
CITY OF SOLVANG

2008 - 2014 HOUSING ELEMENT



Solvang City Council

Jim Richardson, Mayor
Hans Duus
Joan Jamieson
Ken Palmer
Edwin Skytt

Planning Commission

Aaron Petersen
Melissa DeLeon
Adam Hawthorne
Kathi Hopkins
Day Yeager

Staff:

Bradley S. Vidro, City Manager
Roy Hanley, City Attorney
Shelley Stahl, Planning & Community Development Director

Consultants:

firma:

David Foote ASLA, Principal
Mike Prater, Senior Planner

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State Department of Housing & Community Development
March 2, 2009

CITY OF SOLVANG

Housing Element of the General Plan

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1.0 INTRODUCTION

1.1 PURPOSE

This Housing Element is intended to be an update to the City of Solvang's Housing Element that was originally adopted in 1989 and amended in 1995 and certified in 2006. The State of California requires that each local governing body (City Council or Board of Supervisors) in California adopt a comprehensive, long-term general plan for the physical development of the area within its jurisdiction. The Housing Element is one of the seven mandated elements of the local general plan.

Housing element law, enacted in 1980, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. Laws enacted in more recent times reinforce these goals including the most recent provisions for emergency shelters. The law acknowledges that, in order for the private market to adequately address housing needs and demand, local governments must adopt land use plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. As a result, housing policy in the State rests largely upon the effective implementation of local general plans, and, in particular, local housing elements. Housing element law also requires the State Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law and to report its written findings to the local government.

1.2 RELATION TO OTHER GENERAL PLAN ELEMENTS

The Housing Element is closely related to the Land Use, Open Space, and Circulation Elements. In the Housing Element, residential land use is translated into types of household units to be accommodated in the future. Lands that are designated for residential use are identified in the Land Use Element; the

location, site area and terrain suitable for housing are related to provisions for open space in the Open Space Element; and the capability of serving residential neighborhoods by an efficient circulation system is discussed in the Circulation Element. Consistency with other General Plan elements will be achieved by revising other elements, where necessary, subsequent to adoption of the Housing Element Update.



1.3 REGIONAL SETTING

Solvang is located within a tri-County regional area encompassing the counties of San Luis Obispo, Santa Barbara, and Ventura. The City is located midway between San Luis Obispo and Santa Barbara, as shown in Figure 1-1. Within this regional area, the larger cities include Santa Maria (91,110); Lompoc (42,957); Buellton (4,700); Goleta (30,400); and Santa Barbara (90,305).

1.4 LOCAL SETTING

Solvang is one of two incorporated communities located in the Santa Ynez Valley. Buellton, which incorporated in 1991, is located along U.S. Highway 101 and serves as the westerly gateway to the upper Santa Ynez Valley, including the City of Solvang and the towns of Ballard, Los Olivos, and Santa Ynez. The locations of these cities and towns are shown in Figure 1-2. An estimated 23,000 people live in the Santa Ynez Valley with 23% of the total residing in Solvang. Solvang, with its quaint Old World architectural styles, is one of California's most unique cities. Over the past several decades, Solvang has evolved into a widely recognized tourist destination. The town's architecture and setting are well known throughout the State and nation, and the City's identity and economic vitality are now linked very closely to the aesthetic character of the community. The City is still small and compact, which contributes to its charm, beauty, and pedestrian friendly atmosphere. Together with the Community Design Element of the General Plan, the Housing Element aims to contribute to protecting and enhancing the City's unique qualities. The Housing Element projects that housing needs will be met through existing policies that encourage infill development on available sites, mixed-use development in the Village Area, and other programs. The City rezoned land to high density residential in 2007 to meet Solvang's fair share housing needs. The City believes that this strategy will address existing

and future housing needs while avoiding adverse impacts on the character and quality of life in Solvang.



1.5 HOUSING CONTEXT

The decline in residential market statewide has led to a significant decline in residential construction. In 2007, only 10 single-family residential housing permits and no multi-family permits were issued in Solvang, an 82.5% decline. The Solvang housing market has been relatively constant in recent years. According to the *Santa Ynez Valley 2008 Economic Outlook* (UCSB), the growth rate of home prices has been dropped slightly, but and the appreciation rate of existing properties has not reached historic growth rates set during the late 1980s. Important factors behind Solvang's current strong housing market are: demand for homes from both local and non-local residents, continued job growth in the region, high home prices on the South Coast, and historically low mortgage rates.

In Solvang, the median home price was \$327,000 in 2000. In 2007, the estimated nominal median home price was \$653,500, however a slight decrease of 1.3% from the pervious year. Despite rising prices, the UCSB 2008 Economic Forecast notes that the residential real estate slow down has had more impact on nearby community of Buellton than Solvang or Santa Ynez. Even so, for Solvang residents, affordability and overpayment for housing as well as availability and future supply are some of the most important housing issues to be addressed by this document.

1.6 INFORMATION SOURCES

The 2000 Census continues to be the primary source of information for this Housing Element update. Additional information was obtained from the State of California Department of Finance, the Santa Barbara County Association of Governments (SBCAG), the 2008 Santa Barbara Economic Outlook, and local realtors. Historical data was obtained from the 1990 Census and the 2006 City of Solvang Housing Element.

1.7 COMMUNITY PARTICIPATION

The California Government Code expressly requires that diligent efforts be made to engage the public in the process of preparing and adopting Housing Elements. Public input on housing needs

and strategies is critical to developing appropriate and effective City housing programs. As part of the Housing Element update process, prior to the preparation of the final draft document, the City conducted a series of public meetings to solicit public comment on housing needs in the community. Specifically, the Planning Commission a public hearing on the final Element. In addition, the City Council held at least one public hearing on the final Element prior to releasing it to the State Department of Housing and Community Development for final review. Various community stakeholders, including neighborhood leaders, development professionals, local builders, both for-and non-profit developers, realtors, mortgage bankers and brokers, area lenders, churches, senior centers special needs groups and advocates, and others were direct-mail noticed to achieve effective public participation in the process. (See list below). All of the Housing Element hearings and workshops were televised on government access television.



NOTICE MAILING LIST PERSONS AND ORGANIZATIONS	
HOUSING PROFESSIONALS & GOVERNMENT AGENCIES	
California Rural Legal Assistance Attn: Jeannie A. Barrett 2050 So. Broadway, Suite G. Santa Maria, CA 93453	Home Builders Association Attn: Jerry Bunin 811 El Capitan Way Suite 120 San Luis Obispo, CA 93401
People's Self-Help Housing Corporation Attn: Karen Seabury 26 East Victoria Street Santa Barbara, CA 93101	Housing Authority of Santa Barbara County Attn: John Polanskey 815 West Ocean Avenue Lompoc, CA 93436-6526
Santa Ynez Valley People Helping People Attn: Dean Palius 545 N. Alisal Road, Suite 102 Solvang, CA 93463	Santa Barbara County Assoc. of Governments Attn: Brian Bresolin 260 N. San Antonio Road, Suite B Santa Barbara, CA 93110
Santa Barbara Community Housing Corporation 11 E. Haley Street Santa Barbara, CA 93101	Habitat for Humanity 2146 Parker St. #B1 San Luis Obispo, CA 93401
Cabrillo Economic Development 702 County Square Dr Ventura, CA 93003	Coastal Housing Partnership S.B. P.O. Box 50807 Santa Barbara, CA 93150
CHURCHES	
Bethania Lutheran Church 603 Atterdag Road Solvang, CA 93463	Trinity Baptist Church 1693 Laurel Ave. Solvang, CA 93463
LENDERS	
Los Padres Bank	Rabo Bank

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610 Alamo Pintado Rd. Solvang, CA 96343	1660 Copenhagen Dr. Solvang, CA 93463
Santa Barbara Bank & Trust 2010 Mission Drive Solvang, CA 93463	Union Bank of California 1714 Mission Dr. Solvang, CA 93463
Valley Oaks Bank 591 Alamo Pintado Rd. #B Solvang, CA 93463	Patricia Gabel, Housing Finance Mgr. Housing & Community Development 105 E. Anapamu St. Room 105 Santa Barbara, CA 93101-2062
REALTORS	
Prudential Hunter Realty 1430 Mission Drive Solvang, CA 93463	Santa Ynez Valley Association of Realtors Janet Sherman 1623 Mission Drive #2 Solvang, CA 93463
Allan Jones - Santa Ynez Valley Real Estate 1595 Mission Drive Solvang, CA 93463	Coldwell Banker 1607 Mission Dr. Solvang, CA 93463
OTHERS	
Solvang Senior Center 1745 Mission Drive Solvang, CA 93463	Valley Haven Senior Day Care Center 1825 Alamo Pintado Rd. Solvang, CA 93463
Solvang Public Library 1745 Mission Drive Solvang, CA 93463	Santa Ynez Band of Chumash Indians 100 Via Juana Lane Santa Ynez, Ca. 93460

In September of 2007, the City Council considered the rezone of 15 parcels to maximize densities and provide enough land inventory to meet the regional housing needs allocation and the various income target groups with particular emphasis on having available DR-20 (20 units per acre) available for the lower income households. Although this rezone process was difficult and not well received by the community, due to the fact valuable commercial land was being converted into higher residential density and which could bring a possible loss to income/sales tax received from the commercial property, the City rezoned these parcels to ensure sufficient land was available to meet the City's future housing needs. The City made diligent efforts to contact the list of stakeholders and nobody participated or commented through the public review process. The City feels the programs implemented will address the needs of the community. The City will continue to engage the community, through the adoption and implementation of the housing element by making revisions available with sufficient notice to comment (i.e. 30-days) and

notice stakeholders on the City’s implementation efforts to demonstrate the City’s diligent efforts to engage all economic segments of the community in the housing element update.



In addition, the Housing Element was reviewed through requirements of the California Environmental Quality Act. A Negative Declaration was prepared and circulated for 30 days, from May 15 to June 15, 2009. Table 1-1 summarizes the public participation efforts made as part of the Housing Element update process:

Table 1-1 Televised Housing Element Workshops and Public Hearings

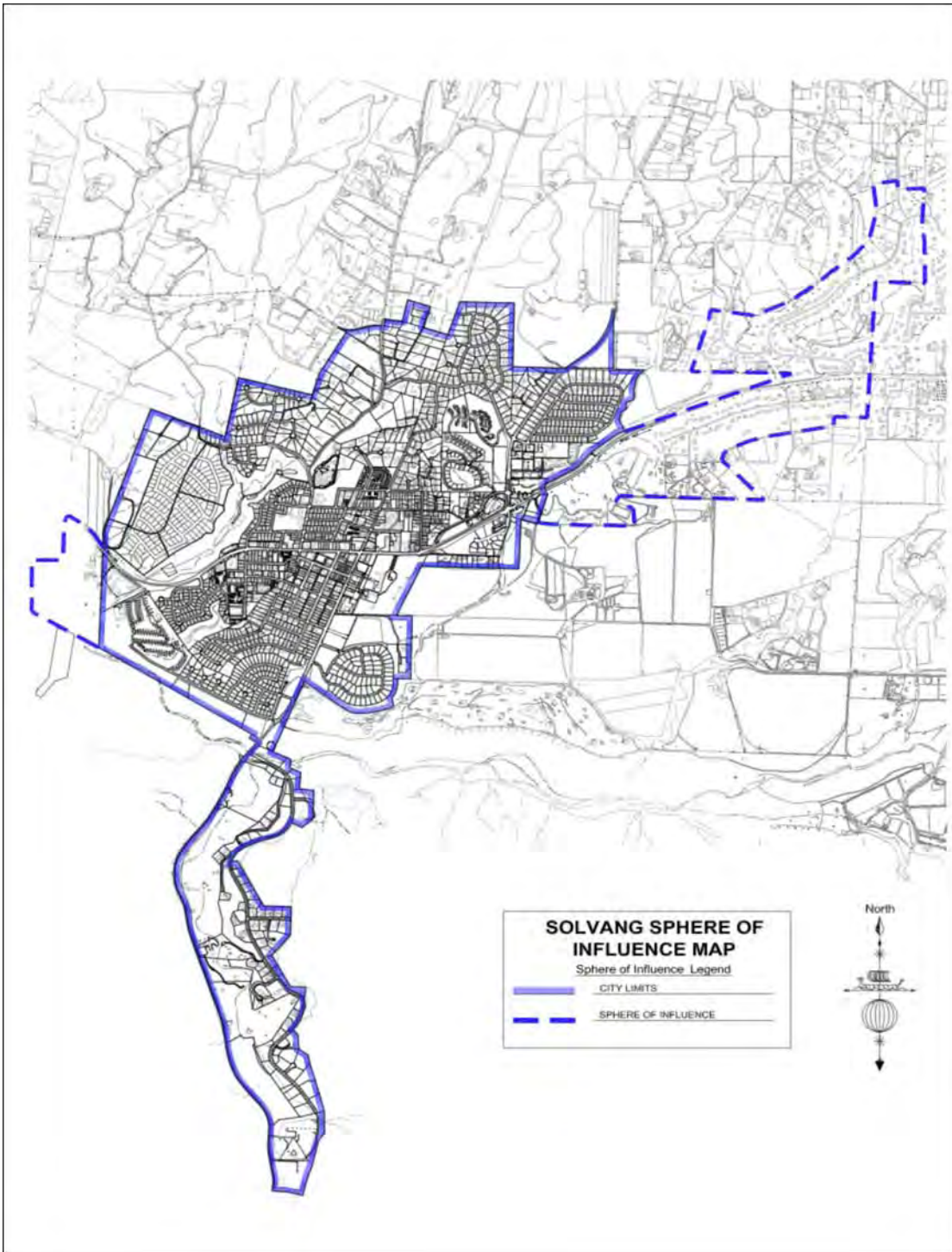
Date	Notice	Newspaper Display Ad	Posted on Website
May 24, 2007 Public Release and Notice of Mitigated Negative Declaration for Zone Change	SY Valley News Published May 24, 2007 Posted: Clerk Recorder’s, City Hall, Planning Annex, Solvang Library	SY Valley News Legal Ad Published May 24, 2007	Yes
July 2, 2007 Regular Planning Commission Meeting	SY Valley News Published: June 22, 2007 Posted: City Hall, Planning Annex, Solvang Library	SY Valley News Legal Ad Published June 22, 2007	Yes
August 6, 2007 Regular Planning Commission Meeting	SY Valley News Published: July 27, 2007 Posted: City Hall, Planning Annex, Solvang Library		Yes
August 27, 2007 City Council Housing Element Zone Change Meeting	SY Valley News Published August 17, 2007 Posted: City Hall, Planning Annex Solvang Library	SY Valley News Legal Ad Published August 17, 2007	Yes
September 10, 2007 City Council Housing Element Zone Change Meeting	Posted: City Hall, Planning Annex Solvang Library		Yes
News story on Housing Element rezone, published in Santa Ynez Valley News, August			

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24, 31, & September 6, 2007			
<p>May 15, 2009 Public Release and Notice of Mitigated Negative Declaration for Housing Element Update</p>	<p>SY Valley News Published May 15, 2009</p> <p>Posted: Clerk Recorder's, City Hall, Planning Annex, Solvang Library</p>	<p>SY Valley News Legal Ad Published May 15, 2009</p>	<p>Yes</p>
<p>Planning Commission Meetings Housing Element Update July 6, 2009</p>	<p>All Posted: City Hall, Planning Annex Solvang Library</p> <p>All Televised</p> <p>Published SVY News 10 days prior</p>	<p>Published June 26, 2009</p>	<p>Yes</p>
<p>City Council Meetings Housing Element Update July 27, 2009</p>	<p>All Posted: City Hall, Planning Annex Solvang Library</p> <p>All Televised</p> <p>Published SVY News 10 days prior</p>	<p>Published July 17, 2009</p>	<p>Yes</p>
<p>City Council Meeting Housing Element Update December 14, 2009</p>	<p>All Posted: City Hall, Planning Annex Solvang Library</p> <p>All Televised</p> <p>Published SVY News 10 days prior</p>	<p>Published December 4, 2009</p>	<p>Yes</p>

FIGURE 1-2 CITY OF SOLVANG





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2.0 HOUSING GOALS AND POLICIES

This section sets forth the goals and policies that have been developed to encourage the preservation, production, maintenance, and improvement of housing in the City of Solvang.

These goals and policies are designed to:

- 1) Preserve and improve housing and neighborhoods;
- 2) Promote the production of a diversity of housing;
- 3) Provide adequate sites for a variety of housing types;
- 4) Remove or mitigate constraints to housing investment; and
- 5) Promote equal housing opportunity.

An assessment of current housing conditions and needs to guide the formulation of these goals and policies is contained in Section 4.0 of this document. In addition, the Planning Commission and City Council have received public comment during a series of public meetings regarding the scope and content of this Housing Element update.

2.1 HOUSING AND NEIGHBORHOOD CONSERVATION

Conserving and improving existing housing and residential neighborhoods in Solvang is an important goal. Thirty percent of the City's housing stock is 30 years or older, the age when most homes begin to have major rehabilitation needs. The City will support and encourage neighborhood preservation and upgrading through provisions for housing repair assistance and code enforcement.

GOAL 1.0: Conserve and improve the quality of existing housing and residential neighborhoods in Solvang.

Policy 1.1 Encourage citizen involvement in addressing the maintenance and improvement of the City's housing stock and neighborhood quality.

Policy 1.2 Encourage homeowners and landlords to maintain properties in sound condition through code enforcement efforts and by implementing a residential rehabilitation assistance program.

Policy 1.3 Continue to preserve and maintain the City's historical and architecturally unique buildings and neighborhoods, particularly in the Village Area.

Policy 1.4 Encourage the maintenance, rehabilitation and improvement of the City's existing stock of affordable housing, including mobile homes, through review of City regulations including zoning and other forms of assistance.

Policy 1.5 Cooperate with housing providers in the acquisition, rehabilitation, and maintenance of older residential properties as long-term affordable housing.



2.2 HOUSING PRODUCTION

The production of a diverse range of housing types helps to ensure that all households, regardless of age, income level, and household type, have the opportunity to find housing suited to their needs. This issue is partially addressed through the Regional Housing Needs Assessment (RHNA) process, which encourages the provision of housing for all economic segments in the community. However, housing diversity is also addressed by supporting housing options for residents with special needs, including seniors, seasonal workers, persons with disabilities, families and homeless.

GOAL 2: Facilitate the development of a range of housing types, densities, and affordability

levels to meet the diverse needs of the community.



- Policy 2.1** Encourage the production of housing that meets the needs of all economic segments, including homeless and extremely low, lower, moderate, and above moderate-income households, to achieve a balanced community.
- Policy 2.2** Provide expanded housing opportunities for the City's workforce, including seasonal and part-time workers in the tourism sector and public service employees. The City will prioritize affordable housing opportunities and assistance to address the needs of local workers.
- Policy 2.3** Examine the feasibility of developing quality live/work housing in the Village Area as a means of providing affordable housing opportunities for Solvang's workforce.
- Policy 2.4** Continue to facilitate the provision of affordable housing for the City's growing senior population, including senior housing with supportive services, assisted living facilities, and second units.
- Policy 2.5** Encourage and support, as feasible, non-profit and for-profit agencies who provide supportive services and alternative housing options for the homeless and other persons with special housing needs in Solvang.
- Policy 2.6** Encourage the provision of housing adaptable to the physically disabled through integration of universal design features in new development, and compliance with Title 24 of the California Health and Safety Code.
- Policy 2.7** Identify and pursue State, federal, and other funding sources for housing activities that encourage home ownership for low and moderate income households.



Policy 2.8 Encourage first-time homebuyers from low and moderate income households to participate in home ownership assistance programs available from public agencies and in the private market.

Policy 2.9 Facilitate the provision of second units as a means of providing affordable rental housing in existing neighborhoods by eliminating existing tenant restrictions and reducing parking requirements. Ensure compatibility with the primary unit and surrounding neighborhood.

Policy 2.10 Amend the Density Bonus Ordinance in the first year (2009) of the Five-year Plan.

Policy 2.11 Continue to support the provision of rental assistance to extremely low and lower-income households, and encourage property-owners to list units with the Santa Barbara County Housing Authority.

2.3 PROVISION OF ADEQUATE SITES FOR HOUSING

One of the City's primary housing goals is to ensure that adequate sites are available to accommodate a variety of housing opportunities for current and future residents. This includes conventional single-family homes, apartments, and special needs housing. The City is also committed to ensuring that adequate sites are available to accommodate the City's share of regional housing needs.

The City is committed to promoting and facilitating homeless services and facilities. Homelessness is caused by a number of social and economic factors, including a breakdown of traditional social relationships, unemployment, shortage of low-income housing, and the deinstitutionalization of the mentally ill. A homeless person lacks consistent and adequate shelter. Homeless persons can be considered residents (those remaining in an area year-round), or transient. Emergency and transitional shelters can help to address the needs of the homeless. Emergency shelters provide a short-term solution to

homelessness and involve limited supplemental services. In contrast, transitional shelters are designed to remove the basis for homelessness. Shelter is provided for an extended period of time, and is combined with other social services and counseling, to assist in the transition to self-sufficiency.



The nature of the homeless population makes exact counting difficult. The 2000 Census found no “visible” persons living on the streets and no people in homeless shelters. However, Census counts are not generally accepted as an accurate reflection of homelessness. Because the homeless move around and are not always visible on the street, it is difficult to get an accurate count of homeless persons in a community. Discussions with social service organizations and others dealing with emergency housing and the homeless on a daily basis reveal that there are homeless in the area. The Sheriff’s Department does not track the number of homeless in Solvang, however, nor do other social service organizations.

GOAL 3.0: Provide adequate sites through appropriate land use and zoning standards to accommodate the City’s share of regional housing needs.

Policy 3.1 Encourage the construction of a wide range of housing types and densities to meet Solvang’s existing and future housing needs.

Policy 3.2 Continue to encourage mixed-use development in the Village Area (TRC zone). Review existing development standards and fees for secondary uses in the TRC, C-2, and P-O zones to assess their potential for supplying additional housing opportunities, their impact on development costs, and revise as appropriate to improve housing opportunities.

Policy 3.3 Identify opportunities for housing development that achieve other community goals such as neighborhood improvement, recreation opportunities, and the preservation of open space and community character.



Policy 3.4 Encourage efficient utilization of the City's limited land resources by promoting development at the upper end of permitted General Plan/Zoning Ordinance densities and by facilitating infill development in appropriate areas.

Policy 3.5 Encourage quality infill projects that utilize existing infrastructure.

Policy 3.6 Encourage the construction of second residential units to meet to needs of the extremely low, very-low, low and moderate-income households. The City will prepare an informational brochure to be distributed to public places, and by providing on-going information to single-family property owners on the benefits of and permit requirements for second units

Policy 3.7 Amend the Zoning Ordinance to allow for homeless facilities consistent with Senate Bill 2. The City shall allow homeless facilities for overnight lodging in appropriate zone districts such as DR-20 Design Residential zones.

Policy 3.8 The City shall cooperate with other cities, the County and other agencies in the development of programs aimed at providing homeless facilities and related services, including medical service for walk in cases.

Policy 3.9 The City shall provide information about housing opportunities and services for homeless persons through Planning & Community Development Department and City Hall.

2.4 REMOVAL OF GOVERNMENTAL CONSTRAINTS

Under State law, the Housing Element must address, and where legally possible, remove governmental constraints affecting the maintenance, improvement, and development of housing.

There are several governmental restraints in Solvang. Primarily, a governmental restraint is land use controls. Historically, Solvang has been a tourist oriented single-family home community. The basis of the community's identity has been Northern European commercial and similar but low-density residential neighborhoods that maintain the character of the City. Commercial development has been primarily for retail and tourist related services in addition to those needed by the local population. The TRC Business District attracts significant visitors from outside the City. The preservation of the heritage of Solvang has been integral to maintaining this community vision. The City's land use policies have worked well in past decades. In that time plenty of open space and developable land was available in other parts of Santa Barbara County to meet the needs of a growing and diverse population. Over the past ten years, however, vacant land has become increasingly scarce, especially in the Santa Ynez Valley, while county-wide population growth has created demand for additional housing. Over the past decade Solvang has experienced an extreme increase in housing costs, combined with a shortage of housing.



The City has proposed a number of programs and incentives to ensure that it can accommodate its Regional Housing Needs Assessment (RHNA) and facilitate the construction of affordable housing for low and moderate income households and special needs groups. These are discussed in the policies and programs indicated below.

The City's potential to accommodate housing affordable to low and moderate income households could be increased through the policies mentioned below. The following programs are designed to mitigate government constraints on housing and facilitate development of housing affordable to lower- and moderate-income households, including families, seniors, and persons with special needs.

GOAL 4.0: Where appropriate, mitigate or remove potential governmental constraints to housing production, homeless facilities and affordability.

Policy 4.1 Provide regulatory and/or financial incentives, where appropriate, to offset or reduce the costs of affordable housing development,

including density bonuses and flexibility in site development standards.

Policy 4.2 Periodically review City regulations, ordinances, processing procedures, and development fees related to the rehabilitation and/or construction of housing to assess their impact on housing costs, and revise as appropriate.

Policy 4.3 Maintain adequate public services and infrastructure to facilitate and encourage new construction of housing to accommodate the City's share of regional housing needs.

Policy 4.4 Support the incorporation of energy efficient devices in existing housing and utilization of energy efficient designs for new housing.



2.5 EQUAL HOUSING OPPORTUNITY

Ensuring fair and equal housing opportunity is also an important goal for the City. Whether through mediating disputes, investigating bona fide complaints of discrimination, or through the provision of education services, the provision of fair housing services is important to ensuring fair and equal access to housing. Solvang will support the provision of fair housing opportunity through the following goal and policies.

GOAL 5.0: Promote fair and equal housing opportunity for all residents of Solvang.

Policy 5.1 Continue to support the enforcement of fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of race, religion, family status, national origin, disability, or other such factors.

Policy 5.2 Continue to support public and private organizations that offer fair housing and mediation services to Solvang residents.

Policy 5.3 Promote the development and conservation of housing that meets the special needs of large

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families, families with children, seasonal workers, persons with disabilities, elderly persons, homeless and agricultural workers.

Policy 5.4 Encourage the provision of housing adaptable to the physically disabled through integration of universal design features in new development, and compliance with Title 24 of the California Health and Safety Code.



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3.0 HOUSING PROGRAMS

The goals and policies contained in Section 2.0 address Solvang’s identified housing needs and will be implemented through housing programs offered by the City’s Planning and Community Development Department. In drafting these goals and policies, Section 65583 of the State Code requires the Housing Element to address five major areas:

- 6) Housing and Neighborhood Conservation
- 7) Housing Production
- 8) Provision of Adequate Sites for Housing
- 9) Removal of Government Constraints
- 10) Equal Housing Opportunity

The housing programs described in this section include existing programs as well revised and proposed new programs to address the City’s identified housing needs. Table 3-2 (included at the end of this section) provides a summary of each program, the five-year objective, funding sources, timeframe, and the agency responsible to implement the program. However, it is important to note that the current State budget crisis and withholding of housing funds may place restrictions on the ability of the City to implement some of these programs.

