundaries, without the need for outward expansion.

**Table 8: City Density – RHNA Match**

<b>Residential Land Use</b>	<b>RHNA Goals</b>	<b>Unit Potential</b>			
		Low	Mod	High	+/-
Very Low Density	1			1	0
Low Density	208			460	+252
Medium Density	138		1,050		+912
High Density	242	150			-92
<b>Total</b>	<b>589</b>	<b>150</b>	<b>1,050</b>	<b>461</b>	<b>+1,072</b>

## COMMUNITY INPUT

A number of housing concerns were expressed at the first General Plan update workshop on January 12, 2008. Some public commentors suggested that it is cheaper to live in Santa Maria, that higher density residential would drive down housing prices, and that there is a need for a first time buyer program for single residents as well as families. Others expressed a desire for additional incentives for “green” building, as well as more mixed-use development, and a wider variety of housing options. Still others felt that there is an overabundance of apartments in Lompoc. Fifty-three of those present at the workshop suggested that the most needed housing type in the community is medium density (town homes, condominiums, and patio homes).

A the Housing Educational Workshop held on February 12, 2008, commentors felt that the most appropriate strategies to meet housing needs would be infill development, mixed use projects, and housing rehabilitation, and that the least appropriate strategies would be rezoning commercial or industrial land.



## **POLICY CONSIDERATIONS**

Lompoc's Housing Element update process will be divided into three major parts, which will take place over the next nine months. The first part will begin in May 2008, and will include a review of demographic trends and housing profiles, as well as an affordability analysis. This will inform the City as to the effectiveness of the existing housing element, and clarify what housing needs exist. The second part will start in August 2008, and will consist of a needs assessment, capacity analysis, and a performance review. These steps will quantify both the housing needs in the City as well as the resources available to meet those needs. Part three will begin in December 2008, and it is during this stage that the City will begin the final steps of developing housing programs, creating a preliminary housing plan, and final adoption of the updated Housing Element. The following issues will be addressed in the Housing Element of the 2030 General Plan:

- **Provision of Housing Sites in Accordance with State Mandates**

Strategies to achieve the City's Regional Housing Needs Allocation standards in a manner sensitive to the local land use context will be identified. The strategies may include one or more of the following:

- ❖ Increasing allowable residential densities in certain locations
- ❖ Expanding areas where mixed use development would be allowable and/or adjusting mixed use policies to encourage additional residential development
- ❖ Review and potential adjustment of zoning requirements related to secondary residential units

- **Housing Affordability Issues**

Even with the recent economic downturn, housing affordability continues to be an issue for the City. The Housing Element Update will include policies to encourage the provision of affordable housing at levels that meet or exceed State requirements.



## **REFERENCES**

City of Lompoc, General Plan Housing Element, 2003

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