3.1 HOUSING AND NEIGHBORHOOD CONSERVATION

1. Code Enforcement

Code enforcement is a means to ensure that the character and quality of neighborhoods is enhanced and maintained. Code enforcement efforts in Solvang will focus on bringing substandard units into compliance with current building and development codes.

Five-year Objectives: The City will continue to carry out zoning code enforcement activities, including performing property inspections and citing code violations, when necessary. The City will also continue to contract with the California Code Check for the enforcement of building codes.



2. Housing Rehabilitation Assistance Program

To support the City's code enforcement efforts and improve neighborhoods, the City shall implement a home rehabilitation assistance program to assist low income and senior households, as funding becomes available. This program will use a portion of the HOME funds that the City has received through its participation in the County HOME Consortium to assist homeowners in repairing or upgrading their homes. The City has approximately \$23,141 available from the County HOME Consortium funds to assist in the rehabilitation of existing substandard units. The City zoning enforcement officer and the City Building Inspector will work together to identify substandard housing units that might qualify for HOME funding. The goal of this program after full implementation will be to provide assistance to three (3) renter-occupied and (5) owner-occupied households each year. Correcting code violations will be a top priority of the loan program.

Five-year Objectives: The City anticipates assisting three (3) renter households and five (5) ownership households during the planning period. The City will advertise the availability of this program through brochures at City Hall, the Public Library and posting information on the City's website.

3. Section 8 Rental Assistance

The Housing Choice (Section 8) is the Federal governments major rental assistance program, which extends rental subsidies to extremely low and very low-income households, including families, seniors, and the disabled, so that they can rent decent, safe and sanitary housing in the private market. The Section 8 program offers a voucher that pays the difference between the current fair market rent (FMR) as established by HUD and what a tenant can afford to pay (i.e. 30% of household income). The voucher allows a tenant to choose housing that costs above the payment standard, provided the tenant pays the extra cost. It is the responsibility

of the qualifying applicant to find a suitable unit.

At present, eight Solvang households receive Section 8 assistance through the Housing Authority of the County of Santa Barbara. Given the continued need for rental assistance, the City supports and encourages the provision of additional subsidies through the Section 8 program.

Five-year Objectives: The City will continue to participate in the Section 8 rental assistance program administered through the Housing Authority and will encourage rental property owners to list available units through the program.

4. Mobile Home and Mobile Home Park Preservation

The City has established a Mobile Home Park (MHP) designation under both its General Plan and Zoning Ordinance. For those parks that have been designated for mobile home park use under the General Plan and/or Zoning Ordinance, a plan amendment and/or zone change would be required should a property owner desire a change of use. Additionally, with a mobile home park designation in place, a land owner seeking to close a park would initially be required to justify a zone change to the Planning Commission and City Council, and also comply with State regulations governing park closures. Currently, there is one mobile home park in Solvang. Mobile homes constructed on permanent foundations and certified under the national manufactured construction and safety standards act of 1974 are permitted uses in all Residential Zone District and treated as single-family residences.

Five-year Objectives: The City will continue to maintain the Mobile Home Park (MHP) designation under both its General Plan and Zoning Ordinance as a means providing mobile home as an affordable housing option. The City will also continue to allow mobile homes as a single-family residential use.

5. Preservation of Community Character

The City of Solvang is a unique community that is not typical of most communities in terms of its historic past, ethnic composition, architectural heritage and tourist-oriented economic base. The Community Design Element of the



General Plan identifies the community's desire to maintain the distinctive image of Solvang's Village Area so that the "old world" Danish character is retained. Solvang is widely recognized as a tourist destination, and the City's identity and economic vitality are closely linked to the aesthetic character of the community. The City has a strong desire to preserve, protect and promote the unique Danish and northern European design theme that is prevalent in the downtown Village area. It is therefore important that the City maintain a regulatory framework to preserve and enhance the community's unique character.



Five-year Objective: The City will continue to administer development standards and design guidelines in the TRC zone that are intended to preserve and maintain the City's Danish/Northern European design theme.

3.2 HOUSING PRODUCTION

6. Local Workforce Housing

Approximately 41% of Solvang households earn lower incomes (80% or less of County median family income). Many of these are senior households, but some are also working families with wage earners in low-paying occupations, including retail workers, service workers, and farm laborers. Because of their limited incomes, many families are forced to live in overcrowded and/or substandard conditions, as evidenced by the estimated levels of overcrowding (6.5%) and overpayment (49%) among the City's population. Generally, lower-income households and large families experience a disproportionate share of overcrowding. Based on data from the 2000 Census, housing overpayment is a much more serious problem in Solvang, where approximately 52% of renter households and 49% of all households pay a substantial portion of their income for housing.

The City will continue to work in partnership with both for-profit and non-profit developers, as well as the Housing Authority of the County of Santa Barbara in providing affordable housing for working families in Solvang. Primarily through regulatory concessions and incentives the City can take a proactive role in promoting the development of affordable housing necessary to support the local workforce.



Five-year Objectives: The City will provide regulatory incentives to non-profits, private developers, and public agencies to increase the supply of housing affordable to Solvang's lower-income workforce. Specifically, the City will encourage and respond to all developer requests for assistance to create a more affordable project. The City will also encourage projects that meet the criteria for various funding sources or assist in shaping the project in the direction to provide increasing affordability and incentives to meet these objectives. The City will target a portion of HOME Consortium funds, towards projects that meet the needs of extremely low, very low- and low-income renters, including large families and seasonal workers in the tourism industry. Specifically, the City's goal is to encourage the development of affordable units as funding becomes available. The City will also consider prioritizing affordable housing and assistance for local workers, including teachers, police officers, and other essential public service employees.

7. Density Bonus Program

State law mandates that local governments shall grant a density bonus up to 35 percent (%), and a maximum of three additional incentives/concessions or financially equivalent incentive(s), to a developer of a housing development agreeing to build at least:

- (A) Ten percent of the total units of a housing development for lower income households.
- (B) Five percent of the total units of a housing development for very low-income households.
- (C) A senior citizen housing development or mobile-home park that limits residency based on age requirements for housing for older persons.
- (D) Ten percent of the total dwelling units in a common interest development for persons and families of moderate income, provided that all units in the development are offered to the public for purchase.

An applicant for a density bonus proposal may submit to the city a proposal for the specific incentives or concessions that the

applicant requests. The City shall grant the concession or incentive requested by the applicant unless the city makes a written finding, based upon substantial evidence, of either of the following:



- (A) The concession or incentive is not required in order to provide for affordable housing costs, or for rents for the targeted units.
- (B) The concession or incentive would have a specific adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is not feasible method to satisfactorily mitigate or avoid the specific unaffordable to low- and moderate-income households.

The applicant shall receive the following number of incentives or concessions:

- (1) One incentive or concession for projects that include at least 10 percent of the total units for lower income households, at least 5 percent for very low income households, or at least 10 percent for persons and families of moderate income in a common interest development.
- (2) Two incentives or concessions for projects that include at least 20 percent of the total units for lower income households, at least 10 percent for very low income households, or at least 20 percent for persons and families of moderate income in a common interest development.
- (3) Three incentives or concessions for projects that include at least 30 percent of the total units for lower income households, at least 15 percent for very low income households, or at least 30 percent for persons and families of moderate income in a common interest development.

For housing developments meeting the criteria above the density bonus shall be calculated as follows:



Table 3-1 Density Bonuses

DENSITY BONUS TO BE GRANTED				
<i>Target Unit Type</i>	<i>Minimum Target Units Included in Project (percent of total units)¹</i>	<i>Minimum Density Bonus (percent) to be Granted</i>	<i>Additional Density Bonus for Additional Target Units above Minimum</i>	<i>Maximum Density Bonus (percent) Required to be Granted</i>
Lower Income	10	20	1.5% density increase for every 1% increase in lower income units.	35
Very Low Income	5	20	2.5% density increase for every 1% increase in very low income units.	35
Senior Citizen Housing	100	20	NA	20
Moderate Income Units within Condominium or Planned Development Project	10	5	1% density increase for every 1% increase in moderate income units.	35
1. When determining the number of lower income, very low income, or moderate income housing units that is equal to 5 or 10 percent of the total number of units, the density bonus shall not be included in the total.				

Every jurisdiction must adopt an implementing ordinance, including procedures for assessing the means of compliance for a density bonus. The ordinance must specify the type of additional developer incentives, which will be provided (unless an additional incentive is found unnecessary to reach target affordability). The additional developer incentives must include at least one of the following:

- Modified development standards;
- Permit mixed-use zoning within housing development;
- Allow other regulatory incentives, which results in cost reductions; or
- Provide other incentives of equivalent financial value based upon the land cost per dwelling.



The density bonus makes residential development more economical, especially where land costs are high. In effect, a density bonus allows local governments to create greater land value in a project, which can then be used to subsidize affordable housing. Bonus units thereby incorporate lower-income households into substantially market rate housing projects and can also make the conversion of higher-cost non-residential land for new housing economically feasible.

Five-year Objective: The City shall amend its Density Bonus Ordinance in the first year of the 5-year plan to be consistent with State Law.

8. Second Unit Development

A second unit is a self-contained living unit with cooking, eating, sleeping, and full sanitation facilities; either attached or detached from the primary residential unit on a single lot. Consistent with State Law (AB 1866), second residential units are permitted in the R-1 and E-1 residential zones, subject to development standards and requirements under Section 11-12-4 of the Zoning Ordinance. The City adopted changes in 2004, to its Second Residential Unit Ordinance that should encourage the construction of affordable second residential units within the City. Specific changes included the following: Reduction in the minimum lot size for attached units to 6,000 s.f.; elimination of the garage requirement; increased square footage for both attached and detached second units, and the establishment of a maximum side yard setback.

Specifically, second units require a minimum lot size of 6,000 square feet for attached units and 10,000 square feet for detached units. The maximum floor area of a second residential unit may be 1,000 square feet. The size of the second unit depends on the size of the lot. Attached second units may range in size from 600 s.f. on a 6,000 to 9,999 s.f. lot, to 1,000 s.f. on a lot that is 20,000 s.f. or more. Detached second units may not exceed 40% of the existing main dwelling unit living area or 800 s.f. whichever is less on lots that are 10,000 s.f. to 19,999 s.f. On lots that are 20,000 s.f. or more, a detached second unit may be 1,000 s.f. No more than one second residential unit is permitted on any one lot, and a minimum of one off-street, uncovered parking space for each bedroom in the second unit, or



each studio unit must be provided for the second unit. Also in 2004, to help facilitate these units, the City reduced the side setback requirements to a maximum of ten (10) feet for lots zoned 7-R-1 to 10-R-1 and to a maximum of twenty (20) feet for lots zoned 20-R-1 to 3-E-1, instead of 10% of the width of the lot. The City also requires the owner of the property to reside in either the principal structure or the second residential unit.

Second units offer several benefits. First, second units can offer affordable rental housing for seniors, for disabled, or for healthcare or domestic service persons providing substantial service to the property owner who resides on the property without adversely impacting such areas. These units typically rent for less than apartments of comparable size. Second, the primary homeowner receives supplemental income by renting out their second unit, which can help modest income and elderly homeowners remain in or afford their homes. Third, second units can be integrated in new single-family subdivisions (such as “carriage houses”) and provide a cost-effective way of addressing inclusionary housing requirements (see Program #7).

Recognizing these benefits, the City will facilitate the construction of new second units through regulatory concessions and incentives. The City will ensure that new second units will be of reasonable quality and compatible to existing neighborhoods by establishing design guidelines for second units. The City also conducted an “amnesty program” for illegal second units as a means of encouraging owners to bring those units up to codes.

Five-year Objectives: The City will encourage the construction of second units to meet the needs of the extremely low, very-low, low and moderate-income households. The City will promote second units by posting information on the City’s website, preparing an informational brochure to be distributed to public places and by providing on-going information to single-family property owners on the benefits of and permits requirements for second units.

9. Non-Traditional Housing

The City recognizes the changing housing needs of its population, including a growing number of non-family households, extremely low income households, aging seniors in need of supportive services, and single-parent families in need of

childcare and other services. To address such needs, the City will adopt development standards which facilitate the provision of non-traditional housing to meet the unique needs of residents, including co-housing, assisted living for seniors, and live-work developments. To achieve these goals; the City will amend its existing land use regulations to facilitate the development of non-traditional housing. Changes will include shared living arrangements as allowed residential uses, with specific references to supported living (including In-Home Supportive Services) and licensed community care facilities. Acknowledge that occupants of residential units are permitted without regard to familial status, disability or other population segment stipulated in Fair Housing Statutes (e.g.; individuals with Alzheimer's, AIDS/HIV, and homeless). Allow single room occupancy units and congregate care facilities as allowed uses in all zone districts subject to the same regulations as other residential uses. For consistency with Health and Safety Code 17021.5 and 17021.6 housing for agricultural employees to be permitted by right in single family zones for up to 6 persons and in agricultural zones for no more than 12 units or 36 beds.



Five-year Objective: The City will adopt the land use changes discussed above in the second year of the Five Year Objective period in order to provide tailored development standards to facilitate the development of non-traditional housing types, including co-housing, assisted living facilities, single room occupancy and live-work units.

10. Mortgage Credit Certificate

The City of Solvang participates in the Mortgage Credit Certificate (MCC) program administered through the County of Santa Barbara. The MCC is a federal program that allows qualified first-time homebuyers to take an annual credit against federal income taxes of up to 15% of the annual interest paid on the applicant's mortgage. This enables homebuyers to have more income available to qualify for a mortgage loan and make the monthly mortgage payments. The value of the MCC must be taken into consideration by a mortgage lender in underwriting the loan and may be used to adjust the borrower's federal income tax withholding. The MCC has covenant restrictions to ensure the affordability of the participating homes for a period of 15 years.

Five-year Objectives: The City will continue to participate in the

MCC program with a goal of assisting 20 households. The City will advertise availability of the program by distributing brochures at all relevant public meetings, the planning counter, public library, and senior/community center. Particular emphasis will be given to encouraging home ownership for lower- and moderate-income households. Outreach provisions of this Program will continue during the entire Five Year Objective period.



11. Application for Grants and Loans

In 2002 and 2006, the voters of California approved Proposition 46 and 1C, authorizing the issuance of bonds to support well over \$2 billion in both propositions in new and continued housing programs as part of the States Strategic Growth Plan. This will fund affordable housing (both ownership and rental) neighborhood revitalization efforts, special needs housing and supportive services, and a variety of other programs that help meet the housing needs of communities across the State. The City will continue to investigate potential funding sources for affordable housing and will apply for available grants and loan programs.

Five-year Objective: The City will investigate annually funds available under Proposition 46 and 1C and pursue those that help meet the housing needs of Solvang residents, particularly those programs which provide assistance to increase homeownership by lower and moderate income households. Should funding become available through successful grant applications, the City shall implement the associated housing programs.

3.3 PROVISION OF ADEQUATE SITES FOR HOUSING

12. Adequate Sites Program

A key component of the Housing Element is the identification of adequate sites to accommodate the City's share of regional housing needs as determined by Santa Barbara County Association of Governments (SBCAG). The City has identified a variety of vacant and underutilized sites where new housing may be developed, including infill sites, mixed-use opportunities in underutilized commercial areas and single-family neighborhoods where second units may be added. In order to provide adequate sites, the City expanded

the development capacity of residential property through zoning designation changes and density bonuses. The City shall encourage mixed-use development within appropriate areas of the Village area and promote higher residential densities at locations in proximity to shopping, employment and public services outside of the Village area. The City will emphasize and encourage the use of the Density Bonus Program.



Five-year Objective: The City has completed the rezoning and General Plan amendment according to law, for the development of housing on the properties, which have been identified as having the potential for higher densities in 2007. The City will continue to inventory sites to meet its ongoing need for affordable housing with specific attention for addressing extremely low-income groups by allowing higher densities on appropriate properties.

13. Mixed-Use Development

The Land Use Element of the General Plan and Zoning Ordinance expressly encourages the development of mixed residential and commercial uses in the Village Area and in the C-2 (Retail Commercial) areas. The City's Zoning Ordinance allows residences as a permitted use (considered a "secondary use") in the TRC (Tourist Related Commercial) District and the C-2 (Retail Commercial) District. Residential uses are also allowed in The PO (Professional Office) District with a Conditional Use Permit. Secondary Use is defined as:

- A. A land use subordinate or accessory to a principal use.

- B. When used in reference to residential use in conjunction with commercial and industrial uses in this title, "secondary" shall mean two (2) residential bedrooms per one thousand (1,000) square feet of total gross floor area of commercial development. However, in no event shall the total gross floor area of the residential development exceed the total gross floor area of the commercial or industrial use.

Typical development standards and requirements for Mixed-Use projects are as follows:



1. Parking: Single bedroom or studio dwellings: 1 space per dwelling unit.
- 2- Bedroom dwellings: 2 spaces per dwelling unit, located within 200 feet of the building.
2. Drainage facilities and the continued maintenance thereof.
3. Landscaping plan approved by the Board of Architectural Review and maintained in accordance with said approved landscape plan.
4. Exterior lighting of low intensity and/or shielded in order to promote safety.
5. Improvement plans, including, but not be limited to, for the construction of curbs, gutters, brick sidewalks, asphalt concrete pavement on aggregate base, underground utilities, a street light with underground wiring, sewer system, water system, and adequate positive drainage.
6. Driveway access for fire apparatus to be adequate in width, all weather concrete or asphalt pavement capable of supporting the maximum imposed wheel loads of fire apparatus with a minimum vertical clearance of 13'6".
7. A trash enclosure screened from view from surrounding properties and the street.
8. A check valve or anti-backflow device for fire sprinkler systems.
9. Fire extinguishers pursuant to the Fire Code. A fire alarm system pursuant to City requirements (CFC Chapter 9).

Adding residential development in and around underutilized commercial areas will create activity along the street, provide a variety of housing types near work and shopping, and enhance public safety. Inclusion of appropriate residential uses in new mixed-use developments in the Village area will be encouraged through the use of incentives such as reduced parking requirements and shared parking (between commercial and residential uses) and floor area densities.

These incentives will include a Floor Area Bonus of from 5% up to 15% for projects that include senior housing or

affordable housing units for, low and very-low income households. A “floor area bonus” would grant additional commercial floor space by reducing setbacks, landscaping or parking, or by increasing the height limit. These floor area incentives do not conflict with the State density bonus law. Projects meeting the State density requirements also receive a density increase as authorized by State law. The floor area bonuses would allow the following:



- A. Senior Housing Bonus: A floor area bonus of up to five (5%) percent would be granted for projects that include apartments reserved for senior citizens.
- B. Affordable Housing Bonuses:
 - 1. A floor area bonus of up to ten (10%) percent may be granted for projects that include at least one housing unit reserved for person of moderate income.
 - 2. A floor area bonus of up to fifteen (15%) may be granted for project that include at least one housing unit reserved for person of low or very-low income.
- C. That all affordable housing units shall be restricted to such use for:
 - 1. Thirty (30) years – if both a density bonus and an additional bonus, such as a floor area bonus or parking reduction is granted or,
 - 2. Twenty (20) years – if only a density bonus is granted

To encourage mixed-use developments, the City has adopted a reduced parking requirement for developments that include affordable and senior housing, and shared parking for all mixed-use projects. Parking costs contribute significantly to the cost of development in Solvang and this flexibility often makes affordable housing more feasible. Additionally, the City will grant mixed-use developments that include affordable and/or senior housing “priority processing” over other applications.

Five-year Objective: The City will continue to encourage residential uses in the Village Area, by implementing and maintaining zoning standards for residential densities that encourage pedestrian-oriented, mixed-use development to

help meet the needs of Solvang's fair-share housing needs. The City will provide technical, and/or other assistance to facilitate mixed-use housing that is appropriate to the unique character of Solvang as a tourist destination.



14. Infill Incentives Ordinance

Infill is used in planning to describe the development of vacant land (usually individual lots) within areas that are already largely developed. Alternatively, these sites may have been developed at one time and the current use is no longer optimal or desirable. Infill projects vary in size from single-family dwellings and multi-family dwellings on scattered lots to large mixed-use developments on assembled adjacent parcels. Infill development encourages the efficient utilization of a City's land resources by promoting development on vacant or underused parcels in neighborhoods where infrastructure is already in place.

There are some remaining small isolated vacant parcels that are scattered throughout the City, surrounded by existing development and could be classified as infill. Providing services to areas that are not currently being serviced would be relatively easy, since they are normally close to existing utility systems and would require only minimal extension of such systems. Typical raw land improvements include the installation of sewers, curbs, gutters and streets. Many infill sites are already equipped with some if not most improvements, particularly streets. Therefore, there are usually no dedication or easement requirements. Police and fire protection and access to schools and shopping areas is easy, since the travel distances are usually insignificant. Most of the City's infill parcels are within walking distance of the Village area or other retail commercial developments.

Infill sites are typically more difficult to develop for a variety of reasons, including site clean-up, land assembly, and compatibility with surrounding development. To better facilitate development of infill projects, the City will adopt an infill incentives ordinance with flexible development standards that address barriers to development. The ordinance will provide for modifications of development standards, such as reduced parking and setback requirements, to accommodate construction on smaller parcels. In addition, the program can offer waivers or deferrals of certain development fees, helping

to decrease or defer the costs of development. The City can defer payment of fees until just prior to the final occupancy inspection, thus minimizing a developer's capital outlay. The City will also emphasize and encourage the use of the Density Bonus Program.



Five-year Objectives: To facilitate infill development, the City will develop an infill ordinance that specifies flexible development standards and incentives, but ensures high quality development.

15. Lot Consolidation

The City will continue to play an active role in facilitating lot consolidation (i.e. lot mergers), particularly as it relates to parcels listed in Appendix B of the sites inventory. For example, the City will work with non-profit developers and owners of small sites to identify and consolidate parcels to facilitate the development of housing affordable to lower-income households. The lot consolidation procedure will also be posted on the City website and discussed with developers during the preliminary review team process. Lot consolidation requests will be processed ministerially. Incentives offered for lot consolidation could include allowing higher densities and flexibility in development standards (Density Bonus Program 7) with affordable housing once consolidated, and expedited processing.

Five-year Objectives: To facilitate lot consolidation, the City will continue to encourage non-profit developers and owners of small sites to identify and consolidate parcels to facilitate the development of housing affordable to lower-income households.

3.4 REMOVAL OF GOVERNMENTAL CONSTRAINTS

16. Planned Residential Development (PRD) District

The purpose of the Planned Residential Development (PRD) District is to ensure comprehensively planned development of large acreages that are intended primarily for residential use. The PRD designation is intended to promote flexibility and innovative design of residential development and to provide

desirable aesthetic and efficient use of space. The PRD also allows for a diversity of housing types and encourages clustering of structures in order to provide open space and preserve areas of aesthetic value or environmental importance.



Five-year Objective: The City will continue to use the PRD designation to provide flexibility and innovative design in developments and facilitate creative housing options.

17. Affordable Housing Incentives Program

The City will implement an Affordable Housing Incentives Program to encourage private housing developers to provide affordable housing. Incentives offered may include deferrals of certain development fees and density bonuses. Specifically, State law requires developers who reserve a certain percentage of units as affordable to qualified very low, low or senior households may be eligible for up to a 35% density bonus, regulatory incentives, or financial assistance. The City's Density Bonus Program (see Program #7) would allow up to a maximum total project increase of 35% above number of residential units allowed by the base zoning district.

The City has also adopted a reduced parking requirement for developments that include affordable housing. Parking costs contribute significantly to the cost of development in Solvang and this flexibility often makes affordable housing more flexible.

Regulatory concessions might also include modifications of development standards or zoning requirements that result in identifiable cost reductions (i.e. setbacks, lot size, parking, and additional density bonus). Changes to State law now prohibit any jurisdiction from applying any development standard that could preclude an affordable project from receiving a density bonus.

Five-year Objective: The City shall implement an Affordable Housing Incentives Program that offers regulatory concessions, and a density bonus to facilitate the development of additional affordable housing. The City will ensure compliance of this program with the provisions of GC 65915.



See also:

Density Bonus (Program #7).

Second Unit Development (Program #8).

Mixed Use Development (Program #13).

3.5 EQUAL HOUSING OPPORTUNITY

18. Fair Housing Program

The City supports fair housing and will refer all alleged cases of discrimination to the State Office of Fair Employment and Housing and the California Rural Legal Assistance (CRLA). The City also supports equal opportunity lending programs and non-discriminatory practices in the selection of residents for participation in local housing assistance programs.

Five-year Objective: The City will continue to promote fair housing practices and provide educational information on fair housing to the public through distribution of fair housing brochures. Information on fair housing practices will be made available on the City web site and through an informative newsletter available at City Hall. The timing of the availability of this information will be a function of when funding becomes available. The City will continue to support the State Office of Fair Employment and Housing, CRLA, and equal opportunity lending programs. The City will also continue to support efforts by the Housing Authority of the County of Santa Barbara to list units accessible to disabled persons.

19. Housing for Disabled Persons

Consistent with Senate Bill 520 enacted January 1, 2002, the City will analyze potential constraints to the development, maintenance, and improvement of housing intended for persons with disabilities. The analysis will include an evaluation of existing land use controls, planning policies, permit and processing procedures, and building codes to ensure that the applications of these policies, processes and regulations do not create unreasonable impediments to the availability and affordability of housing and supportive services for persons with disabilities. California Code Check, who is contracted with the City to administer the City's building permits, has adopted and implements the 2007 California Building Code. Through the permitting procedures

of California Code Check, the City provides reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits for retrofitting or converting existing buildings and construction of new buildings that meet the needs of persons with disabilities. Specific requirements for building permits and inspections are the same for retrofitting a residence for persons with disabilities as for other residential projects. The City does not charge additional fees for reasonable accommodation requests.

As part of the Housing Element update, the City reviewed its zoning laws, policies and practices for compliance with fair housing laws. The City has not identified zoning or other land use regulatory practices that could discriminate against persons with disabilities and impede the availability of such housing for these individuals. Currently, the City's defines "family" as *"An individual or group of persons, who need not be related by blood, marriage or adoption, living together as a single housekeeping unit and sharing kitchen facilities in a single dwelling unit. "Family" shall also mean the persons living together in a licensed "residential facility" as that term is defined in California Health and Safety Code section 1502(a)(1), which serves six (6) or fewer persons, including the licensee, the members of the licensee's family, and persons employed as facility staff.* Examples of the ways in which the City facilitates housing for persons with disabilities through its regulatory and permitting processes are:

1. The City permits group homes of all sizes in all residential districts and commercial zone districts. The City has no authority to approve or deny group homes of six or fewer people, except for compliance with building code requirements. These homes are allowed by state law and no conditional use permit is required for them. Group homes of six or fewer individuals are considered a residential use and are permitted in any residential zone or commercial zone that allows residential uses.
2. The City does not restrict occupancy of unrelated individuals in group homes. "Family" under the City's zoning code is defined as "One or more persons occupying premises and living as a single non-profit housekeeping unit."



3. The City permits housing for special needs groups, including for individuals with disabilities, without regard to distances between such uses or the number of uses in any part of the City. The Land Use Element of the General Plan does not restrict the siting of special needs housing. Special care homes, which provide 24-hour non-medical care and supervision for a capacity of seven (7) or more clients are allowed in any zone district in which they are not otherwise permitted with a minor conditional use permit. There is no minimum distance required between two (or more) special needs housing. The City does not impose special regulations on group homes of six or more, except for compliance with standard zoning regulations and building code compliance.

The City will amend its existing land use regulations to support Special Needs Groups. Changes will include shared living arrangements as allowed residential uses, with specific references to supported living (including In-Home Supportive Services) and licensed community care facilities. Acknowledge that, occupants of residential units are permitted without regard to familial status, disability or other population segment as stipulated in Fair Housing Statutes (e.g.; individuals with Alzheimer's, AIDS/HIV, and homeless).

For persons with disabilities, the City shall modify its existing zoning ordinance to incorporate Fair Employment and Housing Act provisions into each requirement for the development of affordable housing through Inclusionary and Bonus Density Requirements. In addition the City shall disseminate information on the rights of the disabled to all developers involved in housing projects.

Specifically, the City will:

1. Review the impact of its planning policies and zoning on the types of housing and supportive services that are permitted in Solvang and amend the zoning ordinance if necessary, to allow single room occupancy units and congregate care facilities as uses in all zone districts allowed subject

to a Conditional Use Permit.

2. Evaluate permit procedures and discretionary permit processes to ensure these do not create discriminatory standards for persons with disabilities.
3. Review the City's code enforcement practices for compliance with State and Federal laws related to persons with disabilities and to ensure that alternative techniques are permitted to meet the needs of such persons.
4. Evaluate the feasibility, practicality and effectiveness of a universal design ordinance based on a model ordinance that may be adopted by the State of California or other agencies and examples of ordinances adopted by other cities or counties.



Five-year Objective: The City will conduct an evaluation of potential constraints to housing for persons with disabilities, and if any constraints are found, will take actions to address those constraints. In light of current and proposed planning policies and zoning regulations, the City believes that it has mitigated any potential constraints to the availability of housing for people with disabilities.

20. Universal Design

The goal of universal design is to accommodate a wide range of abilities including children, aging populations, and persons with disabilities by providing design features in residential construction that enhance accessibility. The City has not as yet adopted a universal design ordinance governing construction or modification of homes using design principles that allow individuals to remain in those homes as their physical needs and capabilities change. The City will consider a model ordinance, which may be prepared by the State of California before adopting its own ordinance. Universal design features include:

- Entrances without steps that make it easier for persons of all ages to enter the home.
- Wider doors that enhance interior circulation and

accommodate strollers and wheelchairs.

- Lever door handles that are easier to use, especially by parents with an infant or a person with arthritis.
- Single-lever controls on kitchen and bathroom fixtures.
- Light switches and electrical outlets that are located at a height more convenient and accessible to the elderly.

Universal design features cost less when incorporated into new homes at the time of construction rather than retrofitted at a later date.

Five-year Objective: The City will consider the model ordinance prepared by the State of California before adopting its own ordinance by 2014. The City will work with local homebuilders to encourage the integration of universal design features in new construction, and will also encourage discussion of design options with home purchasers prior to unit construction.

21. Site for Emergency Shelters, Transitional and Supportive Housing Facilities and Services

The City Zoning Ordinance allows charitable and philanthropic institutions such as homeless shelters and transitional housing facilities and supportive services, in any zone district with a conditional use permit. Under Policy 3.7 the City will amend the Zoning Ordinance to allow these services in the DR-20 district by right without a conditional use permit or other discretionary action. The DR-20 zone allows the highest residential density, is located near other services, and makes up 44% of all available vacant residential land identified in Land Inventory. A total of 17 parcels and 7.84 acres of DR-20 land is available for emergency shelters, transitional and supportive housing needs. All other zones will continue to allow these uses with a conditional use permit. The process for approving a conditional use permit requires an application to the City. The Planning & Community Development Director reviews the application, investigates property conditions and environmental impacts and prepares a report and recommendation to the Planning Commission. The Planning Commission may either grant or deny the application. The conditional use permit may be revocable or granted for a specific period of time, subject to renewal. The Planning Commission's decision may be appealed to the City Council.

The Conditional Use Permit process for approving emergency shelters and transitional housing includes the following criteria for approval:



1. That the site for the project is adequate in size, shape and location and physical characteristics to accommodate the type of use proposed;
2. That significant environmental impacts are mitigated to the maximum extent feasible;
3. That streets and highways are adequate and properly designed;
4. That there are adequate public services, including but not limited to fire protection, water supply, sewage disposal, and police protection to serve the project;
5. That the project will not be detrimental to the health, safety, comfort, convenience, and general welfare of the neighborhood and will be compatible with the surrounding area;
6. That the project is in conformance with the applicable provisions and policies of this Title and the General Plan.

Typical Conditions of Approval for Emergency shelters and Transitional Housing Facilities are:

1. Compliance with Fire Department requirements.
 - a. Fire Protection Certificate
 - b. Adequate driveway access for fire apparatus
 - c. Fire extinguishers
 - d. Fire alarm system (if applicable)
2. State or Community Care Licensing (only if applicable to the type of shelter).
3. A trash enclosure screened from view from surrounding properties and the street.
4. Adequate parking.

The City will promote and facilitate Emergency, Transitional and Supportive Housing Facilities in the following manner:

1. The City will contact religious institutions in Solvang to inform them of the provisions of the City's zoning ordinance for emergency shelters, transitional and supportive housing.



2. The City will contact public agencies and non-profit organizations that serve homeless and near-homeless clients in the area to inform them of the City's provisions.
3. The City will provide application assistance as necessary to support funding requests for emergency shelter or transitional and supportive housing requests.
4. The City will allow transitional housing to qualify for residential bonuses and incentives proposed for the DR-20 Design Residential zones (See Policy 3.7)
5. The City will meet annually with homeless service providers to evaluate current and future needs for a homeless shelter or transitional and supportive housing facility in Solvang. Should the need for such facilities arise, the City will provide assistance in accessing state or federal funding for such facilities through its zoning provisions and conditional use permit process. The City will also provide information within the City's possession that may assist in preparing a competitive funding request.

Five-year Objective: The City will contact religious institutions, nonprofit organizations, and public agencies by December 2009 and meet with local homeless service providers annually to evaluate current and future needs for a homeless shelter or transitional and supportive housing facility in Solvang, should the need for such facilities arise. Amend zoning pursuant to SB 2 treat transitional and supportive housing as a proposed residential use and subject only to those restrictions that apply to other residential uses of the same type in the same zone. Emergency shelters will only be subject to those development and management standards that apply to residential and commercial use within the same zone. Adopt Zoning Code amendment by July 1, 2010 to allow for emergency shelters, transitional and supportive housing in appropriate zones by right. Provide application assistance as necessary to support funding requests for emergency shelter or transitional and supportive housing facilities.

3.6 ENERGY CONSERVATION

22. Energy Conservation Alternatives

The City is dedicated to assisting developers, renters and property owners to increase their energy conservation opportunities to encourage the incorporation of energy saving features, energy saving materials, and energy efficient systems and design for residential development. The City recognizes that planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters, in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing green house gases.



Five-year Objective: Strategies for reducing GHG emissions fall into two broad groups: strategies to reduce vehicle miles traveled and strategies to reduce energy consumption. The City will consider adoption within the proposed HE Update by 2014 to include Programs for a Green Building Ordinance that will reduce energy consumption and mitigate greenhouse gas emissions. The ordinance will include incentives such as expedited permit processing, qualify projects for density bonuses, and reduced development standards to encourage green building techniques and materials in new and resale homes for projects that meet LEED certification. The City of Solvang's General Plan Land Use and Circulation Elements includes programs to promote vehicular trip reduction in addition to land use and transportation provisions. Policies 5.1, requires a compact urban form that minimizes auto dependency and encourages the use of alternate forms of transportation and the reduction of vehicle trips. Along with the Green Building Ordinance Program 22- Energy Conservation Alternatives will include public outreach and awareness of funding sources to assist homeowners and renters in securing energy audits through local utility companies and programs such as those offered by Santa Barbara County Air Pollution Control District (APCD).

Table 3-2 Housing Program Implementation Summary

Housing Program	Program Goal	Five-Year Objectives	Funding Source	Responsible Agency	Time-frame
Housing and Neighborhood Conservation					
1. Code Enforcement	Bring substandard housing units into compliance with codes	Continue to carry out code enforcement activities.	General Fund	Planning/and Building Department	On-going
2. Housing Rehabilitation Assistance Program	Assist residents in repairing, upgrading, and improving single-family and multi-family housing.	Assist 5 homeowners and 3 renter families. Advertise program.	HOME	Planning/Community Development	2009 - 2014
3. Section 8 Rental Assistance	Extend rental subsidies to extremely low and very low-income households.	Continue to participate. Encourage property owners to list rentals with the Housing Authority.	HUD	County Housing Authority	On-going
4. Mobile Home and Mobile Home Park Preservation	Preserve mobile homes and mobile home parks as affordable housing options.	Maintain MHP designation and continue to allow mobile homes in single-family residential zones ministerially.	None	Planning/Community Development	On-going
5. Preservation of Community Character	Administer design standards in the TRC zone.	Preserve and maintain the Danish/Northern European design theme in the City's Village area.	General Fund	Planning/Community Development ; BAR	On-going
Housing Production					
6. Local Workforce Housing	Increase supply of affordable housing for the local workforce.	Provide incentives to increase the supply of housing affordable to Solvang's lower-income workforce.	General Fund; HOME	Planning/Community Development	2009 - 2014
7. Density Bonus Ordinance	Provide incentives required by State Law.	Amendment of Program 7 Density Bonus Ordinance	General Funds	Planning/Community Development	2010

Housing Element

Housing Program	Program Goal	Five-Year Objectives	Funding Source	Responsible Agency	Time-frame
8. Second Unit Development	Facilitate development of second units.	Encourage the construction of second units to meet the needs of the very-low, low and moderate-income households. Provide information on the City's website, and with an informational brochure.	General Fund	Planning/Community Development	On-going
9. Non-traditional Housing	Promote non-traditional or alternative housing types to meet community needs.	Revise Zoning Ordinance to facilitate non-traditional housing types.	General Funds	Planning/Community Development	2010
10. Mortgage Credit Certificate	Expand home ownership opportunities.	Assist 20 households.	Federal	County Housing Authority	2009 - 2014
11. Application for Grants and Loans.	Ensure that funds are available to implement proposed housing programs.	Investigate funds available annually under Proposition 46 and 1C as well as other sources. Apply to meet City's housing needs.	General Fund	Planning/Community Development	On-going
Provision of Adequate Sites for Housing					
12. Adequate Sites Program	Facilitate availability of sufficient sites to meet the City's share of regional housing needs.	Continue to inventory sites for ongoing needs.	General Fund	Planning/Community Development	On-going
13. Mixed-use Development	Continue to encourage residential uses in the Village & commercial areas by implementing and maintaining zoning standards for residential densities that encourage pedestrian-oriented, mixed-use development to help meet the needs of Solvang's fair-share housing needs.	Continue to encourage residential uses in the Village Area that encourage pedestrian-oriented, mixed-use development to help meet the needs of Solvang's fair-share housing needs.	General Fund	Planning/Community Development	On-going
14. Infill Incentives Ordinance	Facilitate development on infill parcels.	Develop an ordinance that specifies flexible standards and incentives for infill development.	General Fund	Planning/Community Development	2010

Housing Element

Housing Program	Program Goal	Five-Year Objectives	Funding Source	Responsible Agency	Time-frame
15. Lot Consolidation	Consolidate lots to develop housing to lower-income households.	Encourage non-profit developers and owners of small sites to identify and consolidate parcels to facilitate the development of housing affordable to lower-income households.	General Fund	Planning/Community Development	On-going
Removal of Governmental Constraints					
16. Planned Residential Development (PRD) District	Provide flexibility in developments and facilitate creative housing opportunities.	Continue to use the PRD designation.	General Fund	Planning/Community Development	On-going
17. Affordable Housing Incentives Program	Facilitate development of Affordable Housing	Provide regulatory concessions and other incentives, including a density bonus to encourage affordable housing.	General Fund; HOME	Planning/Community Development	2009 - 2014
Equal Housing Opportunity					
18. Fair Housing Program	Promote fair housing practices.	Continue to support the State Office of Fair Employment and Housing, CLRA, and equal opportunity lending programs. The City will support efforts by the County Housing Authority.	General Fund	Planning/Community Development	On-going
19. Housing for Disabled Persons	Identify and remove constraints affecting persons with disabilities.	The City will conduct an evaluation and if any constraints are identified, will take actions to address constraints.	General Fund	Planning/Community Development	2009
20. Universal Design	Encourage design features that enhance accessibility and safety.	Work with homebuilders to offer universal design options prior to construction. Consider State model ordinance for universal design, if feasible.	General Fund	Planning/Community Development	2009 - 2014
21. Emergency & Transitional Housing Facilities and Services	Promote and facilitate Emergency and Transitional Housing Facilities	Meet with homeless service providers periodically to evaluate current and future needs for a homeless or transitional housing facility	General Fund	Planning/Community Development	On-going - 2010

Housing Element

Housing Program	Program Goal	Five-Year Objectives	Funding Source	Responsible Agency	Time-frame
		Amend the Zoning Ordinance to allow emergency shelters in DR-20 Design Residential zones administratively.			
Energy Conservation					
22. Energy Conservation Alternatives	Incorporation of energy saving features, energy saving materials, and energy efficient systems and design for residential development.	The City will develop a Green Building Ordinance and public outreach awareness.	General Fund	Planning/Community Development	On-going

4



4.0 HOUSING NEEDS ASSESSMENT

4.1 POPULATION CHARACTERISTICS

Population growth and other demographic variables are important indicators of the type and number of housing units needed in a community. Population attributes such as age, race/ethnicity, occupation, and level of income combine to influence the type of housing needed as well as the ability of current and future residents to afford housing.

4.1.1 Population Trends

The City of Solvang was founded in 1911 by a group of Danish teachers and incorporated as a city on May 1, 1985. In 1990, the community had a population of 4,741. According to the 2000 Census, the City's population had risen to 5,332, representing an increase of 12.5% over the previous decade. The current estimated population for 2008 according to Department of Finance is 5,555 persons, representing a 4.2% increase from 2000.

Table 4-1 provides a comparison between Solvang's population growth in the 1990s and 2000s with that experienced by nearby communities and Santa Barbara County as a whole. As shown below, the percent change in Solvang's population during the 1990s was considerably higher than preceding decades. (According to the 1990 Census, the City's population increased by 12.5% between 1990 and 2000). In addition, the Santa Barbara County Association of Governments (SBCAG) projects that Solvang's population will grow to 5,800 by 2015, or an increase of 8.8% above 2000 levels (Regional Growth Forecast 2007).



Table 4-1 City and County Population Growth Trends 1990-2015

Jurisdiction	1990	2000	2005 ^a	2015 ^a	1990-2000 % Change	2000-2005 ^a % Change	2005-2015 ^a % Change
Buellton	3,506	3,828	4,500	5,300	9.2%	17.5%	18.0%
Carpinteria	13,747	14,194	14,300	14,400	3.3%	0.7%	0.7%
Goleta ^b	ND	27,500	31,000	33,100	ND	12.7%	6.8%
Guadalupe	5,479	5,659	6,300	8,000	3.3%	11.3%	27.0%
Lompoc	37,649	41,103	41,800	44,400	9.2%	1.6%	6.2%
Santa Barbara	85,571	89,600	89,800	91,000	4.7%	0.2%	1.3%
Santa Maria	61,284	77,423	88,500	102,300	26.3%	14.3%	15.6%
Solvang	4,741	5,332	5,400	5,800	12.5%	1.2%	7.4%
S.B. County	369,608	399,347	417,500	444,900	8.0%	4.5%	6.7%

Sources: 1990, 2000 Census

^a Population projections for 2005 & 2015 by SBCAG (RGF 2007)

^b The City of Goleta was incorporated February 2002. Goleta population figures are estimates.

ND = no data available

4.1.2 Age Characteristics

As people move through different age groups, their housing needs, income levels, and preferences typically change. As a result, an evaluation of the age characteristics of a community is important in addressing the housing needs of its residents. According to the 2008 Santa Ynez Valley Economic Outlook the median age of residents in Solvang increased slightly to 44.8 in 2007 from the 2000 Census median of 43.2.

Table 4-2 below summarizes the age characteristics of Solvang residents in 1990 and 2000. During the 1990s, the number of older adults (ages 45 to 64) increased by 35%, which indicates an influx of new older residents into the community. These residents are usually at the peak of their earning power and are more likely to be homeowners. The young adult population (ages 25 to 44) continues to be the largest segment (25.2%) of the city's population although their numbers did not change substantially during the decade. The presence of younger families with children is indicated by an increase in the school age population, which grew by 30%. Generally, younger adults

with families occupy rental units, condominiums, or smaller single-family homes.

A sizeable decrease of 28% between 1990 and 2000 was evident among college age (20-24) residents, which is the smallest segment of the population. It is common for members of this age group to live away from home while attending schools outside the community although some students may continue to live with their parents and commute to school or work in nearby towns. In addition, an increase in the number of student-age residents is typical in Solvang in the summertime due to the availability of seasonal jobs related to tourism.

Among residents age 65 or older, the 10% increase between 1990 and 2000 is consistent with the national trend of a growing senior population. While many of Solvang’s senior residents are homeowners and typically live in single-family houses, they may begin to consider other options, such as senior apartments, assisted living facilities, or nursing homes as they grow older and require greater care/assistance.



Table 4-2 Age Characteristics and Trends 1990-2000

Age Groups	1990		2000		1990-2000 %Change
	Persons	Percent	Persons	Percent	
Preschool (Ages <5)	281	5.9%	267	5%	- 5%
School Age (5-19)	768	16.2%	997	18.7%	+30%
College Age (20-24)	278	5.9%	199	3.7%	- 28%
Young Adults (25-44)	1,340	28.3%	1,345	25.2%	- <1%
Older Adults (45-64)	966	20.3%	1,303	24.4%	+35%
Seniors (65+)	1,108	23.4%	1,221	22.9%	+10%
Total	4,741	100%	5,332	100%	+12.5%

Sources: 1990, 2000 Census

4.1.3 Race and Ethnicity

The racial and ethnic composition of a community may have implications for housing to the extent that different groups have different household characteristics, income levels, and cultural



backgrounds that affect their needs and preferences for housing. Solvang, like many small communities, is fairly stable in terms of the racial and ethnic composition of its population. As of 2000, whites comprised the largest race/ethnic group in Solvang, at 77%. However, their share of the population has decreased steadily over the past two decades, down from 82% in 1990 and 93.5% in 1980. During the same period, groups have grown in size and proportion.

Among the five major race/ethnic groups, the largest percentage change in population between 1990 and 2000 was attributable to Hispanics, up 40%. As shown in Table 4-3, the Hispanic share of the population increased from 16% in 1990 to nearly 20% in 2000. Other groups are much smaller in numbers, and their changes over time are less substantial. It should be noted that the number of residents in the “All Other” category grew in part because unlike prior Census efforts, the 2000 Census allowed respondents to identify themselves as members of more than one racial group.

Table 4-3 Race and Ethnicity 1980-2000

Race/Ethnicity	1980		1990		2000	
	Persons	Percent	Persons	Percent	Persons	Percent
White	2,889	93.5%	3,899	82.2%	4,090	76.7%
Black	1	<0.1%	12	0.2%	16	0.3%
Native American	17	0.5%	12	0.2%	19	0.3%
Asian ^a	9	0.3%	53	1.1%	54	1%
Hispanic	166	5.4%	757	16%	1,059	19.8%
All Other	9	0.3%	8	0.2%	94	1.8%
Total	3,091	100%	4,741	100%	5,332	100%

Source: 1990, 2000 Census
^aincludes Pacific Islanders

4.1.4 Employment Market

Employment also has an important impact upon housing needs to the extent that different jobs and income levels determine the type and size of housing a household can afford. According to the 2000 Census, a total of 2,705 or 62% of Solvang residents were in the labor force, with an unemployment rate of 1.9%. The number of women in the labor force was 1,238, representing 53.5% of all female residents 16 years and over.



According to SBCAG, Solvang has a job-housing ratio of 1.62 (3,601 jobs/2,223 units), indicating that there are 1.62 jobs for every housing unit. A job-housing ratio over 1.5 is considered high and may indicate an increasing imbalance between jobs and housing, i.e. new residential construction has not kept up with job creation. However, since Solvang has a large number of jobs in the tourism-related sector, many of these jobs may be seasonal.

Table 4-4 shows the types of occupations held by residents in Solvang and Santa Barbara County as a whole. According to the 2000 Census, the three largest occupational categories in Solvang were managerial and professional (30%), sales and office (28%), and service occupations (26%). These categories account for roughly 84% of employed residents. Given the town’s relatively small size, it can be inferred that a majority of those employed in managerial and professional occupations travel to work outside the City. Solvang has a relatively higher percentage of service workers due to its economic base in tourism.

Table 4-4 Solvang Year 2000 Occupational Profile

Occupations of Residents	Solvang		County	
	Persons	Percent	Persons	Percent
Management, Professional, and related Occupations	794	30%	63,893	35%
Service Occupations	694	26%	30,865	17%
Sales and Office Occupations	734	28%	45,775	25%
Farming, Fishing, and Forestry	40	2%	8,818	5%
Construction, Extraction, and Maintenance	195	7%	13,940	8%
Production, Transportation, and Material Moving	196	7%	17,425	10%
Total	2,653	100%	180,716	100%

Source: 2000 Census

Managerial and professional occupations and some sales positions generally have higher paying jobs, which translate into

higher incomes for the residents engaged in those activities. Solvang's occupational profile is similar to that countywide, with the exception of a larger share of City residents in service occupations and a smaller share in production, transportation, and material moving. These differences reflect Solvang's tourism-based economy as well as its geographic location.



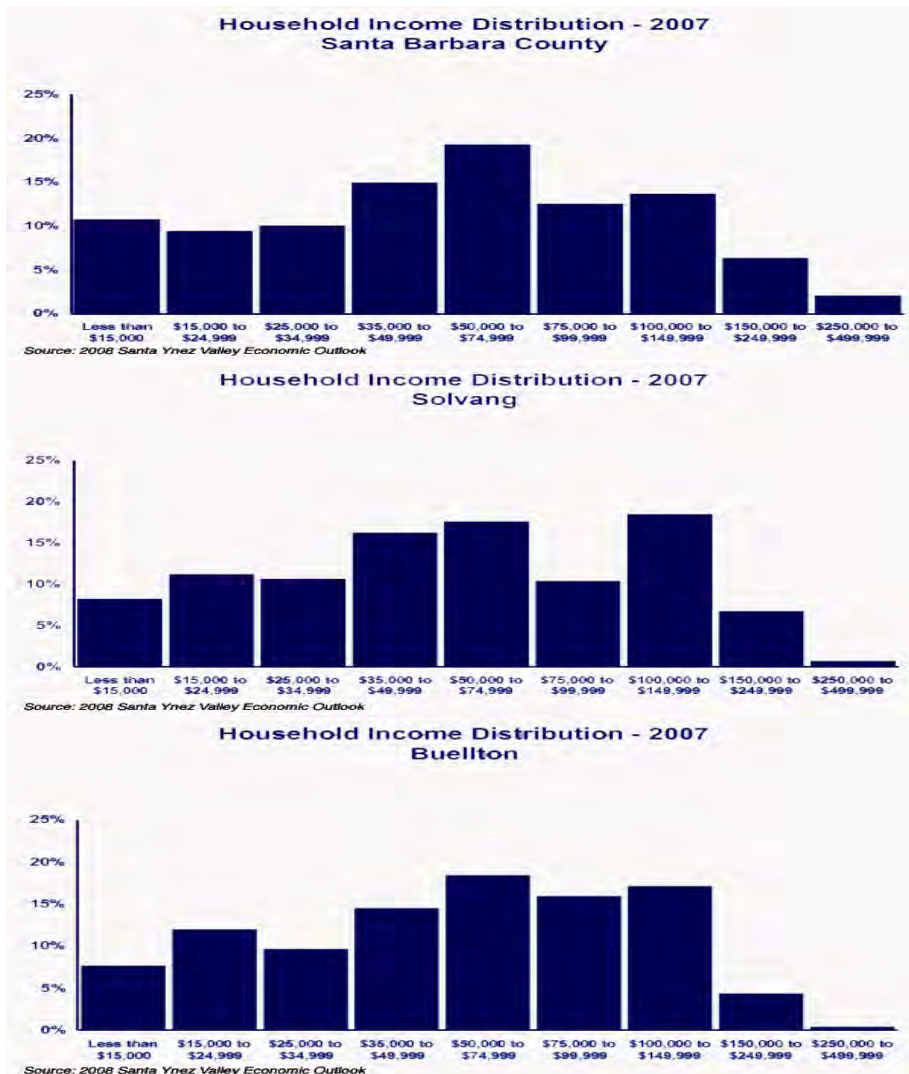
4.1.5 Income

According to *Santa Ynez Valley 2008 Economic Outlook (UCSB)*, the median household income of Santa Barbara County residents has recently been below that of residents of the other counties and the State. In 2007, the data shows that the disparity has continued to increase, and the *2008 Economic Outlook* suggests that this is caused by rising home prices in Santa Barbara County, including Solvang.

One impact of high home prices is to change the demographics of an area. Older, high-income, or wealthier, individuals can afford to purchase expensive homes. Younger people seem more willing to share units. Poorer people have little choice. Again, according to the *2008 Economic Outlook*, the result is that the County is losing young families with parents in the 25-40 year age group, the middle of the age distribution and the upper-middle of the income distribution. These people may have jobs with relatively high income that justify a commute from more affordable communities, which leads to a drop in the median family income.

Table 4-5 shows income distributions for Santa Barbara County and the City of Solvang. Solvang's distribution is relatively flat through \$99,999. There are no peaks above 20 percent, and the proportion of the population with incomes of less than \$15,000 is relatively high. By contrast, nearby Buellton has a larger spike in the \$50,000-\$149,999 categories. Clearly, these are families with jobs in the South Coast region of Santa Barbara County.

Table 4-5 City and County Income Distribution



4.2 HOUSEHOLD CHARACTERISTICS

Household characteristics, such as type and size, income levels, and the presence of special needs populations, determine the type of housing needed by residents. This section details the various household characteristics affecting housing needs.

4.2.1 Household Type

According to the 2000 Census, Solvang has a total of 2,185 households, of which 65% are families (Table 4-6). Families are comprised of married couples with or without children and other family types, such as female-headed households with children.



Non-families, including singles, make up 35% of households in Solvang. These family and non-family percentages remain constant in 2007 (UCSB Economic Outlook 2008). Singles comprise roughly 30% of all households in the city, of which nearly half are age 65 and over. The average household size of 2.37 persons remained unchanged over the past decade. The Department of Finance now estimates in 2007 the average household size is 2.33 persons. Table 4.6b shows that 1,381 households are owner-occupied, or 63% of all homes in Solvang. 63% of all homes in Solvang continue to be owner occupied in 2007 (UCSB Economic Outlook 2008).

Table 4-6a Household Characteristics 1990-2000

Household Type	1990		2000		Percent Change
	Number	Percent	Number	Percent	
Households	1,915	100%	2,185	100%	+14%
Families	1,276	67%	1,415	65%	+11%
Married With Children	387	20%	452	21%	+17%
Married No Children	678	36%	711	33%	+5%
Other Families	211	11%	252	11%	+19%
Non-Families	639	33%	770	35%	+20%
Singles under 65	256	13%	352	16%	+37%
Singles 65 and over	246	13%	307	14%	+25%
Other	137	7%	111	5%	-19%
Average Household Size	2.37		2.37		0

Sources: 1990, 2000 Census

Table 4-6b Household By Tenure, 2000

Tenure	Households
Owner Occupied	1,381
Renter Occupied	804
TOTAL	2,185



The overall composition of households in Solvang also remained relatively unchanged between 1990, 2000 and 2008. As was the case in 1990, families in 2000 comprise approximately two-thirds of all households. Despite the apparent stability in the composition of Solvang households, there are a few noteworthy trends. First, the number of non-family households grew by 20% as a result of dramatic increases in the number of householders living alone: 37% for singles under the age of 65 and 25% for singles age 65 and over. Second, the number of married-couple families with children also increased noticeably (17%) as did the number of non-traditional families in the “other” category (19%). These families are likely to be single parents with children. The only household type that saw a decrease during the decade was in the “other” non-family category, which includes non-related people living together, such as students, younger adults, and group homes.

4.2.2 Household Income

Household income is one of the most important factors affecting housing opportunity and determining a household’s ability to balance housing costs with other basic necessities of life. Income levels can vary considerably among households, based upon tenure, household type, and location of residence, among other factors.

According to the 2000 Census, the median household income of Solvang residents was \$45,799, or 98% of the countywide median household income for 1999. In 2007, the median family income was \$72,840 (see Table 4-7). In comparison with surrounding communities, Solvang’s median family income is now a little higher than Buellton (\$70,243), Carpinteria (\$67,508), Lompoc (\$49,658), Santa Maria (\$49,311), and Guadalupe (\$43,014), but a little lower than Santa Barbara (\$74,571) and Goleta (\$86,363). The median income for families in Solvang at \$72,840, was higher than the County figure by about 7%.

Table 4-7 City and County Median Household Income

Place	Median Income (1999)		% of County Median Income		Median Income (2007) ²	
	Household	Family	Household	Family	Household	Family
Buellton	\$48,490	\$68,661	104%	127%	\$58,705	\$70,243
Carpinteria	\$47,729	\$54,849	103%	101%	\$59,533	\$67,508
Goleta ¹	\$60,314	\$67,956	129%	126%	\$72,427	\$86,363

Housing Element

Guadalupe	\$31,205	\$31,042	67%	57%	\$40,033	\$43,014
Lompoc	\$37,587	\$42,199	80%	78%	\$45,162	\$49,658
Santa Barbara City	\$47,498	\$57,880	102%	107%	\$65,661	\$74,571
Santa Maria	\$36,541	\$36,541	78%	68%	\$43,793	\$49,311
Solvang	\$45,799	\$57,703	98%	107%	\$55,452	\$72,840
Santa Barbara County	\$46,734	\$54,042	100%	100%	\$56,517	\$67,662

Source: 2000 Census

¹Census data is for Goleta CDP

²UCSB Santa Ynez Valley Economic Outlook 2008



Table 4-8 compares the composition of Solvang households by income with that of Santa Barbara County as a whole. As indicated below, 44% of all households in the City were in the above moderate-income category (above 120% of the County median family income). Approximately 15% of Solvang households were in the moderate-income range (81 to 120% of MFI) as compared to 19% countywide.

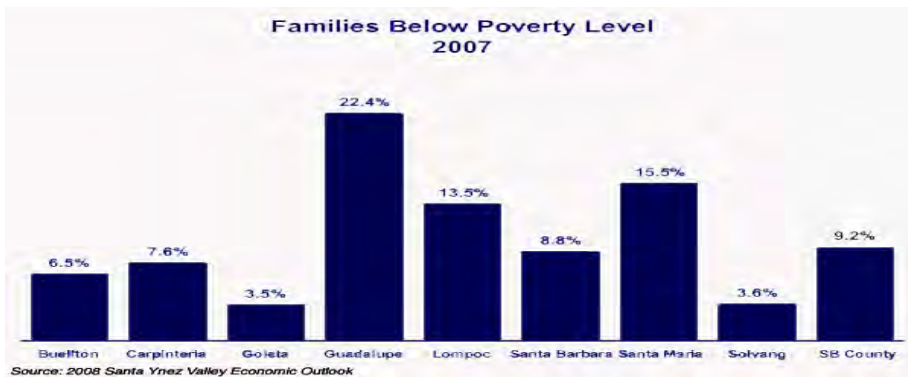
The share of lower-income (80% or less of MFI) households in Solvang is the same as the County (41%). These numbers are consistent with the fact that Solvang’s median household income is comparable to the County even though the City has a higher percentage of higher income households.

Table 4-8 City and County Household Income Distribution

Income Group	Percent of County Median Family Income	Solvang	Santa Barbara County
Very Low	0 - 50%	23%	23%
Low	51 - 80%	17%	17%
Moderate	81 - 120%	15%	19%
Above Moderate	120% +	45%	41%
TOTAL		100%	100%

Source: SBCAG, RHNA Plan 2008.

According to the Santa Ynez Valley Economic Outlook 2008, Solvang has one the lowest percentages at 3.6% of families living below the poverty level compared to the County at 9.2%.



4.2.3 Housing Needs Assessment Extremely Low Income Households

Extremely low-income is defined as households with income less than 30 percent of area median income. The area median income in Santa Barbara County is \$67,100. For extremely low-income households, this results in an income of \$23,350 or less for a four-person household or \$16,350 or less for a one-person household. Households with extremely low-income have a variety of housing situations and needs. For example, most families and individuals receiving public assistance, such as social security insurance (SSI) or disability insurance are considered extremely low-income households. At the same time, a minimum wage worker could be considered an extremely low-income household with an annual income of approximately \$17,000 or less. The following are examples of occupations with wages that could qualify as extremely low-income households.

Occupation	Median Hourly Wage
Retail Clerk	\$8.01
Child Care Workers	\$10.95
Housekeepers	\$8.73
Manicurists and Pedicurists	\$8.18
Hosts and Hostesses	\$9.31
Waiters and Waitresses	\$8.72
Food Preparation and Serving Related Workers	\$9.35

Source: City of Solvang, Occupational Employment Projections

Existing Needs

In 2000, approximately 177 extremely low-income households resided in the City of Solvang, representing 7.8 percent of the total households. Most (74.7 percent) extremely low-income

households are renters and experience a high incidence of housing problems. For example, 72.3 percent of extremely low-income households faced housing problems (defined as cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities) and 61 percent were in overpayment situations. Furthermore, 61 percent of extremely low-income households paid more than 50 percent of their income toward housing costs, compared to 14.3 percent for all households.



Table 4-9: Housing Overpayment for Lower-Income Households

	Renters	Owners	Total
Total Number of ELI Households	99	78	177
Percent with Any Housing Problems	54.7%	38.4%	44.4%
Percent with Cost Burden <30 (30% of income)	74.7%	69.2%	72.3%
Percent with Severe Cost Burden <30 (50% of income)	64.6%	56.4%	61.0%
Percent with Cost Burden >30 to <50 (30% of income)	89.4%	97.2%	93.5%
Percent with Cost Burden >30 to <50 (50% of income)	29.5%	27.8%	28.6%
Percent with Cost Burden >50 to <80 (30% of income)	53.4%	60.7%	56.6%
Percent with Cost Burden >50 to <80 (50% of income)	11.2%	31.2%	19.9%
Percent with Cost Burden >80 (30% of income)	18.6%	23.7%	22.3%
Percent with Cost Burden >80 (50% of income)	2.7%	4.4%	3.9%
Total Number of Households	825	1,422	2,247

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) 2000

Projected Needs

To calculate the projected housing needs, the City assumed 50 percent of its very low-income regional housing needs are extremely low-income households. As a result, from the very low-income need of 39 units, the City has a projected need of 19 units for extremely low-income households. Many extremely low-income households will be seeking rental housing and most likely facing an overpayment, overcrowding or substandard housing condition. Some extremely low-income households could be with mental or other disabilities and special needs. To address the range of needs, the City will employ a detailed housing strategy including promoting a variety of housing types,

such as single-room occupancy (SRO) units.

With respect to single-room occupancy units, the City has adopted provisions in its Zoning Code (Section 11-16-2) to encourage the development of SRO uses in all zoning districts. Provisions for the City's SRO ordinance include: (1) That the site for the project is adequate in size, shape, location and physical characteristics to accommodate the type of use and level of development proposed, (2) That significant environmental impacts are mitigated to the maximum extent feasible, (3) That there are adequate public services, including, but not limited to, fire protection, water supply, sewage disposal and police protection to serve the project, (4) that the project will not be detrimental to the health, safety, comfort, convenience and general welfare of the neighborhood and will be compatible with the surrounding area. For a more detailed analysis of these standards and decision-making criteria for approval and examination of different housing types to address the housing needs of extremely low-income households (see pages 16, & 28 of the element (Housing Production)).



Supportive housing is generally defined as permanent, affordable housing with on-site services that help resident's transition into stable, more productive lives. Services may include childcare, after-school tutoring, career counseling, etc. Most transitional housing includes a supportive services component. The City regulates supportive housing as a residential use, provided supportive services are subordinate to the residential use. To address the housing needs of extremely low-income households, the City will identify and meet with nonprofit builders who specialize in building housing for extremely low-income households and supportive housing. This effort is designed to:

- build a long-term partnership in development,
- gain access to specialized funding sources, including applying for funding sources that support deeper targeting,
- identify the range of local resources and assistance needed to facilitate the development of housing for extremely low-income households, and
- promote a variety of housing types, including higher density, multifamily supportive, single room occupancy and shared housing.

As part of this effort, the City will develop an action plan with its nonprofit partners to develop housing for extremely low-income



households. Activities include assisting with site identification and acquisition, local financial resources, assisting and streamlining entitlements and providing concessions and incentives (see Programs 7, 9, 12, & 16, pages 29 to 40 for more details on this strategy).

4.2.4 Special Needs Groups

Certain groups have greater difficulty in finding decent, affordable housing due to their special needs and/or circumstances. Special circumstances may be related to one’s employment and income, family or household characteristics, or disability.

State Housing Element Law identifies the following “special needs” groups: senior households, disabled persons, female-headed households, large families, families and persons in need of emergency shelter, and farm workers. Table 4-10 summarizes data from the 2000 Census regarding special needs groups residing in Solvang.

Table 4-10 Special Needs Groups

Special Needs Groups	Persons	Households
Seniors (65 and over)	1,221	703
Living Alone	307	307
With a Disability	410	-
Disability (16 years and older)	799	-
Female-headed Household	-	178
With Children	-	99
Large Households	-	185
Homeless Persons	0	0
Farm workers	40	14

Source: 2000 Census

Senior Households. Senior households typically have special housing needs due to three primary concerns: fixed income, high health care costs, and physical disabilities. According to the 2000 Census, one-third (703) of households in Solvang were headed by persons age 65 years and older. Approximately 81% (571) of elderly householders in Solvang live in owner-occupied

dwellings while the remaining 19% (132) are renters (2000 Census).

Because of physical and/or other limitations, senior homeowners may have difficulty in performing regular home maintenance or repair activities. Most of the 307 seniors living alone in 2000 are likely to be women, and because many seniors have fixed or limited income, they may have difficulty making monthly mortgage or rent payments.

Various programs can assist senior needs, including congregate care, supportive services, rental subsidies, shared housing, and housing rehabilitation assistance. For the frail elderly, or those with disabilities, housing with design features that accommodate disabilities can help ensure continued independent living. Senior housing with supportive services can also be provided to allow independent living. According to the State Department of Social Services, one licensed care facilities with 150 beds are located in Solvang with two other facilities located within the County in close proximity to the City limits would have a combined capacity of 196 beds for seniors in Solvang.

Disabled Persons. Disabled persons have special housing needs because of their fixed income, the lack of accessible and affordable housing, and the higher health costs associated with their disability. The 2000 Census defines four types of disability: Sensory, physical, mental, self-care. Disabilities are defined as mental, physical or health conditions that last over six months. A total of 799 persons with disabilities reside in Solvang, representing 25% of the City's population 16 years old and above (2000 Census).

The living arrangement of disabled persons depends on the severity of the disability. Many persons live at home independently or with other family members. To maintain independent living, disabled persons may need assistance. This can include special housing design features for the physically disabled, income support for those who are unable to work, and in-home supportive services for persons with medical conditions. Such services may be provided by public or private agencies.

The City implements Title 24 of the California Code of Regulations, which address requirements for disabled persons. These regulations apply to new construction of multi-family residential development in buildings that have three or more



units. When there is a conflict between a Title 24 requirement and a zoning ordinance requirement, the State requirement will take precedence.



Female-headed Households. Female-headed households with children often require special consideration and assistance as a result of their greater need for affordable housing, accessible day care, health care, and other supportive services. Because of their relatively lower incomes and higher living expenses, such households may have limited opportunities for safe and affordable housing.

Solvang has 178 female-headed households, of which 99 have children under 18 (2000 Census). These households are a particularly vulnerable group because they must balance the needs of their children with work responsibilities. According to the 2000 Census, 4.7% of female-headed families in Solvang lived in poverty.

Large Households. Large households are defined as having five or more members residing in the home. These households constitute a special need group, because there is often a limited supply of adequately sized, affordable housing units in a community. In order to save for other basic necessities such as food, clothing and medical care, it is common for lower-income large households to reside in smaller units, which frequently results in overcrowding. Solvang has a total of 185 large households, 48% (88) of which are renter households.

The housing needs of large households are typically met through larger units. Solvang has approximately 616 ownership units and 102 rental units with three or more bedrooms that could reasonably accommodate large families without overcrowding. However, because the vast majority of these units are single-family homes, which are generally more expensive, overcrowding is more prevalent among large families.

To address overcrowding, communities can provide incentives to facilitate the development of larger apartments with three or more bedrooms for large households. A shortage of large rental units can also be alleviated through the provision of affordable ownership housing opportunities, such as first-time homebuyer programs and self-help housing (i.e. Habitat for Humanity) to move renters into homeownership. Financial assistance for room additions may also help to relieve overcrowding.



Farm workers. Farm workers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm laborers work in the fields, processing plants, or support activities on a generally year-round basis. These workers are generally considered to have special housing needs because of their very limited income and the often unstable nature of their employment. Some of the issues related to farm worker housing include residency, limited income, overcrowding, and substandard housing conditions. According to the 2000 Census, approximately forty Solvang residents are employed in farming, forestry, and fishing occupations.

Homeless Persons. The 2000 Census documented no homeless persons in Solvang. The City has contacted local service center People Helping People (PHP) a non-profit organization that assist persons of need for temporary shelter and found they have assisted 23 people in the last year. The City encourages private organizations efforts at providing assistance to homeless persons. Policies are being developed to allow transitional housing and emergency shelters in multi-family, light commercial, and mixed-use zones administratively, and shelters may be allowed in any other zone in the City with a Conditional Use Permit.

4.3 HOUSING STOCK CHARACTERISTICS

This section addresses various housing characteristics and conditions that affect the well-being of Solvang residents. Housing factors evaluated include the following: housing stock and growth, tenure and vacancy rates, housing age and condition, housing costs, and affordability.

4.3.1 Housing Growth

As exhibited in Table 4-11, the countywide growth and particularly Solvang's growth since 1990, has experienced a higher percentage of change, with a 10% increase (280 units) between 1990 and 2000. In comparison, the housing stock grew by only 4% in nearby Buellton and 3% countywide. In 2000, Solvang had a total of 2,356 housing units. In 2008, Solvang's growth has continued to increase to a total of 2,452 housing units, or 4.0% growth rate.



Table 4-11 City and County Housing Growth Trends 1990-2008

Jurisdiction	1990	2000	2008 ²	1990 – 2000 % Change	2000 – 2008 % Change
Buellton	1,424 ¹	1,483	1,840	4%	24%
Carpinteria	5,457	5,464	5,551	<1%	1.5%
Goleta (CDP)	ND	20,442 ¹	11,718	ND	-42%
Guadalupe	1,378	1,450	1,693	5%	16.7%
Lompoc	13,261	13,621	14,207	3%	4.3%
Santa Barbara	36,226	37,076	37,720	2%	1.7%
Santa Maria	21,144	22,847	27,416	8%	20%
Solvang	2,076	2,356	2,452	13.4%	4.0%
S.B. County	138,149	142,901	154,977	3%	8.5%

Sources: 1990, 2000 Census

¹CDP data

² Home Builder Associates plus Department of Finance E-5 report 08

4.3.2 Housing Type and Tenure

Table 4-12 summarizes various characteristics of the housing stock in Solvang. With relatively limited housing growth occurring in the 1990s, the composition of the housing stock in 2000 is essentially the same as ten years ago. Single-family homes and multi-family dwelling units comprise approximately 64% and 27% of the housing stock, respectively. Mobile homes account for the remaining 9%.

A measure of the availability of and demand for housing is the vacancy rate. As of the 2000 Census, Solvang’s homeowner vacancy rate was 1.5%, and its rental vacancy rate was 2.1%. These figures are well below the “optimal” rate of 5%. A low level of vacancy indicates high demand for and relatively limited supply of both types of housing in Solvang.

Table 4-12 Changes in Housing Stock, City of Solvang 1990-2000 & 2008

Housing Type	1990		2000		2008 ¹	
	No. of Units	% of Total	No. of Units	% of Total	No. of	% of Total



					Units	
Single-Family	1,319	63%	1,494	64%	1,504	64%
Detached	1,160	56%	1,338	57%	1,351	57%
Attached	159	8%	156	7%	153	7%
Multi-Family	546	26%	637	27%	624	27%
2-4 Units	94	4%	171	7%	171	7%
5+ Units	452	22%	466	20%	453	20%
Mobile Homes	211	10%	225	9%	219	9%
Total Units	2,076	100%	2,356	100%	2,347	100%
Homeowner Vacancy Rate	3.4%		1.5%		1.92%	
Rental Vacancy Rate	6.9%		2.1%			

Sources: 1990 Census, 2000 Census.
¹ Department of Finance E-5 report 08

Table 4-13 summarizes the City’s current housing units by tenure and bedroom size. There are 115 rental units with three or more bedrooms, which is greater than the number of large renter households (88) in the City. However, many of these larger rental units are single-family homes, and their rents are likely beyond the reach of lower-income large renter households.

Table 4-13 Bedroom Mix of Housing Units by Tenure

# Bedrooms	Owner-Occupied Units	Renter-Occupied Units	Vacant Units	Total
0	0	52	4	56
1	71	282	43	396
2	462	366	30	858
3	616	102	35	753
4	233	0	18	251
5+	29	13	0	42
Total	1,411	815	130	2,356

Source: 2000 Census

4.3.3 Housing Age and Condition

Housing age can be used as an indicator of housing conditions within a community. Like any other tangible asset, housing is subject to gradual deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress property values and eventually impact the quality of life in a neighborhood. Consequently, maintaining and

improving housing quality is an important goal for the City of Solvang.



Table 4-14 Solvang Age of Housing Stock

Year Structure Built	Number	Percent
1999-March 2000	16	.7%
1990-1998	300	13%
1980-1989	741	31.5%
1970-1979	614	26.1%
1960-1969	296	12.5%
1940-1959	318	13.5%
1939 or earlier	71	3%

Source: 2000 Census

Table 4-14 above provides a breakdown of the City's housing stock by year built. As of 2000, nearly 30% of the City's housing units are over 30 years old. A general rule in the housing industry is that structures older than 30 years begin to show signs of deterioration and require reinvestment. Unless properly maintained, homes older than 50 years usually require major renovations to remain in good working order.

4.3.4 Housing Costs and Affordability

Table 4-15 shows median home prices and the number of homes sold in Solvang during the period from 2000 to 2007. Home prices rose sharply during the early 2000's but began to fall again in 2006. In 2003 and 2004, the median home price jumped in the 24.2% and 21.3% range, and the number of homes sold in the city reached its maximum before declining. In 2007, the median home price in Solvang was \$827,250, up from \$327,000 in 2000. According to the UCSB 2008 Economic Outlook for the Santa Ynez Valley, the prices of homes in Solvang has dropped slightly and notes that the residential real estate slow down has had more impact on nearby community of Buellton than Solvang or Santa Ynez

Table 4-15 Median Home Prices in Solvang (2000 – 2007)

	2000	2001	2002*	2003*	2004*	2005*	2006*	2007*
Median Home Price (thousands)	327.0	392.5	436.2	575.7	721.6	813.8	812.1	827.2



Median Home Price (\$ 2000 thousands)	300.2	348.6	377.9	528.3	640.7	691.7	662.0	653.5
Percent Change	2.4	16.1	8.4	24.2	21.3	8.0	-4.3	-1.3
Number of Homes Sold	133	107	95	131	132	130	80	68

Source: Santa Ynez Valley Economic Outlook 2008, UCSB
 *2002 is estimated based on partial year data

4.4 REGIONAL HOUSING NEEDS

State law requires all regional councils of governments, including the Santa Barbara County Association of Governments (SBCAG) to determine the projected housing need for its region (Government Code Section 65580 et. seq.) and determine the portion allocated to each jurisdiction within the SBCAG region. This is called the Regional Housing Needs Assessment (RHNA) process.

4.4.1 Existing Housing Needs

The federal Department of Housing and Urban Development (HUD) uses the following definitions for households that are either paying too much for housing (overpayment) and/or are living in overcrowded conditions (overcrowding):

- Overpayment: Refers to a household paying 30% or more of its gross income for housing (either mortgage or rent), including costs for utilities, property insurance, and real estate taxes.
- Overcrowding: Refers to a housing unit which is occupied by more than one person per room, excluding kitchens, bathrooms, hallways, and porches.

According to the 2000 Census, a total of 146 Solvang households lived in overcrowded conditions, representing approximately 6.5% of all households (Table 4-16). Of these households, 133 (91%) were renters and 13 (9%) were owners. Approximately 16% of renters and 1% of owner-occupied housing units were overcrowded.

Table 4-16 Current Housing Needs in Solvang by Tenure (1999)

Condition	Renters		Owners		Total	
	Number	% of Renter	Number	% of Owner	Number	% of All



		Households		Households		Households
Overcrowding	133	16%	13	1%	146	6.5%
Overpayment	423	52%	134	17%	557	49%

Source: 2000 Census Sample Data

Overcrowding rates vary substantially by income, type, and size of household. Generally, lower-income households and large families experience a disproportionate share of overcrowding.

Housing overpayment is a substantial problem for renter households in Solvang, where many pay a substantial portion of their income for housing. According to 2000 Census data, a total of 557 Solvang households overpaid for housing in 1999, representing 27% of all households. Of these households, 423 (22%) were renters and 134 (7%) were owners. Approximately 52% of renters and 17% of owners overpaid for housing.

4.4.2 Future Housing Need

Future housing need refers to the share of the region’s housing need that has been allocated to a community. The State Department of Housing and Community Development (HCD) supplies a regional housing goal number to SBCAG, which is then allocated to jurisdictions based on the SBCAG Growth Forecast as well as adjustment factors for jobs, housing balance, farm workers, and other parameters. This allocation for each jurisdiction is then distributed by income categories in an attempt to reduce the concentration for areas having a high proportion of low or very low-income residents. These target numbers are the minimum number of housing units a community is required to plan for by zoning and designating adequate sites.

In allocating the region’s future housing needs to jurisdictions, SBCAG is required to take the following factors into consideration:

- Market demand for housing
- Type and tenure of housing
- Employment opportunities
- Suitable sites and public facilities
- Commuting patterns
- Loss of assisted multi-family units
- Over-concentration of lower-income households
- Special housing needs

SBCAG’s countywide allocation of housing need is based on four



primary steps. The first step allocates the 11,600 units by weighing existing jobs by 50% (5,800 units), job growth by 25% (2,900 units), and housing growth by 25% (2,900 units) over the 7.5 year RHNA planning period. The data source is the SBCAG Regional Growth Forecast adopted in 2007. The second step uses a County recommended House the Workforce scenario that allocates housing where the existing jobs are. The third step then averages the first and second step. The fourth step is an adjustment by the SBCAG policy Board and includes some board directed reallocations. The City of Goleta was reduced by 200 units and Solvang by 58 units. These units were reallocated to the City of Santa Maria

The income distribution adjustment attempts to make allocation adjustments to avoid further concentration of very-low and low-income residents. Areas with higher than average concentrations of very-low and low-income residents are assigned more higher-income households. Conversely, areas with more upper-income residents are assigned additional low and very low-income households. Income levels vary throughout the County, and the purpose of this step is to moderate this discrepancy to some degree.

Four income categories are used in the RHNA process, based on definitions established by the U.S. Department of Housing and Urban Development (HUD) and the State of California. The income categories are defined as follows:

- Very Low income – up to 50% of the area median income.
- Low-income – between 51% and 80% of the area median income.
- Moderate income – between 81% and 120% of the area median income
- Above moderate income – more than 120% of the area median income

As indicated in Table 4-17 below, Solvang's share of regional future housing needs or RHNA is a total of 170 units for the 2007 to 2014 period. The income composition of these units is also provided as part of the RHNA.

Table 4-17 Solvang's Regional Housing Needs Allocation

Income Group	RHNA Allocation	Percent of Total RHNA
--------------	-----------------	-----------------------



		Allocation
Very Low	39	23%
Low	29	17%
Moderate	25	15%
Above Moderate	77	45%
Total	170	100%

Source: SBCAG RHNA Plan 2008

The City’s Housing Element must demonstrate the availability of sufficiently zoned land to meet these planning targets. To calculate the projected housing needs, the City assumed 50 percent of its very low-income regional housing needs are extremely low-income households. As a result, from the very low-income need of 39 units, the City has a projected need of 19 units for extremely low-income households. Zoning to meet the needs of extremely low, lower and moderate-income households must be of sufficient density and with reasonable development standards to facilitate development affordable to these groups. A detailed discussion of the City’s efforts toward meeting its RHNA is contained in Section 5.0 Housing Resources.

4.4.3 Assisted Housing At-Risk of Conversion

There are no publicly subsidized housing units in the City of Solvang deemed to be at-risk during the 10-year planning period. The City does not have a redevelopment agency and has not used Community Development Block Grant funds for housing. In addition, the City has not instituted a local in-lieu fee program or an inclusionary housing program, nor have any density bonuses or direct government assistance been granted to any projects within the City of Solvang. Finally, there are no residences within the City located on land designated for non-residential use that are targeted for conversion to non-residential uses. No units in the past ten years have been converted to non-residential uses.



5

5.0 HOUSING RESOURCES

5.1 AVAILABILITY OF SITES FOR HOUSING

This section analyzes the resources available for the development, rehabilitation, and preservation of housing in Solvang. This includes an evaluation of the availability of land resources, the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support housing activities, and the administrative resources available to assist in implementing the City's housing programs.

5.1.1 Regional Housing Needs

California law requires that each city and county, when preparing its State-mandated Housing Element, develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups. This "fair share" concept seeks to ensure that each jurisdiction, to the extent feasible and appropriate, provides housing for its resident population, and those households who might reasonably be expected to reside within the jurisdiction, with a variety of housing appropriate to their needs.

The fair share allocation process begins with the State Department of Finance's (DOF) population projections for the State and regions of the State. The Department of Housing and Community Development (HCD) uses the DOF population projections to determine housing needs by region in California. Once this occurs, the regional planning agency (or in Solvang's case), the Santa Barbara County Association of Governments (SBCAG), allocates a share of the regional housing need to each

jurisdiction within the region.

As a result of SBCAG's regional housing needs allocation plan (RHNP), Solvang has been allocated a total of 170 new units for the 2007 to 2014 planning period (see Table 4-17). As discussed in Section 4.0 Housing Need, the City must demonstrate that adequate sites will be made available to address its share of the regional housing need for the same planning period. A detailed discussion of how SBCAG calculates the allocation of housing need for each jurisdiction is also included in Section 4.0.

To address this requirement, the Department of Housing and Community Development allows cities to take credits toward meeting this requirement.

- **Actual Production.** Since the RNHP takes several years to develop prior to the Housing Element planning period of 2007-2014, jurisdictions may count the number of new units built and occupied from 2007 to 2008 toward their RHNP.

Other projects built after January 2008 also count towards the RHNP.

- **Rehabilitation/Preservation.** Under State law, cities can also count up to 25% of their RHNP for the rehabilitation of qualified substandard units. Cities may also count a portion of the affordable units, which would otherwise revert to market rents but are preserved through committed assistance from the jurisdiction.
- **Available Land for Development.** Because the planning period extends seven and one-half years to 2014, cities may also count potential housing production on suitable vacant and underutilized sites within the community. Cities must document how zoning and development standards on the sites facilitate housing.

The following discussion shows how the City will provide for a sufficient number of sites to facilitate housing production commensurate with the 2007-2014 RHNP.

5.1.2 Housing Production

One of the City’s main housing goals is to ensure that a variety of housing opportunities at various prices and rents are available to residents. This includes conventional single-family homes, apartments, and special needs housing. Table 5-1 shows the types of housing built or approved for construction from January 2007 through August 2008. To date, 33 units have been built or approved for construction, and 32+ additional units of affordable senior housing are pending within Solvang. One hundred percent of these senior units are targeted for very-low or low income households.



**Table 5-1 Housing Production in Solvang
January 2007 through August 2008**

Type of Project	Total Units
Single-family*	31
Duplex	0
Multi-family	0
Second Units	2
TOTAL:	33

**Includes Manufactured Homes on Permanent Foundations.
Source: City of Solvang Planning Department, 2008*

Recent housing production within the City of Solvang has been mostly single-family homes. Very few multi-family apartments or condominiums have been built in recent years.

5.1.3 Inventory of Vacant Lands

Table 5-2 contains a summary of the estimated vacant and under-utilized land available for residential uses in Solvang as of June 2003. The table breaks down the developable land into two categories: 1) residential designations and 2) commercial designations that allow development of residential units as a secondary use.

An estimated total of 142 acres of vacant or under-utilized residential land, are available in Solvang, including the Solvang Mesa site (87 acres). In addition, an estimated total of 10 acres of commercial land is available that will allow residential development as a secondary use. Combined, there is a total of

Housing Element

152 vacant and developable acres within the city limits.



Table 5-2 Land Inventory Estimate and Residential Capacity

Estimate of Vacant and Under-Utilized Land and Residential Capacity									
RESIDENTIAL ZONES									
Zone/ General Plan	APN Number	Map No.	Location	Type of Devel.	Acreage	Max. Density (units/Ac)	Realistic Unit Capacity	Income Category	
3-E-1 Estate	None		-	Very Low	0	.33/Ac	0	Above Mod	
1-E-1 Low Residential	139-490-042	#17	217 Valhalla	Low Density	1.0	1.0/Ac	1		
	139-490-024	#18.	226 Valhalla		1.0		1		
	137-660-011	#19.	935 Fredensborg		9.62		8 (1 existing)		
	137-660-045	#44	781 Fredensborg.		1.0		1		
	137-670-005	#20.	Chalk Hill Rd.		<1.0		1		
DR-2 Low Res.	137-120-048	#21.	Skytt Mesa*		87	1.94	142		
20-R-1 Low-Med Residential	139-530-001	#22	Old Mission		1.0	2.0/Ac	2		
	139-530-002	#23	Alamo Pintado		4.48		9		
	137-660-036	#24.	1537 Gamby		1.18		2		
	137-660-038	#25	1536 Gamby		1.32		2		
	139-031-020	#26	Viborg/AP Rd.		.6		1		
	139-540-020	#28	1945 Old Mill Ln.		9.24		8 (1 existing)		
Total Above-Moderate Income Category									178
10-R-1 Med. Res.	137-120-047	#29	1201 Mission	Low-Med	15.83	4.3/Ac	67 (1 existing)		Moderate
8-R-1 High Res.	139-160-007	#30	1897 Old Mission	Med.	.86	5.4/Ac	3 (1 existing)		
	139-100-029	#31	1871 Laurel		1.46	5.4/Ac	3 (1 existing)		
Total Moderate Income Category								73	
7-R-1 High Residential	139-234-064	#32	235 Alisal	Med-High Density	.17	6.2/Ac	1	Low	
	139-160-010	#33	1849 Old Mission		.9		5 (1 existing)		
	139-091-019	#34	1731 Laurel		.48		2 (1 existing)		
	139-092-005	#35	1706 Laurel		.44		2		
	139-240-50	#15	Old Mission		1.87		12		
	139-091-039	#27	618 Alisal		.17		1		
MHP High Res.	137-260-034		None	High	0	0	0		
Total Low Income Category								23	
DR-20 High Res.	139-200-058	#36	290 Fifth	High	.28	20/Ac	5	Very Low	
	139-092-018	#1	Maple Ave.		.6		12		
	139-092-008	#2	1746 Laurel Ave.		.5		9 (1 existing)		
	139-092-009	#3	1758 Laurel Ave.		.8		16		
	139-174-001	#4	1506 Copenhagen		.2		4		
	139-174-002	#5	1512 Copenhagen		.15		3		
	139-174-003	#6	1516 Copenhagen		.15		3		
	139-174-027	#7	1524 Copenhagen		.2		4		
	139-174-028	#8	1532 Copenhagen		.2		4		
	139-174-005	#9	1540 Copenhagen		.15		3		
	139-174-006	#10	1546 Copenhagen		.15		3		
	139-150-009	#11	1781 Mission Dr.		2.0		40		
	139-150-017	#12	1785 Mission Dr.		.42		8		
	139-143-018	#13	545 Alisal Rd..		.18		3		
	139-143-004	#14	539 Alisal Rd.		.5		9		
	139-530-005	#16	670 Alamo Pintado		1.06		21		
	139-174-021	#37	1545 Oak St.		.3		5 (1 existing)		
Total Very-Low Income Category								147	
RESIDENTIAL ZONES TOTAL								421	
*Skytt Mesa site is 87 acres zoned 10-R-1, approved for 169 units, which computes to approximately 2 units per acre.									

Table 5-2 (Continued)

Estimate of Vacant and Under-Utilized Land and Residential Capacity COMMERCIAL ZONES PERMITTING RESIDENTIAL USE								
Vacant and Under-Utilized Parcels and Residential Potential								
Zone/ General Plan	APN Number	Location		Type of Res. Devel.	Acreage	Max. Density (units/Ac)	Realistic Unit Capacity	Income Category
TRC Tourist Commercial	137-590-010	#38	1420 Mission	Secondary Use/ Mixed Use	.4	50% of Commercial sq. ft. (20/Ac)	4	Low
	139-211-004	#39	Oak/Second St.		.3		4	
	139-174-014	#40	459 Atterdag		.18		3	
	139-240-033	#41	1704 Mission Dr.		.5		4	
PO Professional Office	139-540-013	#42	1925 Windmill	Secondary Use/ Mixed Use	1.05	50% of Commercial sq. ft. (20/Ac)	10	Low
	139-540-014	#43	1927 Windmill		1.05		10	
COMMERCIAL ZONES TOTAL-Low Income Category								35
COMMERCIAL and RESIDENTIAL ZONES - Total Infill Potential - Above Moderate								178
Total Infill Potential - Moderate								73
Total Infill Potential - Low								58
Total Infill Potential - Very-Low								147
GRAND TOTAL RESIDENTIAL & COMMERCIAL ZONES								456

Based on the available acreages and the buildout densities for each designation shown in Table 5-2, the estimated available land designated for residential uses within the City of Solvang support a total of 456 units, including the Solvang Mesa development (169 units). All land within the City limits that is summarized in Table 5-2 is served by a backbone infrastructure for water, sewer, roads, and drainage and are suitable and appropriately zoned. A more detailed description of each site and the potential to maximize densities is contained in Appendix B.

Most of the sites listed in Appendix B are vacant properties with existing infrastructure nearby to serve future development. For those sites with existing development either older residential homes or commercial buildings the opportunities for redevelopment in Solvang are just as great. The median residential property values in 2007 were \$827,000. These values are likely to be regained or increase when the economy strengthens again, and is a strong factor for property to redevelop. Solvang is a relatively small community with nearby services and a strong tourist village center. Many of these underutilized properties are near other sites being redeveloped or the village center, which offer a greater potential to redevelop. The current condition of the economy has to change and strengthen before realistic potential for significant redevelopment can occur. This element has a five-year timeframe and it may require more time before the residential market gains strength.



The City's evaluation of adequate sites begins with a listing of individual sites by zone and general plan designation. The sites analysis will demonstrate these sites are currently available and unconstrained so as to provide realistic development opportunities prior to June 30, 2014 (the end of planning period). To demonstrate the realistic development viability of the sites, the analysis also discusses: (1) whether appropriate zoning is in place, (2) the applicable development standards and their impact on projected development capacity and affordability, (3) existing constraints including any known environmental issues, and the (4) availability of existing and planned public service capacity levels.

ZONING APPROPRIATE TO ACCOMMODATE HOUSING FOR LOWER-INCOME HOUSEHOLDS

The City recognizes that the higher density residential and mixed-use districts (DR-20, TRC, and PO) provide the potential for lower construction costs because of economies of scale created and are therefore most suitable for development of housing affordable to extremely low, very low- and low-income households. Those sites identified in the inventory as having the greatest potential to accommodate housing affordable to lower-income households allow densities of at least 20 du/acre. Per Government Code Section 65583.2(c)(3)(B) the City's zoning is consistent with 20 du/acre standard for suburban jurisdictions and therefore considered appropriate to accommodate housing for lower-income households.

The City is utilizing the sites that allow 20 units per acres to meet all of the lower income allocation. In addition, the City has additional land available in the 7-R-1 zone district that will allow 6.2 units per acre and could yield a potential 23 low-income units.

The following two examples are provided to show that the City's development standards (i.e. typical setbacks, height, and coverage) do not limit the potential for projects to maximize density. These projects also illustrate a variety of housing types built in Solvang at or near maximum densities.

Mission Meadows North-Mixed Use Project

This project was approved in 2007 and consists of two mixed-use buildings each with 6,328 square feet of gross floor area. Both buildings provide four (4) 2-bedroom apartments on top of commercial. Mixed Use zoning allows 2-bedrooms for every

1,000 square feet of commercial space. This project meets setbacks standards, parking requirements, and provides for outdoor patio living. The developer considered market



conditions when proposing larger 2-bedroom floor plans at 1,200 to 1,400 square feet of living space. If smaller unit sizes or one-bedroom units were as marketable, closer to 100% of the maximum density could be provided within

this project under the zoning code. Under this Housing Element the City will encourage single room occupancy units, and density bonuses to increase the marketability of smaller units.

Rosenborg Estates Condos

This is a second example of multi-family development in the DR-20 zone district. This site is approximately 1 acre in size. DR-20 allows 20 units per acre. The development meets all setback,



height limits, lot coverage, and parking standards and was approved and built with 18 condominium units. The aerial shows this site has a unique shape with residential development surrounding it on all sides. The u-shape driveway required for adequate

emergency ingress and egress limits achieving 100% density on this site, otherwise this project illustrates infill sites within Solvang can produce development at or near maximum densities while meeting all land use controls.

In addition to vacant sites, second units (i.e., in-law apartments, granny flats, or accessory apartments) provide an important source of housing. Second-units have the potential to ease a rental-housing deficit, maximize limited land resources and assist low and moderate-income homeowners with supplemental income. Government Code Section 65852.2 (the “second-unit law”) was enacted in 1982 and has been amended four times to encourage the creation of second units. The most recent amendment (AB 1866) requires ministerial consideration of second unit applications to encourage the creation of second





units. The City has complied with this State requirement through the adoption of Ordinance 03-227. Section 11-12-4 of this ordinance establishes procedures intended to encourage second-units. According to the Solvang Municipal Code, the following information shall be required (in addition to such other information as the City may require administratively) upon submittal of a second unit permit application:

- A floor plan drawn to scale of the principal structure and the second residential unit;
- Evidence that one of the structures, either the principal residence or the second unit is or will be owner occupied; and
- Evidence that water and sewage services are available for the second residential unit by can-and-will serve letters where appropriate.

Along with the above-stated submittal requirements, an applicant will also be required to conform to a minimum lot size on which second residential units may be placed, density requirements, development standards and findings of approval required by the City planning director. The ministerial processing of second unit applications will ensure that applications will not be subject to excessive conditions of approval, are not subject to public hearing or public comment and are not subject to any discretionary decision-making process. This will have the effect of improving certainty and predictability in the approval process.

The City encourages the construction of second units in the city. The additional incentives to construct second units include:

- A reduction in the minimum size lot for second units to 6,000 square feet;
- Elimination of the garage requirement for second units. Uncovered off-street parking requirements shall be met by one space per bedroom or studio unit.

The City of Solvang estimates that of the approximately 2,452 existing dwellings units in the City, approximately 1.3% (31) of the units, have the potential to add second units.

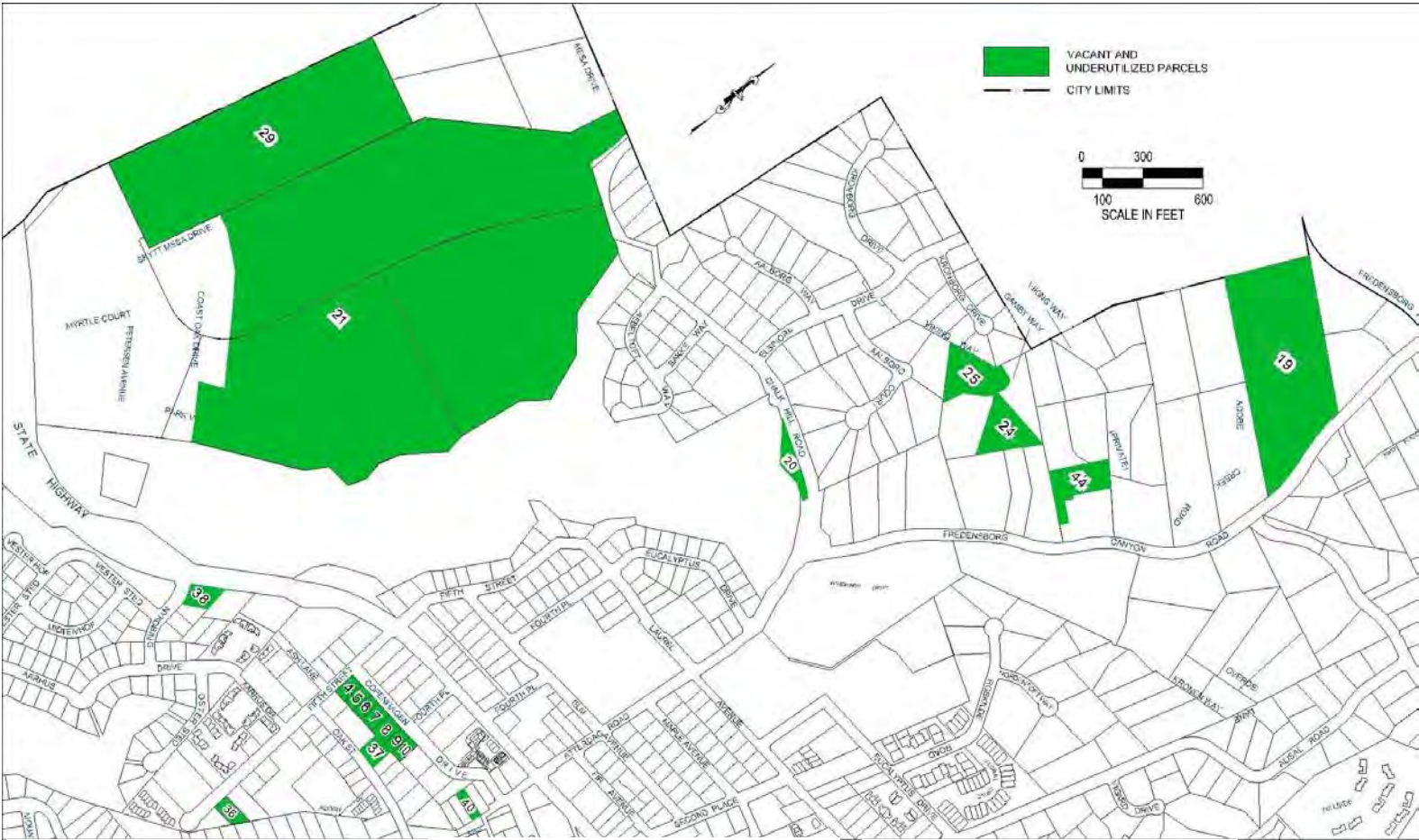
The City of Solvang provides water and wastewater services and contracts with the surrounding jurisdictions, the County, and private agencies for other services. The City has adopted Master Plans for Water Supply, Wastewater and Storm

Housing Element

Drainage. These long-range plans accommodate projected growth envisioned in the Land Use Element. Existing capacity for wastewater, storm water runoff, and water supply are adequate to accommodate projected build out of the City. In addition, LUE Policy 1.6, Action Item B requires the City to determine whether adequate public services and resources are available to serve a proposed project prior to approving the project.

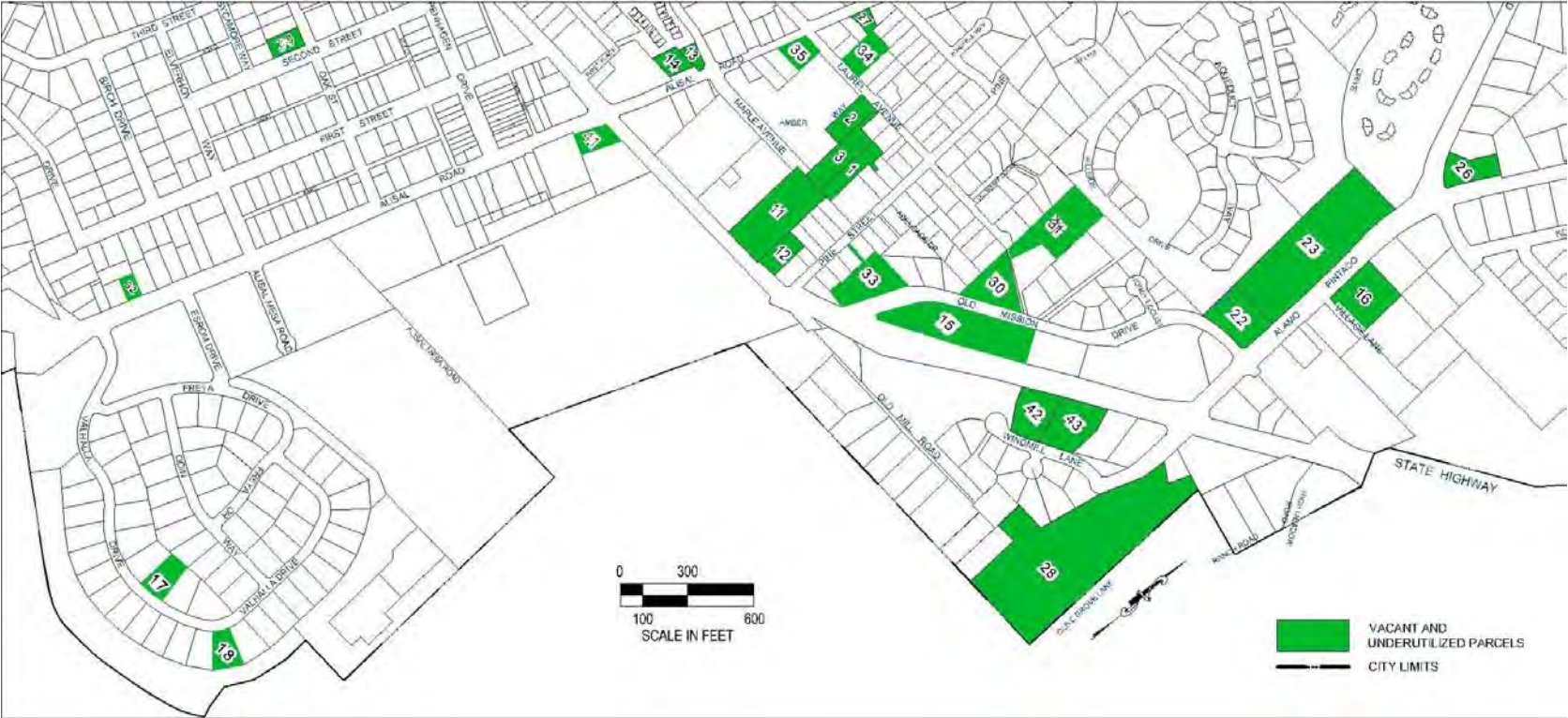


Figure 5-1 Inventory of Vacant/Underutilized Site



4. 1506 Copenhagen	139-174-001	10. 1546 Copenhagen	139-174-006	29. 1201 Mission Dr.	137-120-047
5. 1512 Copenhagen	139-174-002	19. 935 Fredensborg Cyn.	137-660-011	36. 290 Fifth St.	139-200-053
6. 1516 Copenhagen	139-174-003	20. Chalk Hill Rd.	137-670-005	37. 1545 Oak St.	139-174-021
7. 1524 Copenhagen	139-174-027	21. Skytt Mesa	137-120-048	38. 1420 Mission St.	137-590-010
8. 1532 Copenhagen	139-174-028	24. 1557 Gamby	137-660-036	40. 459 Alisal Rd.	139-174-014
9. 1540 Copenhagen	139-174-005	25. 1536 Gamby	137-660-038	44. 781 Fredensborg Cyn	137-660-045

Figure 5-1 Inventory of Vacant/Underutilized Site



1. Maple Ave.	139-092-018	17. 217 Valhalla	139-490-042	32. 235 Alisal Rd.	139-234-064
2. 1746 Laurel Ave.	139-092-008	18. 226 Valhalla	139-490-024	33. 1849 Old Mission Dr.	139-160-010
3. 1758 Maple Ave.	139-092-009	22. Old Mission	139-530-001	34. 1731 Laurel Ave.	139-091-019
11. 1781 Mission Dr.	139-150-009	23. Alamo Pintado	139-530-002	35. 1706 Laurel Ave.	139-092-005
12. 1785 Mission Dr.	139-150-017	26. Viborg/AP Road	139-031-020	39. Oak/Second St.	139-211-004
13. 545 Alisal Rd.	139-143-018	27. 618 Alisal Rd.	139-091-039	41. 1704 Mission Dr.	139-240-033
14. 539 Alisal Rd.	139-143-004	28. 1945 Old Mill Lane	139-540-020	42. 1925 Windmill Lane	139-540-013
15. Old Mission Dr.	139-240-050	30. 1897 Old Mission Dr.	139-160-007	43. 1927 Windmill Lane	139-540-014
16. 670 Alamo Pintado	139-530-005	31. 1871 Laurel	139-100-029		

5.1.4 Potential Zoning Changes

It is HCD's position that local jurisdictions can facilitate and encourage affordable housing development by allowing development at higher densities, which helps to reduce per unit land costs. Thus, greater numbers of affordable units than shown might be accommodated if projects are developed at densities higher than assumed or currently permitted. In addition, if affordable projects are developed in other land use categories, or if land is rezoned for multifamily uses, greater numbers of affordable units could be produced. In contrast, if projects are approved at densities below that assumed, or if high-end projects are developed in the medium and high-density residential areas or no secondary uses are actually built, the yield of affordable units would be significantly lower. Where appropriate, additional housing units could be built in Solvang on land that is designated for higher densities.



In 2006, Solvang rezoned sixteen (16) lots within the City to DR-20 the highest density allowed in the City at 20 units per acre to meet Solvang's fair share housing needs. This decision increased the potential housing stock by an additional 151 residential units. The City adjusted its land use to accommodate the previous allocation cycle and the new allocation is lower. The City did not construct very many units since 2009, and land inventory for vacant or underutilized properties continue to offer opportunities. Therefore, adequate lands zoned to accommodate the housing allocation exist and no additional land is needs to be rezoned this cycle.

5.1.5 Progress Toward RHNP

Table 5-3 summarizes the progress that Solvang has made towards meeting its share of the regional housing needs as of October 2008 as well as the City's capacity for future development. Since 2007, 33 new housing units have been permitted. The City's remaining capacity in residential and commercial areas, including infill, and second units would create approximately 497 units. This combination of construction, infill, and second units indicates that the City can meet its assigned RNHP goals.



Table 5-3 Progress Toward RHNA Goals

Income Group	Housing Permitted since Jan. 2007	Housing Potential			RHNA Goals	Difference
		Infill from Vacant Land	Second Units	Totals		
Extremely Low	0	73	0	74	19	+55
Very Low	2	74	0	75	20	+55
Low	2	58	0	60	29	+31
Moderate	1	73	3	77	25	+52
Above Moderate	28	178	5	211	77	+134
Total Units:	33	456	8	497	170	+327

Source: City of Solvang Planning Department

5.1.6 Quantified Objectives

Table 5-4 summarizes the City’s objectives in providing housing by income group through the 6-year time frame of the Housing Element. It should be noted that actual attainment of these objectives would depend highly on economic factors (primarily the housing construction market) and the availability of funding, including state funding, to allow for the Housing Element programs to be implemented.

Table 5-4: Quantified Objectives

Income Group	Objectives		
	Construction	Rehabilitation	Conservation /Preservation
Extremely Low	73	10	5
Very Low	74	10	5
Low	58	10	5
Moderate	73	10	5
Above Moderate	178	0	0
Total Units:	456	40	20

Source: City of Solvang Planning Department



5.2 FINANCIAL RESOURCES

Solvang has access to a variety of funding sources available for affordable housing activities, including local, state and private resources. The following section describes three of the largest housing funding sources the City can use for housing production, rehabilitation, or preservation: HOME funds, the Section 8 rental assistance program, Proposition 46 funds, and CDBG grants. Table 5-5 provides an inventory of financial resources available.

5.2.1 HOME Investment Partnership Program Fund

Federal HOME funds can be used for activities that promote affordable rental housing and homeownership for lower-income households. Such activities include the following: building acquisition, new construction, moderate or substantial rehabilitation, first-time homebuyer assistance and tenant-based assistance. A federal priority for use of these funds is preservation of the at-risk housing stock. Solvang participates in a consortium of small communities in Santa Barbara County that receive funds through the State HCD through a competitive process. Cities in the Consortium can opt to use their funds annually or “bank” them for future use. As of 2008, the City of Solvang had banked approximately \$23,141 in HOME funds with the Consortium.

5.2.2 Section 8 Rental Assistance

The Section 8 program or housing choice voucher program is a federal program that provides rental assistance to very low-income persons in need of affordable housing. The Section 8 program offers a voucher that pays the difference between the payment standard (an exception to fair market rent) and what a tenant can afford to pay (e.g. 30% of their income). A voucher allows a tenant to choose housing that may cost above the payment standard, with the tenant paying the extra cost. The Housing Authority of Santa Barbara County administers the Section 8 Program in Solvang, and there are currently 8 households receiving assistance. Section 8 may now be used to assist certificate holders to buy a home as well.

5.2.3 Proposition 46: Housing and Emergency Shelter Trust Fund Act of 2002



Due to the current State budget deficit, only limited State funds have been available for affordable housing activities. However, California voters recently approved a record \$2.1 billion bond (Proposition 46) to address the State's affordable housing crisis. The bond is the State's first in twelve years. According to HCD, the housing bond will create up to 22,000 permanently affordable homes for rent; enable more than 65,000 families to purchase their own homes; provide housing assistance for 12,000 to 24,000 farmworker families; and underwrite 20 million shelter bed days for homeless people. Specifically, the bond will be allocated as follows:

- \$910 million for the Multi-family Housing Program;
- \$195 million for the Emergency Housing Assistance Program;
- \$195 million for Supportive Housing;
- \$200 million for Farm Worker Housing;
- \$290 million for the California Homebuyer Downpayment Assistance Program;
- \$100 million for the Jobs-Housing Balance;
- \$5 million for Code Enforcement.

The bond funds will be available on a competitive basis for the entire State and represent a major opportunity for the City to receive support of affordable housing.

5.2.4 Community Development Block Grant (CDBG) Funds

The CDBG program provides funds for a range of community development activities. Eligible activities include, but are not limited to: acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, homeownership assistance, and also clearance activities. Solvang has not received CDBG funds for housing activities in the past but may consider applying to this program for money to rehabilitate older housing in the community.

Table 5-5 Financial Resources for Housing Activities

1. Federal Programs		
Program Name	Description	Eligible Activities
Community Development Block Grant (CDBG)	Grants awarded to local jurisdictions on a formula basis for housing and community development activities.	<ul style="list-style-type: none"> • Acquisition • Rehabilitation • Home Buyer Assistance • Economic Development • Homeless Assistance • Public Services
HOME	Grant program available to the City as a participant in the Santa Barbara HOME Consortium. The Consortium competes for funds through the State's allocation process, and grants are awarded on a competitive basis for housing activities.	<ul style="list-style-type: none"> • Acquisition • Rehabilitation • Home Buyer Assistance • Rental Assistance
Low-income Housing Tax Credits (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sales are typically used to create housing.	<ul style="list-style-type: none"> • New Construction • Acquisition • Rehabilitation
Mortgage Credit Certificate (MCC) Program	Income tax credits available to first-time homebuyers to buy new or existing single-family housing. County Housing Authority makes certificates available.	<ul style="list-style-type: none"> • Home Buyer Assistance
Section 8 Rental Assistance Program	Rental assistance payments from County Housing Authority to owners of private market rate units on behalf of very low-income tenants.	<ul style="list-style-type: none"> • Rental Assistance • Home Buyer Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	<ul style="list-style-type: none"> • Acquisition • Rehabilitation • New Construction
Section 203(k)	Provides long-term, low interest loans at fixed - rate to finance acquisition and rehabilitation of eligible property.	<ul style="list-style-type: none"> • Land Acquisition • Rehabilitation • Relocation of Unit • Refinance Existing Indebtedness

Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	<ul style="list-style-type: none"> • Acquisition • Rehabilitation • New Construction • Rental Assistance
U.S. Department of Agriculture (USDA) Housing Programs (Sections 514/516)	Below market-rate loans and grants for farm worker rental housing.	<ul style="list-style-type: none"> • New Construction • Rehabilitation

2. State Programs

Program Name	Description	Eligible Activities
Affordable Housing Partnership Program (AHPP)	Provides lower interest rate CHFA loans to home buyers who receive local secondary financing.	<ul style="list-style-type: none"> • Home Buyer Assistance
CalHOME	Provides grants to local governments and non-profit agencies for local home buyer assistance and owner-occupied rehabilitation programs and new home development projects. Will finance the acquisition, rehabilitation, and replacement of manufactured homes.	<ul style="list-style-type: none"> • Home Buyer Assistance • Rehabilitation • New Construction
California Housing Assistance Program	Provides 3% silent second loans in conjunction with 97% CHFA first loans to give eligible buyers 100% financing.	<ul style="list-style-type: none"> • Home Buyer Assistance
California Housing Finance Agency (CHFA) Rental Housing Programs	Below market rate financing offered to builders and developers of multi-family and elderly rental housing. Tax-exempt bonds provide below-market mortgages.	<ul style="list-style-type: none"> • New Construction • Rehabilitation • Acquisition
California Housing Finance Agency(CHFA) Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below-market loans to first-time buyers. Program operates through participating lenders who originate loans for CHFA.	<ul style="list-style-type: none"> • Home Buyer Assistance
California Self-Help Housing Program (CSHHP)	Provides grants for the administration of mutual self-help housing projects.	<ul style="list-style-type: none"> • Home Buyer Assistance • New Construction
Downtown Rebound	Funding to facilitate infill development and conversion of commercial buildings for artist’s lofts and other “live-work” spaces.	<ul style="list-style-type: none"> • Rehabilitation • Conversion

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Emergency Housing and Assistance Program (EHAP)	Provides grants to support emergency housing.	• Shelters & Transitional Housing
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	• Support Services
Extra Credit Teacher Program	Provides \$7,500 silent second loans with forgivable interest in conjunction with lower interest rate CHFA first loans to assist eligible teachers to buy homes.	• Home Buyer Assistance
Farmworker Housing Assistance Program	Provides State tax credits for farm worker housing projects.	• New Construction • Rehabilitation
Housing Enabled by Local Partnerships (HELP)	Provides 3% interest rate loans, with repayment terms up to 10 years, to local government entities for locally determined affordable housing priorities.	• New Construction • Rehabilitation • Acquisition • Home Buyer Assistance • Site Acquisition • Site Development
Program Name	Description	Eligible Activities
Joe Serna Jr. Farm worker Housing Grant Program (FWHG)	Provides recoverable grants for the acquisition, development and financing of ownership and rental housing for farm workers.	• Home Buyer Assistance • Rehabilitation • New Construction
Multi-Family Housing Program (MHP)	Deferred payment loans for the new construction, rehabilitation and preservation of rental housing.	• New Construction • Rehabilitation • Preservation
Self-help Builder Assistance Program (SHBAP)	Provides lower interest rate CHFA loans to owner-builders who participate in self-help housing projects. Also provides site acquisition, development and construction financing for self-help housing projects.	• Home Buyer Assistance • New Construction • Site Acquisition • Site Development
Supportive Housing/Minors Leaving Foster Care	Funding for housing and services for mentally ill, disabled and persons needing support services to live independently.	• Supportive Housing • Foster Care

3. Private Resources/Financing Programs		
Program Name	Description	Eligible Activities
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long-term debt financing for affordable multi-family rental housing. Non-profit and for-profit developers contact member banks.	<ul style="list-style-type: none"> • New Construction • Rehabilitation • Acquisition
Federal National Mortgage Association (Fannie Mae)	Fixed-rate mortgages issued by private mortgage insurers. Mortgages which fund the purchase and rehabilitation of a home.	<ul style="list-style-type: none"> • Home Buyer Assistance • Rehabilitation
Savings Association Mortgage Company, Inc.	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for-profit developers contact member institutions.	<ul style="list-style-type: none"> • New construction of rentals, cooperatives, self-help housing, homeless shelters and group homes.

5.3 OPPORTUNITIES FOR ENERGY CONSERVATION



Utility-related costs can directly impact the affordability of housing in California. However, Title 24 of the California Administrative Code sets forth mandatory energy standards for new development and requires adoption of an “energy budget.” In turn, the home building industry must comply with these standards while local governments are responsible for enforcing the energy conservation regulations.

The following are among the alternative ways to meet these energy standards.

Alternative 1: The passive solar approach, which requires proper solar orientation, appropriate levels of thermal mass, south facing windows, and moderate insulation levels.

Alternative 2: Generally requires higher levels of insulation than Alternative 1, but has no thermal mass or window orientation requirements.

Alternative 3: Also is without passive solar design but requires active solar water heating in exchange for less stringent insulation and/or glazing requirements.

Additional energy conservation measures are as follows: (1) locating the home on the northern exposure of the sunniest location of the site; (2) designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions; (3)

Locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, and garages along the north face; and (4) orienting the main entrance away from winds; or using a windbreak to protect the entrance from wind velocity.

Utility companies serving Solvang offer or participate in various programs to promote the efficient use of energy and assist lower-income customers. These programs are described below.

Southern California Edison programs: Southern California Edison offers a variety of energy conservation services under the

Housing Element

Low Income Energy Efficiency programs (LIEF), which help qualified homeowners and renters conserve energy and control their electricity costs. Eligible customers receive services from local community agencies and licensed contactors working with Edison. Services include weatherization, efficient lighting and cooling, refrigerator replacement, and energy education. In addition, Edison participates in the California Alternative Rates for Energy (CARE) program, which provides a 15% discount on electric bills for low-income customers.

Southern California Gas programs: The Southern California Gas Company offers two direct assistance programs to limited income customers: (1) a no-cost weatherization (such as attic insulation and water blankets) and (2) a no-cost furnace repair and replacement service. The Gas Company also participates in the State CARE program, providing low-income customers with a discount on their gas bills.



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6



6.0 HOUSING CONSTRAINTS

The City of Solvang recognizes that adequate and affordable housing for all income groups strengthens the community. Many factors can work to encourage or constrain the development, maintenance, and improvement of the City's housing stock. These include market mechanisms, government codes, and physical and environmental constraints.

6.1 MARKET CONSTRAINTS

Land costs, construction costs, and market financing contribute to the cost of housing reinvestment and production. Although many constraints are driven by market conditions, jurisdictions have some leverage in instituting policies and programs to address these constraints. This section addresses potential market constraints to housing in Solvang.

6.1.1 Development Costs

Construction Costs. Construction costs vary widely according to the type of development, with multifamily housing generally being less expensive to construct than single-family homes. However, there is wide variation within each construction type, depending on the size of the unit and the number and quality of amenities provided. The International Conference of Building Officials has established that the average cost of good quality construction is \$116 per square foot for multi-family homes, and \$111 per square foot for single-family homes. These costs are exclusive of the costs of land and soft costs, such as entitlements, financing, etc.

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could result in lower sales prices. In addition, prefabricated factory-built or manufactured housing, which is permitted in Solvang, may provide for lower priced housing by

reducing construction and labor costs. Another factor related to construction costs is the number of units built at one time. As the number increase, overall costs generally decrease as builders can benefit from the economies of scale.



Land Costs. Another key component in the cost of development is the price of raw land and any necessary improvements. In Solvang, the limited supply of residential land combined with a high demand for such development keeps land costs high. It should be noted, however, that unlike construction costs and labor costs, the cost of residential and commercial sites is highly variable. Cost considerations include the number of units or density of development allowed on a particular site and the location of the site relative to other amenities. In addition, as vacant land becomes scarce, builders may begin to pursue more costly underutilized sites, which often require the demolition of existing uses before a new project can be constructed. Thus, the price of land can vary significantly even assuming the same proposed project.

Based on a recent survey of real estate listings, land costs for improved residential parcels within the City of Solvang are estimated to range from \$30 to \$42 per square foot for a single-family lot. Multifamily lots are assumed to be in the same range. A typical 10,000 square foot residential property recently listed for \$335,000, which translates into \$33.50 per square foot.

6.1.2 Financing Costs

Financing costs, in particular, are dependent upon national economic trends and policy decisions. Residential real estate markets in the Nation and the State have slowed down in economic activity as well as other sectors of the economy in recent times however, prices are still strong in Solvang. According to the 2008 Economic Outlook for the Santa Ynez Valley (UCSB), important factors behind the area's steady residential real estate market are: demand for homes from both locals and non-locals, continued job growth in the region, high home prices on the South Coast, and low mortgage rates.

In Solvang, as in other California communities, funds for new construction and residential mortgages are available from both banks and savings and loans institutions, as well as private mortgage brokers. At the time that this document was prepared (2008), fixed mortgage rates hovered at historic lows of around

5% to 7%. In Solvang, the constraint is not in terms of availability of funds, but rather the high cost of purchasing housing. In other words, the sales price of homes, both for existing and new construction, is a major constraint rather than the availability of financing.



6.1.3 Affordability of Housing

Rental Housing. A typical formula that is used to determine housing affordability is that a household should allocate no more than 30% of their household income towards housing costs. The estimated median household income in Solvang (UCSB, 2008) was \$72,840, so 30% of income would result in monthly housing costs not to exceed \$1,821 per month (including utilities). In reviewing estimated average rents for a 1-bedroom apartment (\$1,300 per month) or a three bedroom single-family residence (\$1,700 per month), it appears that the median income household would be able to afford the rental costs of an apartment and some single-family homes by paying 30% of income, but most condominiums or single-family units would be out of reach. In addition, for a very low income household (50% of median income) that should spend no more than \$681 per month for housing (using \$27,250 as the upper annual income limit for a very low income household), these average rental costs would far exceed 30% of income. The result is usually overcrowding and/or overpayment for housing by lower income households.

Owner-occupied Housing. Homeownership is also not a viable option for most lower income or median income households in Solvang unless they have significant assets or have built up equity from an existing home to use to purchase another one. Again, using a 30% affordability ratio, a household would need an annual income of \$200,000 to be able to afford the \$827,250 median home price (2007) in Solvang. This calculation was developed with the assumption that households would provide a 20% down payment with a 7% fixed rate mortgage. The housing cost also includes the costs of property taxes and insurance. This “affordability gap” is one of the largest financial constraints to low and moderate-income households in Solvang.



6.2 GOVERNMENTAL CONSTRAINTS

Local policies and regulations can impact the price and availability of housing and in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and various other issues may present constraints to the maintenance, development, and improvement of housing. This section discusses potential governmental constraints to housing in Solvang.

6.2.1 Land Use Controls

Amended in 2008, the General Plan Land Use Element sets forth the City’s policies for guiding local land use development. These policies, together with existing zoning regulations, establish the amount and distribution of land allocated for different uses. As summarized in Table 6-1, the Land Use Element provides for five residential land use categories and three commercial categories that permit residential units as a secondary use. In addition, the Zoning Ordinance includes districts for Planned Residential Developments and Mobile Home Parks.

Table 6-1 Land Use Categories Permitting Residential Use

General Plan Land Use Category	Zoning District(s)	Density (Units per Net Acre)	Residential Type(s)
Estate Residential	3-E-1	.33	Ranchettes
Low Density Residential	1-E-1	1	Estates
Low/Medium Density Residential	20-R-1	2	Single-family
Medium Density Medium High Density	10-R-1, 8-R-1 7-R-1	3 to 7	Single-family Multi-family
High Density Residential	DR-8 to DR-20	8 to 20	Multi-family
Planned Residential Development	PRD	.33 to 20	Master planned development
Mobile Home Park	MHP	7	Mobile Homes
Retail Commercial	C-2	Up to 20	Secondary Use
Tourist Commercial	TRC DR	Up to 20	Secondary Use
Professional/Office	P-O	Up to 20	Secondary Use

Source: Land Use Element, City of Solvang General Plan



The Land Use Element states that the primary issue affecting Solvang’s development and identity is the preservation of the community’s existing Danish/Northern European character and orientation to tourism. Other key issues mentioned in the Land Use Element with regard to housing include: environmental limitations, fiscal constraints, the need to maintain an appropriate balance of land use types and intensities within the City, the maintenance and protection of agricultural and open space, and the recognition and protection of the City’s historic values.

6.2.2 Provisions for a Variety of Housing

Table 6-2 Housing Types Permitted by Zone

Housing Types Permitted	Residential Zones				Commercial Zones		
	R-1/E-1	DR*	PRD*	MHP	TRC*	C-2*	P-O*
Single-family	P	P	DP				
Two-family		P	DP				
Multi-family ¹		P	DP				
Second Unit	P						
Mixed-use ²					DP	DP	DP+CUP
Mobile Home Parks				DP			
Mobile Homes (on permanent foundations)	P						
Group Residential (e.g. Dormitories, residence halls).		CUP					
Congregate Care Facility (Serving more than 6 individuals)	CUP	CUP	CUP	CUP	CUP	CUP	CUP
Single Room Occupancy	CUP	CUP	CUP	CUP	CUP	CUP	CUP
Residential Care	CUP	CUP	CUP	CUP	CUP	CUP	CUP

Notations:

P=Permitted (Ministerially)

DP=Development Plan

CUP=Conditional Use Permit

*=Design review

¹ Includes row houses, townhouses, condominiums, and cluster developments.

² Permitted only as a Secondary Use to primary commercial use.

Source: City of Solvang Zoning Ordinance



Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of a variety of housing types for all economic segments of the population. This includes single-family homes, multi-family housing, second units, mobile homes, emergency shelters and transitional housing. Table 6-2 summarizes housing types permitted within the City's primary residential and commercial zoning districts.

While the majority (approximately 66%) of housing units in Solvang are single-family units, various other housing types that are available for all economic segments of the community, including lower income persons, seniors, the disabled, and agricultural workers, among others. These include multi-family housing, second units, secondary mixed-use housing, mobile homes, residential care facilities, and group housing.

Multi-family Housing. Multi-family housing including duplexes, townhouses, apartments, and condominiums, etc., make up approximately 34% of the existing housing stock in Solvang. The City's Zoning Ordinance expressly permits multi-family projects of 16 units or less in the DR zoning district be allowed ministerially and PRD zoning districts with a development plan (development plan process is described in Section 6.2.5). In the DR zone, multi-family developments can be built to a density of up to 20 units per acre. The requirement for Board of Architectural Review is required. In the PRD Zone District, multi-family developments are subject to a development permit. The purpose of the development permit is to ensure that the proposed project is in conformance with applicable General Plan policies and that buildings and structures are clustered to the maximum extent feasible to provide the maximum amount of contiguous open space.

Second Residential Units. The Zoning Ordinance defines a second residential unit as an attached or detached dwelling unit, which provides complete, independent living facilities for one or more persons. Total floor area ranges in size from 600 s.f. to 1,000 feet and second residential units cannot be sold or financed separately from the principle structure but may be rented or leased. Each unit must include permanent provisions for living, sleeping, eating, cooking, and sanitation. The City has amended its second unit ordinance to allow for more flexible

standards. The amendments included an increase in unit size in relation to the lot size; a reduction in the lot size to 6,000 s.f for attached units; the elimination of the garage requirement and allowing uncovered parking for the second unit; and a reduction in the maximum setback requirement.



Second residential units are permitted in R-1 and E-1 zoning districts. The provision for second units are intended to encourage more efficient use of single-family districts where, because of the decrease in household size as a result of changing social patterns, existing housing resources are being underutilized. Second residential units provide housing opportunities for seniors, disabled persons, or for domestic service persons providing substantial service to the property owner. The intent is also to ensure a safe and attractive residential environment by promoting high standards of site development to preserve the integrity of single-family areas.

Secondary Use. The Zoning Ordinance uses this term in reference to residential mixed-use in conjunction with commercial uses. Secondary is defined as two (2) residential bedrooms per one thousand (1,000) square feet of total gross floor area of commercial development. The total gross floor area of residential development cannot exceed the total gross floor area of the commercial use. The maximum residential density for secondary uses is 20 units per acre. The City's Zoning Ordinance allows residences as a permitted use, which is considered a "secondary use", in the TRC (Tourist Related Commercial) District and the C-2 (Retail Commercial) District. Residential uses are also allowed in The PO (Professional Office) District with a Conditional Use Permit. The City encourages residential uses in the Village Area, by implementing and maintaining zoning standards for residential densities that encourage pedestrian-oriented, mixed-use development to help meet the needs of Solvang's fair-share housing needs.

Manufactured Housing and Mobile Homes. The City permits manufactured housing and mobile homes in all single-family residential (R-1/E-1) districts, provided that the units are certified under the National Manufactured Construction and Safety Standards Act of 1974 and on a permanent foundation system regardless of the lot size. However, mobile homes in these zones would still be subject to design standards for roof overhang and roofing and siding materials and colors. Mobile homes are not permitted in addition to any single-family dwelling

permitted on the property. Mobile home parks are permitted in the MHP zoning district at a maximum density of 7 units per acre. According to the 2000 Census, approximately 10% of Solvang's housing stock consists of mobile homes. The City has one mobile home park with a total of approximately 220 homes.



Special Care Facilities. The Zoning Ordinance defines a Special Care Home as a residential home licensed to provide 24-hour non-medical care and supervision for 7 or more persons, including group homes, large family homes, and foster homes. Special Care Homes are expressly permitted in the Institutional District and in residential zones with a Conditional Use Permit. In Solvang, such facilities include the Santa Ynez Valley Recovery Residence with 50 beds, and the Solvang Lutheran Home with 83 apartments for continuing care, 18 assisted living units, and 50 skilled nursing beds.

Employee Housing. The Alisal Ranch is a working ranch encompassing over 10,000 acres, a small portion of which is located within the City of Solvang. The area within the City includes guest lodging and recreation facilities as well as 66 units of employee housing. These units are comprised of 34 studio apartments, 12 two-bedroom apartments, 6 three-bedroom apartments, and one single-family dwelling. These housing units are available to full-time employees of the ranch and their families at an affordable rent.

6.2.3 Residential Development Standards

The City regulates the type, location, density, and scale of residential development primarily through the Zoning Ordinance. Zoning regulations are designed to protect and promote the health, safety, and general welfare of residents, as well as implement the policies of the General Plan. The Zoning Ordinance also serves to preserve the character and integrity of neighborhoods. The Ordinance sets forth the City's specific residential development standards, which are summarized in Table 6-3. As indicated below, in addition to residential zones, higher density residential uses are also permitted as secondary uses in some commercial zones.

The City has found the standards set forth in the Zoning Ordinance to regulate residential development do not limit the potential to maximize densities. Table 6-3 describes the general lot coverage, height limit, setbacks, and open space required for

residential development. These standards are fairly common to all jurisdictions in the State and have not been a factor in limiting residential development.



Table 6-3 Residential Development Standards

Zoning District	Maximum Density	Minimum Lot Area	Minimum Net Lot Width (ft.)	Maximum Building Coverage (%)	Setbacks ⁴	Maximum Building Height (ft.)
3-E-1	.33	3 acres	210	None ¹	F – 20' S – 20' R – 25'	35
1-E-1	1	1 acre	100	None ¹	F – 20' S – 10' R – 25'	35
20-R-1	2	20,000 sq. ft.	100	None ¹	F – 20' S – 10' R – 25'	35
10-R-1	4	10,000 sq. ft.	80	None ¹	F – 20' S – 5' R – 25'	35
8-R-1	6	8,000 sq. ft.	75	None ¹	F – 20' S – 10' R – 25'	35
7-R-1	6	7,000 sq. ft.	65	None ¹	F – 20' S – 5' R – 25'	35
DR	8 to 20	2,178 - 5,445	65	30% ⁵	F – 20' S – 10' R – 10'	35 ⁵
PRD	Same as base zone	None	65	50%	N/A	35
Zoning District	Maximum Density	Minimum Lot Area	Minimum Net Lot Width (ft.)	Maximum Building Coverage (%)	Maximum Building Height (ft.)	
MHP	7 to 8 ²	2,800 - 4,000 ²	35 - 50 ²	None ¹	None	
TRC	20	None	None	None ¹	35 ³	
C-2	20	None	None	None ¹	35 ³	
P-O	20	None	None	40%	35 ³	

Source: Zoning Ordinance, City of Solvang,

¹ None, but various front and side setbacks are required.

² To create opportunities for affordable housing, a maximum of 10% of the mobile home sites may be developed for single-wide units. Minimum requirements for single-wide sites are less than those for double-wide sites.

³ Architectural features may be 50 feet in height.

⁴ These setbacks are the minimum standards reflected in the zoning district, however please refer to the Zoning Ordinance for actual setback standards. The Zoning Ordinance shall have precedence.

⁵ 30% maximum building coverage in the DR-20 zone does not include parking requirement and the 35-foot height limit does allow up to 3 stories in this zone.



Density. The maximum density permitted, defined in terms of the number of dwelling units per acre, varies by zone. The maximum density ranges from 1 unit per 3 acres in the Single-family Residential Zone (3-E-1) to 20 units per acre in the higher density Design Residential District (DR-20). The City also permits secondary residential uses in the TRC, C-2, and P-O zones with a density of 20 units per acre. (Secondary residential uses in the P-O zone also require a conditional use permit). By permitting a range of densities, the City facilitates the development of a variety of housing types, ranging from low-density single-family residences to apartment and condominium complexes. The City also encourages new housing to be developed at the highest end of the permitted density ranges to maximize the number of units available.

Structural Limits. Zoning Ordinance regulations affect the size of structures by setting limits on lot coverage and height. Generally, Solvang's residential development standards are comparable to those in the nearby city of Buellton, including minimum lot area (per unit) and height standards. For example, the maximum building height of 35 feet in Solvang is the same as Buellton's Single-Family Residential (RS) and Multifamily Residential (RM) zones. In addition, R-1 zoning districts in Solvang and RS zoning districts in Buellton require the same minimum lot area and lot widths. Through its Planned Residential Development (PRD) District, the City may permit smaller lot sizes in new subdivisions, resulting in relatively lower land costs and greater housing production.

Parking Requirements. The City's parking requirements for residential districts vary by housing type and anticipated housing needs. Parking requirements are calculated by unit type, and on a per-bedroom basis for multi-family units, as shown in Table 6-4. For single-family and two-family dwelling units, two parking spaces are required per dwelling unit, both of which must be located in a private garage. Second residential units require a minimum of one uncovered off-street parking space located on the same lot that the residential unit is located upon. Guest houses require 1 space per unit. Mobile homes require 2 spaces per site and 1 space per 3 sites for visitors. Boarding houses require 1 space per 4 beds and 1 space per 2 employees. Retirement and special care homes require 1 space per guest room and 1 space per 2 employees.



Table 6-4 Parking Requirements

Type of Residential Development	Required Parking Spaces
Single-family Dwellings:	
Single-family and Two-family units	2 spaces in a garage per dwelling unit
Second Residential Units	One uncovered off-street parking space shall be provided on the same lot that the residential second unit is located on for: a. Each bedroom in the second residential unit b. Each studio unit
Multi-family Dwellings:	
One-bedroom or Studio unit	1 space per dwelling unit
Two-bedroom unit	2 spaces per dwelling unit ¹
Three-bedroom unit or larger	2.5 spaces per dwelling unit ¹
Visitor Parking	1 space per 5 dwelling units
Other:	
Mixed-Use Developments with Housing Units reserved for Senior citizens located in TRC, C-2 and PO Zone Districts	.33 spaces per unit
Mixed-Developments with Affordable Housing Units for Low and Very-Low Income Households.	.5 spaces per unit
Guest Houses	1 space per guest house
Mobile Home in Mobile Home Park	2 spaces per site 1 space per 3 sites for visitors
Boarding Houses	1 space per 4 bed spaces 1 space per 2 employees
Retirement and Special Care Homes	1 space per guest room 1 space per 2 employees

Source: City of Solvang Zoning Ordinance

¹ Must be located within 200 feet of building served by the parking space

6.2.4 Flexibility in Development Standards

The City offers some mechanisms to provide relief from development standards typically required of all residential projects under the Zoning Ordinance. These mechanisms include mixed-use development provisions in the TRC, C-2, and P-O zoning districts and the Planned Residential Development (PRD) designation.

Mixed-Use Development. The City's Zoning Ordinance encourages residential mixed uses in the Tourist Commercial (TRC) District. Residences are permitted as "secondary uses" in the TRC zone as well as in the Retail Commercial (C-2) District and the Professional-Office (P-O) District. The maximum residential density allowed for secondary uses is 20 units per acre, and the P-O District also requires a major conditional use permit. It is not known how many mixed-use residential units are located in commercial areas of Solvang, but the City is eager to encourage such uses, especially for housing workers in the Village Area. (See Program 13, Section 3.0 Housing Programs).

Planned Residential Development. The purpose of the Planned Residential Development (PRD) District is to ensure comprehensively planned development of large acreages that are intended primarily for residential use. The PRD designation is intended to promote flexibility and innovative design of residential development and to provide desirable aesthetic and efficient use of space. The PRD also allows for a diversity of housing types and encourages clustering of structures in order to provide open space and preserve areas of aesthetic value or environmental importance.

6.2.5 Development Permit Procedures

The development review process is an important tool in ensuring that new housing meets all necessary health and safety codes, conforms to architectural and aesthetic design standards for neighborhood compatibility, is supplied with all necessary utilities and infrastructure and does not have a significant impact on the environment. Yet, the development review process can also constrain opportunities for the development of lower income housing, particularly through the indirect cost of time in the process and fees.



The Planning and Community Development Department is the lead agency in processing residential development applications, and as appropriate, coordinates the processing of these applications with other City departments and agencies. The City uses various development permits to ensure quality housing while minimizing the costs associated with lengthy reviews.



The City's permit process is codified in Title 11 of the Solvang Municipal Code and provides for three (3) levels of approval: (1) ministerial, (2) administrative and (3) discretionary. Comparatively speaking, Solvang has a far less onerous permit processing system relative to duration of process in comparison to other Santa Barbara jurisdictions, including the County of Santa Barbara, while development standards are similar.

Ministerial Review: Land Use Permits. Projects that do not require discretionary review (i.e. – review by the Board of Architectural Review, Planning Commission or City Council), are referred to as “ministerial” projects. Ministerial projects are not subject to the California Environmental Quality Act (CEQA) and therefore are exempt from environmental review. Ministerial projects receive land use clearance in the form of a Land Use Permit (LUP). All housing projects permitted by right are required to receive a Land Use Permit issued by the Planning and Community Development Department. The purpose of the LUP is to ensure that all residential development proposals conform to applicable provisions in the City's Zoning Ordinance, General Plan, and any other conditions set by the City. The LUP is the final permit required by the Planning/Community Development department and cannot be issued until all necessary approvals, except building permits, have been obtained. To obtain an LUP, an applicant submits site floor plans and elevations for review and approval by planning staff. A typical LUP is obtained “over the counter” without public hearings within ten business days. Larger and/or more complex projects that require greater levels of review, including environmental review, can take significantly longer.

Discretionary Review: Projects requiring discretionary review by the Planning Commission, City Council or Board of Architectural Review would be subject to CEQA and would undergo the appropriate level of environmental review. For projects requiring discretionary review, the City's development review process is structured to allow for early identification of resources, zoning, planning, design and infrastructure issues.

This is accomplished through either early meetings with City staff, the Development Review Committee (DRC), or through the more formal Conceptual Review hearing process by the Planning Commission. The City's Development Review Committee is made up of staff members from various City departments. Following the submittal of a formal application, all data and exhibits are distributed to those agencies and departments that will be reviewing the development proposal. The DRC meets with the applicants to review the project and determine what additional information or special studies that may be required (i.e. traffic, soils, geology, cultural resource studies) before the application can be determined to be complete for processing. Consistent with the State Streamlining Act, the City must determine within thirty (30) days if the data or exhibits are complete and notify the applicant accordingly. This completeness determination is coordinated with other City departments. City staff works with the applicant to obtain a complete application. Once a complete application is accepted, environmental review commences.



Conceptual Review is a public discussion, whose purpose is to allow the Commissioners and the public to hear the conceptual project as put forth by the potential applicant. The applicant can then hear the concerns and begin to address those concerns, by tailoring the project to make sure that all the concerns are addressed. This process can speed up the application process in a way that also more fully protects environmental and neighborhood concerns. Participating citizens are also learning to benefit from participation in such a process since early attention to their concerns makes it more likely that they are addressed in a positive fashion. The process is not without its limitations. The applicants must be made aware, at each and every time of discussion, that they are not obtaining approval and not obtaining any vested right to proceed in any manner discussed. The major benefit from conceptual review is that applicants can save a considerable amount of time by addressing concerns early in the planning process.

CEQA Review: Most small projects are exempt from CEQA. If a project is exempt from CEQA, the project proceeds directly to the Planning Commission for review. If the project is not exempt, an initial study is prepared to identify potential environmental impacts that may be associated with the project, identify mitigation measures and determine the appropriate environmental review. If a Negative Declaration (ND) or

Environmental Impact Report (EIR) is required, staff or a City-approved consultant would prepare the document. The draft environmental document is circulated for public review and comment, as required by CEQA. If an EIR is required, the Planning Commission holds a public hearing to take public comment on the draft document.



Prior to the public hearing before the Planning Commission on the project, public notice is made. IF a Negative Declaration was prepared, the Planning Commission adopts it at this hearing. If an EIR was required, the Planning recommends certification to the City Council, who would then adopts the findings and mitigation measures of the EIR and makes a statement of overriding considerations if it is warranted. For housing projects, affordability can be the basis for a statement of overriding consideration.

Design Review: The City of Solvang is a unique community, which has evolved into a highly popular tourist destination. The City's identity and economic vitality are linked closely to the aesthetic character of the community. It is therefore important for the City to establish a community design framework to ensure that the City's Danish and Northern European design theme be maintained and enhanced. First, there is a need to maintain the distinctive image of the Village area, so that the "old world" Danish atmosphere is retained. Second, there is a need to ensure that development in areas of the City, outside of the Village area is of high quality and reflects the rural character of the community. Therefore, it is not surprising that most new development projects within the City require review and approval by the Board of Architectural Review (BAR).

Building permits for new multi-family residential, duplex units, town homes, mixed-use developments and condominiums require approval from the BAR. Some single-family dwellings have conditions of approval that also require BAR review. The requirement for design review could be viewed as an impediment to the development of housing; however, the need to maintain the Danish/Northern European theme in the Village area is paramount to the economic vitality of the City and to ensure compatibility with the surrounding neighborhood, without placing undue restrictions on allowed uses of the building. The BAR helps higher density affordable projects to be accepted by the community by making sure that they are compatible with the neighborhood. However, the costs for design elements can be a

burden for affordable housing projects. Also, time spent in the design review process can sometimes impact the finances for an affordable project. Provisions for multi-family design guidelines and an increase in staff-level administrative approvals could decrease the time and expense of the design review process. Solvang's Board of Architectural Review is very important to the community, so the possibility of reducing some of the design review standards for affordable housing projects and subjecting them to a lower standard is not consistent with the City's community design image and would not promote the City's social and economic base.



Processing Time: The processing time for a residential development project varies depending on its size and complexity. Projects requiring an environmental impact report, special zoning changes or modifications and those with design problems can take considerably more time than less complex projects. The simpler projects take less time than the more complex projects, and some projects can take less time than that shown, while others can take longer. The following Table No.6-5 shows typical processing time for all development applications that require Planning Commission approval. These include subdivisions, condominiums, Planned Unit Developments, Conditional Use Permits and modifications. Typically, steps one through three are the same for all development projects that need Planning Commission review. Step 4 is separated into 4a and 4b to illustrate the different timelines associated with a project that is exempt from CEQA and one that requires the preparation of an initial study. The estimated timelines for simpler projects, which do not require Planning Commission review, usually takes from 10 to 45-days.

As it can be seen in Table 6-5, (next page) some steps are dependent on the applicant. An assumption has been made regarding the amount of time an applicant takes to complete those steps, but applicants can take more or less time to complete the steps. Because of holding costs and inflation, the longer the approval process takes, the higher the cost to develop the project. To the extent possible, the City facilitates and expedites affordable housing projects.

Table 6-5: Timeline for Planning Commission Projects:



Estimated Typical Timeline for Projects Requiring Planning Commission Review		
EVENT	TIME	TOTAL TIME
1. Application Submittal	Begin Timeline	Begin Timeline
2. First Application Completeness Review (Additional information is usually required of the initial application, because first application are often incomplete)	30 days	4 weeks
3. DRC Meeting	Within 30 day review period	4 weeks
4. Second Application Review Submittal/Project declared complete	30 days	2 months
5. Conceptual Review Hearing (If applicable) Board of Architectural Review (If applicable)	30 days	3 months
6. Environmental Determination a. Project exempt from CEQA b. Planning Commission Review	30 days	4 months
OR 7. a. Environmental Determination – Project not exempt b. Preparation of Initial Study and Draft Negative Declaration c. Public Review Period for the Draft Negative Declaration d. Planning Commission review OR: If an EIR is required, add 4-6 months for the preparation and public comment on the draft EIR, and 2-3 months for certification of the final EIR.	4-6 weeks 3-4 weeks 1-2 weeks after end of ND public review period	5 months 6 months

Conditional Use Permits. The City may require a Conditional Use Permit (CUP) for projects requiring special attention to site planning. In accordance with state law, secondary units in single-family residential zones that meet the criteria established in the second unit ordinance do not require a CUP, and are permitted uses. Table 6-2 illustrates the land uses that require a CUP. To apply for these permits, an applicant must submit detailed site plans, floor plans, elevations, contour map, drainage plan, landscaping plan, and statistical information as specified in

the Zoning Ordinance. The Planning and Community Development Director has jurisdiction over minor CUPs, as specified in the Zoning Ordinance, and the Planning Commission has jurisdiction over major CUPs. The time frames associated with securing a discretionary permit depends upon the public hearing process and staff review process.



Variations. Variations provide a limited measure of flexibility in the strict application of zoning regulations on land, buildings and structures where, because of exceptional conditions such as the size, shape, unusual topography or other extraordinary condition of the property, the literal enforcement of the zoning regulations would impose impractical difficulties or undue hardship on the landowner or developer. A variance cannot be granted to permit a use or activity, which is not otherwise permitted in the district in which the property is located. A variance may only be granted from the regulations on land, buildings and structures, and not from the procedural regulations of the Zoning Ordinance. The Planning and Community Development Director and/or the Planning Commission may approve or conditionally approve variations up to the percentages shown in Table 6-6.

Table 6-6 Allowable Variations

Type of Regulation	Variance
Minimum lot or building site area or width	up to 10%
Front, rear, side yard setback	up to 50%
Building height	up to 10%
Parking	up to 20%
Landscaping	up to 10%
Distance between buildings	up to 50%

Source: City of Solvang Zoning Ordinance

Development Plans. The purpose of a Development Plan is to provide discretionary action for projects allowed by right within their respective zoning districts, but because of the type, scale or location of the development, require comprehensive review. A Development Plan must include a detailed plot plan, floor plans, elevations, contour map, drainage plan, landscaping plans, and statistical information as specified in the Zoning Ordinance. The Planning and Community Development Director is responsible for processing the Development Plan through environmental review, and then the Planning Commission must hold at least one public hearing prior to taking action on the plan. Approval by

the City Council is also required for any rezone application submitted in conjunction with the Development Plan.

Specific Plans. These regulations are based on the recognition that one parcel or group of parcels, which may be in separate ownership, are suitable for a specific use or combination of uses and should be planned as a unit to ensure protection of valuable resources and to allow maximum flexibility in site planning. The purpose of the Specific Plan is to allow for a more precise level of planning for an area than is ordinarily possible in the General Plan Land Use Element and to provide for a mixture of uses through comprehensive site planning. The review process for a Specific Plan is the same as a Development Plan.

Apart from the Zoning regulations, the City is subject to the State California Building Code (CBC), which establishes minimum standards for all classes of construction. State law also stipulates that all newly constructed residential buildings consisting of four or more dwelling units must be designed and constructed in a manner that allows access to and use by disabled persons. This requirement does not require that physical changes be made at the time of construction; rather, only that the units are designed to accommodate adaptive retrofit at a later date.

6.2.6 Fees and Exactions

The City of Solvang collects various fees to cover the costs of processing permits. These include fees for planning and zoning approvals, subdivision map act approvals, environmental review, engineering plan check services and building permits among others. The City's development fees are a flat fee, and are comparable to other jurisdictions. Ministerial land use permits range from \$132.00 for additions and remodels, to \$1,021.00 for single-family dwellings and second residential units. Large development review applications can be charged as deposits, based on an hourly rate of \$99.00, if it is determined that the processing time will significantly exceed the fixed fee. Table 6-7 summarizes the major planning fees collected by the City.



Table 6-7 Planning Fees

Fee	Fee Amount (\$)
General Plan Amendment	\$4,179
Zone Change	\$3,610
Land Use Permit ¹	\$1,021 ²
Conditional Use Permit	
Minor	\$1,528
Major	\$2,655
Administrative Variance	\$1,233
Variance	\$2,025
Subdivisions	
1-4 lots	\$4,914
5+ lots	\$6,731
Development Plans	
Up to 10,000 s.f.	\$6,684
.....10,001 s.f. & over	\$9,337
Specific Plan Text	\$4,531
Map	\$4,653
Amendments	\$7,738
Environmental Review	
Categorical Exemption	\$352
Negative Declaration	\$1,057
Pre-EIR Prep (Initial Study	\$2,069
NOP)	\$924
EIR Subsequent Env Review	

¹ For new single family dwellings and second units

²⁺ \$536 Fire Protection Certificate

Source: City of Solvang Planning Department

State Law authorizes communities to charge developers for providing specific services as well as meeting the resulting service impacts from new development. Like most California jurisdictions, the City also collects various fees from developments to cover the costs of providing the necessary services and infrastructure related to new development projects. Table 6-8 on the following page provides a cost estimate of development fees for a new 2,500 square foot single-family home in Solvang. As indicated, the total estimated fees, including discretionary permit fees, building and safety permit fees, and utility connection fees, are approximately \$25,609, which translates into roughly \$10 per square foot.



Table 6-8 Estimated Fees for 2500 s.f. Single-family Home

Type of Fee	Estimated Fee Amount (\$)
Fire Protection Certificate	\$536
Land Use Permit	\$1,021
Water Connection Fee	\$7,486
Inspection	\$50
5/8" Meter	\$80
3/4" Meter	\$100
Sewer Connection Fee	\$5,697
Inspection	\$75
Electrical Connection Fee	\$125
Gas Connection Fee	\$157
Traffic Mitigation Fee	\$3,067
Building Permit Fee	\$3,853 ¹
School Fee ²	\$4,600
Total Estimated Fees	\$26,847

Source: City of Solvang Planning Dept.

¹Estimate including electrical, mechanical, and plumbing permits.

²Santa Ynez Valley Union High School District: \$0.91 per sq. ft.
Elementary Schools \$1.84 per sq. ft.

In August 2001, the State Department of Housing and Community Development (HCD) released the report, "Pay to Play, Residential Development Fees in California, 1999," which analyzes California's residential development fees Statewide. The report includes the findings of a 1999 survey of 89 California cities and counties prepared by HCD to identify typical fee amounts for homes in a 25-unit subdivision, for individual "infill" houses, and for a 45-unit apartment building. Table 6-9 compares Solvang's development fees with those levied by those areas of Santa Barbara County participating in the survey.

Table 6-9 City and County Development Fees for a Single-family Home

Type of Fees	Total Fees per Unit	
	Solvang	Santa Barbara County
Planning Fees	\$1,021 ¹	\$705
Building Permit Fees	\$3,853	\$3,725
Impact and District Fees	\$21,973	\$32,788



Total Fees per Unit	\$26,847	\$37,218
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¹ 2008 Land Use fee for new dwelling.

Sources: *Pay to Play: Residential Development Fees in California Cities and Counties*, State Department of Housing and Community Development (HCD), 1999.

City of Solvang, 2008



6.2.7 Building Codes and Site Improvements

The City of Solvang contracts with California Code Check for plan check and building inspections. The California Code Check has adopted the California Building Code (CBC), which establishes standards and requires inspections at various stages of construction to ensure code compliance and minimum health and safety standards. The City’s Building Code also requires new residential construction to comply with the Federal Americans with Disabilities Act (ADA), which specifies a minimum percentage of dwelling units in new developments that must be fully accessible to the physically disabled. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties which are required to be brought up to current code standards, the intent of the codes is to provide structurally sound, safe, and energy-efficient housing.

Site improvements cover a range of water, sewer, circulation, and other services and infrastructure needed to facilitate residential developments. To ensure adequate improvements are in place, Solvang requires pro-rata payments for off-site extension of water, sewer and storm drain systems, and traffic signals. Requiring developers to make site improvements, pay pro-rata shares toward infrastructure costs, and pay for additional public services will increase the cost of housing and impact the affordability of the homes. While site improvements increase housing costs, they are standard for most jurisdictions. In addition, site improvements are necessary to maintain the quality of life desired by City residents, and ensure that public services and facilities are in place at the time of need.

6.3 PHYSICAL CONSTRAINTS

A variety of physical constraints affect potential land development in the City of Solvang. The potential for development along the Santa Ynez River, Alamo Pintado Creek, and Adobe Creek is constrained due to flood hazard and biological resource considerations (as described in the Safety

Element and Open Space Element of the General Plan. Similarly, steep slopes and other areas of potential geologic hazards limit the extent of potential development in hillside areas within and around the City.



The need to preserve the “old world” and Mission Santa Ynez historical setting atmosphere of Solvang’s Village Area and the rural setting surrounding the community (land uses surrounding the City consist almost entirely of open space, horse ranches, and estate residential), represents an important physical constraint. Various elements of the General Plan (i.e. Land Use, Community Design, Open Space and Conservation, and Parks and Recreation) include provisions to ensure that the need to maintain and enhance the City’s visual character is reflected in the City’s development.

A key constraint is the physical capacity of the City’s traffic circulation system. It is mandatory that the carrying capacity of Solvang’s roadway is adequate to accommodate the traffic generated pursuant to buildout of the General Plan. An inadequate circulation system can limit the City’s ability to provide a more appropriate distribution and density of land uses relative to the City’s overall goals and objectives. The City of Solvang updated the Circulation Element in 2008, which included a circulation plan to improve the street system with specific attention along Mission Drive (SR 246) through the Village area.

6.4 OTHER CONSTRAINTS

A variety of other constraints could influence the nature and pace of new development in Solvang. A key consideration is the need to provide for a range of land uses that offer a balanced relationship between housing, employment opportunities, and recreational opportunities. Such a balance helps to ensure the stability of the community and allows for a strong and diversified economic base.

A second consideration is the need to maintain consistency between General Plan and Zoning Ordinance designations. For example, areas designated for residential use in the General Plan cannot be zoned and developed for commercial uses, or vice-versa. Proposed changes in zoning must either be consistent with the General Plan or must involve a General Plan amendment.

A third consideration is the need for coordination with the County of Santa Barbara regarding land use planning issues for areas outside of the City. For example, the City has established a Sphere of Influence as well as a Greenbelt Agreement for areas immediately adjacent to the city but outside of its jurisdictional boundaries.



6.4.1 Removal of Growth Management Plan.

The City was once constrained by a Growth management Plan (GMP) that was adopted to ensure that development did not exceed the availability of infrastructure, resources, and municipal services. The GMP allowed growth to occur at the City's historic rate of three percent (3%) per year was eliminated on April 11, 2005 to encourage the development of dwelling units and commercial businesses. By taking this action the City has shown a greater commitment to providing and allowing more affordable housing opportunities.

APPENDIX A: EVALUATION OF CURRENT ELEMENT



As part of the Housing Element, cities must periodically review and evaluate the progress and effectiveness of their adopted policies, programs, and objectives with regard to housing. The City of Solvang’s current Housing Element was adopted in 1989, amended in 1995 and updated and certified in 2006. It was intended to cover the time period between 2001 and 2008. This section evaluates the City’s housing activities since implementation of its current Housing Element in 2006.

A.1 RHNA vs. UNITS BUILT

Solvang’s allocated share of regional housing needs (RHNA) was a total of 325 new units over the 2001-2008 period. This allocation was comprised of 78 very low, 55 low, 49 moderate, and 143 above moderate-income units.

Between 2001 and 2008, a total of 96 housing units were permitted in Solvang. Table A-1 provides a breakdown of these units by housing type. As indicated, 98% of these units were single-family homes, 0% were units in multi-family projects with five or more units, and 2% were units in smaller (4 or less) multi-family projects. Of the 96 new units built, approximately 4% (4 units) are estimated to be affordable to lower-income households based on the assumption that multi-family and secondary units are generally more affordable than single-family units.

Table A-1 New Units Permitted during 2001-2008

Housing Type	Number of New Units Permitted
Multi-family (2 to 4 units)	2 (2%)
Multi-family (5 or more units)	0 (0%)
Single-family Homes	94 (98%)
Total	96 (100%)

Source: City of Solvang Planning Department

Table A-2 compares the City’s allocated share of the 2001-2008 RHNA with units built between 2001 and 2008. The total RHNA was 325 units to be built over a 7-year period, but overall housing



production in Solvang from 2001 to 2008 was 96 units. This shortfall (70%) may be attributed to a variety of factors, including land scarcity in Solvang, the type of housing demanded by potential buyers, and the economic recession in California during recent years. The RHNA was developed prior to the recession and assumed that the economic prosperity experienced in the mid 2000s would continue in the decade. In actuality, residential construction activities were lower than SBCAG projections throughout the region. Nevertheless, Solvang met its assigned housing need for above moderate-income households and almost met its moderate-income allocation. The City fell significantly short in units for very low- and low-income households.

Table A-2 2001-2008 RHNA versus Units Built during 2001-2008

Income Category	Regional Housing Needs (RHNA)	Number of New Units Constructed¹	Difference
Very Low	78 (24%)	0 (0%)	(-78)
Low	55 (17%)	4	(-51)
Moderate	49 (15%)	5	(-44)
Above Moderate	143 (44%)	87	(-56)
Total	325 (100%)	96 (100%)	(-229)

Sources: 2006 City of Solvang Housing Element; City of Solvang Planning Dept.

¹ *The City of Solvang does not track housing units by income group. Allocations are based on local knowledge of the area and recent construction trends.*

A.2 EVALUATION OF 2006 HOUSING ELEMENT PROGRAMS

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the five-year update to their Housing Elements. These results should be quantified where possible (e.g. the number of units that were rehabilitated), but may be qualitative where necessary (e.g. mitigation of government constraints). The results should then be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences should be discussed.

Table A-3 Housing Accomplishments since 2001

Housing Program	Objective	Accomplishment(s)
<p>1. Code Enforcement Code enforcement is a means to ensure that the character and quality of neighborhoods is enhanced and maintained.</p>	<p>Continue to carry out zoning code enforcement activities</p>	<p>The City continues to perform property inspections and write citations when necessary. The City continues to contract with California Code Check to enforce building codes. This program will be carried forward.</p>
<p>2. Housing Rehabilitation Assistance Program Implement a home rehabilitation assistance program to assist low income and senior households, as funding becomes available.</p>	<p>(3) renter households and (5) ownership households during the planning period.</p>	<p>The proposed Housing Rehabilitation Assistance Program continues to be available to provide financing and information to property owners interested in housing rehabilitation, however no one requested the program. This program will be carried forward with the goal of assisting renters and homeowners.</p>
<p>3. Section 8 Rental Assistance City supports and encourages the provision of additional subsidies through the Section 8 program.</p>	<p>Maintain the 8 lower income units and encourage others.</p>	<p>Ongoing implementation. At present, eight households in Solvang are receiving Section 8 housing assistance through the Santa Barbara County Housing Authority. This program will be carried forward to continue to maintain the eight households while assisting others in need.</p>
<p>4. Mobile Home and Mobile Home Park Preservation Maintain the Mobile Home Park (MHP) designation and amend the Zoning Ordinance to remove the requirement for a conditional use permit for mobile homes on lots of 10,001 sq. ft. and over, and establish a ministerial process for all manufactured or mobile homes on permanent foundations, regardless of the lot size.</p>	<p>Amend the Zoning Ordinance</p>	<p>The Zoning Ordinance was amended to remove the requirement for a Conditional Use Permit for mobile homes with permanent foundations, regardless of lot size. One unit was built under this provision. This program will be carried forward to encourage manufactured housing units as an affordable alternative.</p>

Housing Program	Objective	Accomplishment(s)
<p>5. Preservation of Community Character Administer development standards and design guidelines in the TRC zone that are intended to preserve and maintain the City's Danish/Northern European design theme.</p>	<p>Preserve the City's character</p>	<p>Ongoing implementation. The City implements development and design standards through BAR and Planning Commission review. This program will be carried forward.</p>
<p>6. Local Workforce Housing Provide regulatory incentives to non-profits, private developers, and public agencies to increase the supply of housing affordable to Solvang's lower-income workforce.</p>	<p>Target a portion of HOME Consortium funds, towards projects that meet the needs of very low- and low-income workforce</p>	<p>Ongoing implementation. The City has developed a list of incentives to encourage more interest in developing local workforce housing through the Density bonus Ordinance and Mixed-Use standards. Limited financing is available to assist through the HOME Consortium funds and CDBG funding as part of the County Urban program. This program will be carried forward with the goal of continued partnership to promote the development of affordable housing.</p>
<p>7. Density Bonus Program Adopted a Density Bonus Ordinance consistent with State regulations</p>	<p>None Specified Amend the Zoning Ordinance</p>	<p>The City adopted a bonus density ordinance in 2005, which provide incentives required by State Law without harming the character of Solvang. The State adopted SB 1818 which clarified the density bonus objectives and standards. This program will be carried forward to amend the density bonus regulations for consistency with State Law.</p>
<p>8. Second Unit Development Encourage the construction of second units to meet the needs of the very-low, low and moderate-income households and prepare an informational brochure to be distributed to public places.</p>	<p>None Specified</p>	<p>The second unit ordinance was amended to facilitate more opportunities for secondary units. Eight (8) secondary units were constructed. This program will be carried forward to encourage others.</p>
<p>9. Non-Traditional Housing Adopt land use changes with tailored development standards to facilitate the development of non-traditional housing types, including co-housing, assisted living facilities, and live-work units.</p>	<p>None Specified</p>	<p>The City reviewed its planning policies and amended the zoning ordinance to allow shared living arrangements as allowed residential uses, with specific references to licensed community care facilities and single room occupancy units. This program will be revised and carried forward to also include co-housing, assisted living, and live-work units. Other non-traditional housing types such as emergency shelters are covered in Program 20.</p>
<p>10. Mortgage Credit Certificate Provide information to the public regarding the Mortgage Credit Certificate Program for first-time homebuyers.</p>	<p>No new units. Assist 20 households.</p>	<p>This program is available to Solvang residents through the County Housing Authority. Ongoing implementation.</p>

Housing Program	Objective	Accomplishment(s)
<p>11. Application for Grants and Loans Investigate funds available under Proposition 46 and pursue those that help meet the housing needs of Solvang residents</p>	<p>No new units. Assist developers.</p>	<p>The City continues to monitor available funding sources.</p>
<p>12. Adequate Sites Program Initiate and complete the rezoning and General Plan amendment according to law, for the development of housing on the properties, which have been identified in Table 5-3, as having the potential for higher densities.</p>	<p>No new units. Assist 16 landowners.</p>	<p>Completed. The City completed the amendment process in 2006 that increased the density potential to DR-20 (20 units per acre). The City will encourage the build out of these properties to reach their maximum densities while fitting the surroundings.</p>
<p>13. Mixed-Use Development Maintaining zoning standards for residential densities that encourage pedestrian-oriented, mixed-use development to help meet the needs of Solvang's fair-share housing needs.</p>	<p>None Provide technical, and/or other assistance to facilitate mixed-use housing</p>	<p>The City amended the Zoning Ordinance to allow shared and reduced parking for mixed-use projects. Residences are permitted as secondary uses in P-O, TRC, and C-2 zones. This program was utilized and will continue to be implemented in the updated Housing Element.</p>
<p>14. Infill Incentives Ordinance Develop an infill ordinance that specifies flexible development standards and incentives, but ensures high quality development.</p>	<p>Develop an Ordinance that specifies flexible standards and incentives for infill development</p>	<p>This program has not been implemented. This program will be carried forward and implemented in the updated Housing Element by 2010.</p>
<p>15. Residential Growth Management Program Amend the Zoning Ordinance to eliminate the Growth Management Plan</p>	<p>None. Amend the Zoning Ordinance</p>	<p>This program has been implemented. The Growth Management Plan has been eliminated.</p>
<p>16. Planned Residential Development (PRD) District Continue to use the PRD designation to provide flexibility and innovative design in developments and facilitate creative housing options.</p>	<p>None Specified</p>	<p>This program will be carried forward with the goal of creating innovative projects. One project was approved under this program for a four-unit project.</p>
<p>17. Affordable Housing Incentives Program Implement an Affordable Housing Incentives Program that offers regulatory concessions, and a density bonus to facilitate the development of</p>	<p>None Specified</p>	<p>The City adopted a Density Bonus Ordinance in 2005, which listed concessions and incentives available to developers. Program 7 (in new revised element) will amend the Density Bonus Ordinance for consistency with G.C.</p>



Housing Element

Housing Program	Objective	Accomplishment(s)
additional affordable housing.		65915.
<p>18. Fair Housing Program Support the Fair Housing and Information Referral Program by identifying all State and Federal Agencies to whom local complaints or concerns can be referred. Promote fair housing in the City through the development of a fair housing booklet.</p>	No new units.	This program was not been implemented. This City will develop a Fair Housing booklet, which will identify all State and Federal Agencies to refer complaints and concerns. This program will be carried forward and implemented in the updated Housing Element.
<p>19. Housing for Disabled Persons Evaluation of potential constraints to housing for persons with disabilities, and if any constraints are found, will take actions to address those constraints. Amend its definition of "family" in the Zoning Ordinance.</p>	No new units. Remove constraints to disabled households	The City evaluated the planning policies and zoning regulations and believes any potential constraints have been mitigated. The definition of family has been amended. This program will be carried forward to continue to evaluate any potential constraints that may arise for persons with disabilities and take action to address those constraints.
<p>20. Universal Design Consider the model universal design ordinance prepared by the State of California</p>	No new units.	This program was not been implemented due to limited staffing and budget constraints. This program will be carried forward and implemented in the updated Housing Element by 2014.
<p>21. Site for Emergency and Transitional Housing Facilities and Services Meet with local homeless service providers periodically to evaluate current and future needs for a homeless or transitional housing facility in Solvang</p>	Assist local homeless providers	The City periodically meets with local organization People Helping People to evaluate homeless services. The City will amend its zoning ordinance to allow emergency shelters in DR-20 zones (see new Program 20 in updated element).




Sources: City of Solvang Planning Department, 2006 Housing Element

APPENDIX B: EVALUATION OF POTENTIAL HOUSING SITES




Table B-1

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
1	139-092-018 Maple Ave.	.6	DR-20 High Res.	12	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. This site (and Site #3) is the location for the proposed senior housing project for the Skytt Mesa development. It is in a desirable location for senior housing, adjacent to the Solvang Senior Center. Water and sewer lines are located at property line. Easily accessible from Maple Ave. This site will be developed as a 100% affordable rental housing project for low income seniors. This requirement was imposed by the Conditions of Approval for the Skytt Mesa Tract Map. Should the site not be constructed as 100% affordable then the deposited affordable housing fees from the Skytt Mesa Project, together with interest thereon, shall be used for purposes of providing affordable housing in the City of Solvang. Access from Maple Ave. or from easement off of Pine Street.</p>
2	139-092-008 1746 Laurel	.5	DR-20 High Res.	9	High	 <p>Flat, no flood hazards, no environmental constraints. This site is a ½ acre flat parcel adjacent to the proposed low income senior housing project site for the Skytt Mesa Project. The owner requested this rezone. Water and sewer lines are located on the property. One residential unit exists onsite. The structural condition of the residence is old. Date of construction is estimated in the 1960-70's. Access is from Laurel Ave.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
3	139-092-009 1758 Laurel	.8	DR-20 High Res.	16	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Used for storage purposes at this time. This site is a part of the senior housing project for Skytt Mesa as described under Site 1. Water and sewer lines are located at property line. Easily accessible from Maple Ave. This site will be developed as a 100% affordable rental housing project for low income seniors. This requirement was imposed by the Conditions of Approval for the Skytt Mesa Tract Map. Should the site not be constructed as 100% affordable then the deposited affordable housing fees from the Skytt Mesa Project, together with interest thereon, shall be used for purposes of providing affordable housing in the City of Solvang. Access from Laurel Ave or Maple Ave.</p>
4	139-174-001 1506 Copenhagen	.2	DR-20 High Res.	4	Medium-Low	 <p>Adjacent to vacant lots on Sites 5,6, & 7. Flat, no flood hazards, no environmental constraints. One existing residence. Constructed in 1959, the structural condition of the residence is old. Water and sewer lines located on the property. Redevelopment potential. On the edge of the Village area, close to shopping and services. Easily accessed from either Copenhagen Drive or Fifth Street.</p>
5	139-174-002 1512 Copenhagen	.15	DR-20 High Res.	3	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Good potential for development. This site and Site 6 are owned by the same owner. The lot is a rectangular flat parcel that is within walking distance to the Village center and services. Water and sewer lines located at property line. Direct access from Copenhagen Drive.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
6	139-174-003 1516 Copenhagen	.15	DR-20 High Res.	3	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Good potential for development. Owned by same owner as Site 5. Flat, rectangular shape parcel close to Village center and services. Adjacent to housing development. Water and sewer lines located at property line. Direct access from Copenhagen Drive.</p>
7	139-174-027 1524 Copenhagen	.2	DR-20 High Res.	4	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. This flat vacant lot is adjacent to Sites #5 & #6. It is within 1 block of Village center and services. It is a desirable location for housing. Same owner as Site 8 & 9. Adjacent to other housing development. Water and sewer lines located at property line. (Small building shown in photo is an old tract sales office, which is being stored on the property). Direct access from Copenhagen Drive.</p>
8	139-174-028 1532 Copenhagen	.2	DR-20 High Res.	4	Medium-Low	 <p>Flat, no flood hazards, no environmental constraints. One existing older residence. Constructed in the 1950's the structural condition of the residence is old. Flat, accessible, rectangular lot. Same owner as Site 7 & 9. Within walking distance to services and Village center. Water and sewer lines located on property. Redevelopment potential. Direct access from Copenhagen Drive.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
9	139-174-005 1540 Copenhagen	.15	DR-20 High Res.	3	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. It is within 1 block of Village center and services. It is a desirable location for multi-family housing. Same owner as Site 7 & 8. Water and sewer lines located at property line. Direct access from Copenhagen Drive.</p>
10	139-174-006 1546 Copenhagen	.15	DR-20 High Res.	3	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Close to services. Within walking distance to Village center. Good location for multi-family housing. Water and sewer lines located at property line. Easy access from Copenhagen Drive.</p>
11	139-150-009 1781 Mission	2.0	DR-20 High Res.	40	Very High	 <p>Largest developable lot within the Village center. Good potential for development. Former Solvang lumber yard. Now marginal commercial use, mostly storage use. Will be adjacent to the Skytt Mesa 100% affordable rental housing project for low income seniors and the existing Solvang Senior Center. Flat and easily accessible, no flood hazards, no environmental constraints. Within walking distance to Village center, or to Nielsen's shopping area. Water and sewer lines located on property. Easy access from Mission Drive or from Maple Ave.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
12	139-150-017 1785 Mission	.42	DR-20 High Res.	8	Very High	 <p>Flat, no flood hazards, no environmental constraints. One existing older residence. Constructed in the 1950's, the structural condition of the residence is old. This lot is adjacent to Site 11 and is owned by the same owner. Good potential for multi-family development. Would be developed with Site 11. Flat and accessible. Easy walk to services within the Village area or to the Nielsen's shopping center. Water and sewer lines located on property. Access from Mission Drive.</p>
13	139-143-018 545 Alisal	.18	DR-20 High Res.	3	Medium	 <p>Flat, no flood hazards, no environmental constraints. This site is currently developed with an office building that has the potential to be converted to housing units. The property is owned by the non-profit organization People Helping People. Water and sewer lines located onsite. Good redevelopment potential. Very close to shopping and Solvang Elementary and Middle schools. Access from either Alisal Road or Maple Ave.</p>
14	139-143-004 539 Alisal	.5	DR-20 High Res.	9	Very High	 <p>VACANT: Good potential for development. Flat & easily accessible. Good location. Close to Village center, within walking distance to C-2 area and is adjacent to other multi-family housing developments. Water and sewer lines located at property line. Very close to shopping and Solvang Elementary and Middle schools. Access from Alisal Road or Maple Ave.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
15	139-240-050 Old Mission Drive	1.87	7-R-1 High Res.	12	Very High	 <p>VACANT: Slopes, no flood hazards, no environmental constraints. Good site for single-family housing development with added potential for second residential units. Across the street from 7-R- and 8-R-1 developments. Slightly sloping lot, but easily accessible from Old Mission Drive. Very close to commercial area services and located on the walking path to the Village area. Water and sewer lines located at property line.</p>
16	139-530-005 670 Alamo Pintado	1.06	DR-20 High Res.	21	Very High	 <p>VACANT: Terraced slopes, no flood hazards, no environmental constraints. Good site for multi-family housing development. Slightly sloping, but easily accessible from Alamo Pintado Road or Village Lane, and close to services. Within walking distance to commercial area shopping and medical services. Water and sewer lines located at property line.</p>
17	139-490-042 217 Valhalla	1.0	1-E-1 Low. Res.	1	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. High potential for development as an infill site, within developed single-family residential neighborhood. Water and sewer lines at property line. Easy access from Valhalla.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
18	139-490-024 226 Valhalla	1.0	1-E-1 Low. Res.	1	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. High potential for development as an infill site, within developed single-family residential neighborhood. Water and sewer lines at property line. Easy access from Valhalla.</p>
19	137-660-011 935 Fredensborg	9.62	1-E-1 Low. Res.	8	Medium	 <p>Moderate potential for subdivision development of single-family dwellings with added potential for second residential units. Some environmental constraints with moderate to steep sloping areas, and some woodland. No flood hazards. One existing residence. Construction estimated to be in the 1950's. Structural condition is old. Water and sewer on property. Easily accessed from Fredensborg Canyon Road. Located at City limit boundary.</p>
20	137-670-005 Chalk Hill Rd.	<1.0	1-E-1 Low. Res.	1	Medium	 <p>VACANT: Moderate to steep sloping areas, and some woodland areas. No flood hazards. Development potential is medium. Nice location for a single-family dwelling adjacent to Hans Christian Andersen Park with added potential for attached second residential unit. Easy access to Chalk Hill Road. Water and sewer located at property line. Very close to Solvang Elementary and Middle schools.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
21	137-120-048 Skytt Mesa	87	DR-2 Low. Res.	142	Very High	 <p>Skytt Mesa: 169 units. Approved Tract Map with homes under construction. Phase I has 34 permits issued. Phases II, III and IV are VACANT. High development potential with added potential for second residential units on some lots. Infrastructure in place. Circulation system and utilities available. Phase II pending recordation. Very close to Solvang Elementary and Middle schools and shopping. Access from Chalk Hill Road in the north and Skytt Mesa Drive in the south.</p>
22	139-530-001 Old Mission	1.0	20-R-1 Low/Med Res.	2	Medium	 <p>VACANT: Moderate slopes. No vegetation. Moderate subdivision development potential with added potential for second residential units. No flooding hazard. Adjacent to developed residential area. Conveniently located across the street from commercial shopping area and within walking distance to medical services. Water and sewer located at property lines. Near the walking path to the Village area. Access could be from Alamo Pintado Road in the east, Hillside Drive on the west, or Old Mission Drive in the south.</p>
23	139-530-002 Alamo Pintado	4.48	20-R-1 Low/Med Res.	9	Medium	 <p>VACANT: Adjacent to Site 22. Moderate to steep slopes. Limited vegetation consisting of a few oak trees. Moderate subdivision development potential with added potential for second residential units. No flooding hazard. Adjacent to developed residential area. Conveniently located across the street from commercial shopping area and within walking distance to medical services. Water and sewer located at property lines. Access from Alamo Pintado Road.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
24	137-660-036 1537 Gamby	1.18	20-R-1 Low/Med Res.	2	High	 <p>VACANT: Moderate to steep slopes. Limited vegetation consisting of a few oak trees. Development potential as an infill parcel within a residentially developed single-family neighborhood with added potential for a second residential unit. No flooding hazard. Easy accessibility. Infrastructure in place. Water and sewer available at property line. Easy access from Gamby Way.</p>
25	137-660-038 1536 Gamby	1.32	20-R-1 Low/Med Res.	2	High	 <p>VACANT: Moderate to steep slopes. Limited vegetation consisting of scattered oak trees. Development potential as an infill parcel within a residentially developed single-family neighborhood with added potential for a second residential unit. No flooding hazard. Easy accessibility. Infrastructure in place. Water and sewer available at property line. Access from Gamby Way.</p>
26	139-031-020 Viborg/AP Rd.	0.6	20-R-1 Low/Med Res.	1	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Site is elevated approximately 20 feet above street. Development potential as an infill parcel within a residentially developed single-family neighborhood with added potential for a second residential unit. No flooding hazard. Easy accessibility. Infrastructure in place. Water and sewer available at property line. Easy access from Viborg Road.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
27	139-091-039 618 Alisal	0.17	7-R-1 High Res.	1	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Small urban infill lot. Good potential for low to moderate income level single-family dwelling with added potential for attached second residential unit. Easily accessible and from Alisal Road, close to downtown area, Solvang Elementary and Middle schools and services. Water and sewer at property line.</p>
28	139-540-020 1945 Old Mill Ln	9.24	20-R-1 Low/Med Res.	8	Very High	 <p>VACANT: Nine acre parcel that gently slopes downward to Alamo Pintado Creek. Adjacent to other residential development. Environmentally constrained due to flood hazard. Alamo Pintado Creek runs through property. Approved for 8 single-family dwellings to be constructed on east side of creek. One single-family dwelling located on west side of creek. Structural condition is good. Remodeled in 1990's. Development potential is very high. Developer is moving forward with infrastructure. Access is a private road (Olive Grove Lane) via Ranch Road, off of High Meadow Road.</p>
29	137-120-047 1201 Mission	15.83	10-R-1 Med. Res.	67	Medium-Low	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Adjacent to Skytt Mesa development. Currently under agricultural production. Zoned for medium density residential. Future subdivision development potential for 10,000 s.f. single-family residential lots with added potential for second residential units. Easily accessible from Skytt Mesa Drive. Water and sewer available on property. Medium to low development potential at this time. One existing residence onsite. Unknown construction date. Estimated 1960's.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/ General Plan	Units	Potential for Dev.	Site Evaluation
30	139-160-007 1897 Old Mission	0.86	8-R-1 High Res.	3	Low	 <p>Steep slopes, numerous large oak trees. No flood hazard. Some environmental constraints related to slopes. Developable infill lot adjacent to other small-scale residential with added potential for attached second residential unit. Easily accessible from Old Mission Drive. Water and sewer available on property. One existing residence. Unknown construction date. Room addition done in 1983. Structural condition is moderate. Close to shopping and medical services. Adjacent to walking path to Village.</p>
31	139-100-029 1871 Laurel	1.46	8-R-1 High Res.	3	High	 <p>This site has one unit onsite, with three (3) vacant lots approved and ready for single-family residential development. No flood hazards. Some environmental constraints related to slopes. Easily accessible from terminus of Laurel Ave. Water and sewer available on property. Infrastructure in place. Existing residence is estimated to be constructed in the 1970's. It is in good condition and would remain as a separate unit. Located within walking distance to shopping and Solvang Elementary and Middle schools.</p>
32	139-234-064 235 Alisal	0.17	7-R-1 High Res.	1	High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Developable infill lot adjacent to other small-scale residential with added potential for an attached second residential unit. Water and sewer available at property line. Very close to Village center, shopping and medical services. Easily accessible from Alisal Road.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
33	139-160-010 1849 Old Mission	0.9	7-R-1 High Res.	5	High	 <p>VACANT: Flat, no flood hazards. Some environmental constraints with mature oak trees. Site is elevated from the street and uses a common access driveway with adjacent property. Unknown construction date. Structural condition is old. Addition to garage constructed in 1971. Potential for subdivision. 5-lot subdivision requested in 1991, but not completed. Direct access along Old Mission Drive to shopping and medical services. Within walking distance to the Village Center and general services via established walking path..</p>
34	139-091-019 1731 Laurel	0.48	7-R-1 High Res.	2	High	 <p>Flat, no flood hazards, no environmental constraints. Lot split potential for infill single-family development with second residential units. One residential unit onsite. Unknown construction date. Structural condition is old. Adjacent to other small-scale residential units. Water and sewer available on the property. Close to Solvang Elementary and Middle schools. Easy access form Laurel Ave.</p>
35	139-092-005 1706 Laurel	0.44	7-R-1 High Res.	2	Medium-Low	 <p>Flat, no flood hazards, no environmental constraints. One existing bungalow and detached garage onsite. Corner lot accessible from either Laurel or Alisal Rd. Water available on the lot. Potential for additional unit with attached second residential unit. Unknown construction date. Garage constructed in 1967. The structural condition is old. Located two blocks from the Village Center and close to shopping, services and Solvang Elementary and Middle schools.</p>




Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
36	139-200-058 290 Fifth	0.28	DR-20 High Res.	1	Very High	 <p>Flat with one existing old residence and one recently constructed new residence. Three-way lot split approved. Reduced lot size due to proximity to creek in rear yard. Flood hazard and setback constraints. Potential for infill development on remaining lot for a small-scale single-family residence. Water and sewer available on property. Access form Fifth Street.</p>
37	139-174-021 1545 Oak St.	0.3	DR-20 High Res.	5	Medium-Low	 <p>Flat, no flood hazards, no environmental constraints. Redevelopment potential. Water and sewer available onsite. Existing dwellings constructed in 1950's. Structural condition is old. Permit history unavailable for several of the dwellings. Within walking distance to the Village Center, shopping and services. Easily accessible from Oak Street.</p>
38	137-590-010 1420 Mission	0.4	TRC Tourist Com.	4	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Potential for mixed use development with residential units above retail shops or offices. Located at entrance to Village area. Very close to services. Immediately adjacent to small-scale residential homes. Access via Nykobing from State Hwy 246.</p>

Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
39	139-211-004 Oak/Second St.	0.3	TRC Tourist Com.	4	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Potential for mixed use development with residential units above retail shops or offices. Located within the Village area. Very close to shopping and services. Corner lot accessible from Oak or Second Street.</p>
40	139-174-014 459 Atterdag	0.18	TRC Tourist Com.	3	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Potential for mixed use infill development with residential units above retail shops or offices. Located within the Village area. Very close to shopping and services. Easily accessible from Atterdag Road.</p>
41	139-240-033 1704 Mission Dr.	0.5	TRC Tourist Com.	4	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Approved commercial development with potential for units above retail shops or offices. Located at the entrance to the Village area. Very close to shopping and services. Easily accessible from Alisal Road.</p>

Housing Element

Site #	APN and Location	Acres	Zoning/General Plan	Units	Potential for Dev.	Site Evaluation
42	139-540-013 1925 Windmill	1.05	PO Prof. Office	10	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Approved professional office/mixed use development with four (4) residential condominiums on the second floor. Outside of Village area. Across the street from large resident-serving commercial developments (Nielsen's Shopping Center and Valley Plaza) and within walking distance to medical/hospital services. Located within the Mission Meadows single-family development. Adjacent to Site 43 and will be developed together. Easy access from Windmill Court.</p>
43	139-540-014 1927 Windmill	1.05	PO Prof. Office	10	Very High	 <p>VACANT: Flat, no flood hazards, no environmental constraints. Water and sewer available at property line. Approved professional office/mixed use development with four (4) residential condominiums on the second floor. Outside of Village area. Across the street from large resident-serving commercial developments (Nielsen's Shopping Center and Valley Plaza) and within walking distance to medical/hospital services. Located within the Mission Meadows single-family development. Adjacent to Site 42 and will be developed together. Easy access from Windmill Court.</p>
44	137-660-045 781 Fredensborg	1.0	1-E-1 Low. Res.	1	High	 <p>VACANT: Steep slopes, no flooding hazard, woodland area. One-acre parcel with potential for a single-family dwelling and possibly an attached second residential unit. Water and sewer available at property line. Interior lot. Access via shared driveway from Fredensborg Canyon Road.</p>

APPENDIX C: GLOSSARY OF TERMS



Acre: A unit of land measure equal to 43,560 square feet.

Acreage, Net: The portion of a site exclusive of existing or planned public or private road rights-of-way.

Affordability Covenant: A property title agreement, which places resale or rental restrictions on a housing unit.

Affordable Housing: Under State and Federal statutes, housing which costs no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowner association fees, and other related costs.

Annexation: The incorporation of land area into the jurisdiction of an existing city with a resulting change in the boundaries of that city.

Assisted Housing: Housing that is subsidized by federal, state, or local housing programs.

Assisted Living Facilities: Assisted living facilities are designed for elderly individuals needing assistance with activities of daily living but desiring to live as independently as possible. Such facilities bridge the gap between independent living and nursing homes, and offer residents help with daily activities such as eating, bathing, dressing, laundry, house-keeping, and assistance with medications. Assisted living can help meet the housing and supportive services needs of Solvang's senior population.

At-Risk Housing: Affordable rental housing that is at risk of losing its status as housing affordable for low and moderate-income residents due to the expiration of federal, state or local agreements.

California Department of Housing and Community Development - HCD: The State Department responsible for administering State-sponsored housing programs and for reviewing housing elements to determine compliance with State housing law.



Census: The official United States decennial enumeration of the population conducted by the federal government.

Co-housing: Co-housing is a type of collaborative housing designed to offer residents an old-fashioned sense of neighborhood. Co-housing communities consist of private single- or multi-family dwelling units owned by the residents and extensive common amenities that may include a common house and recreation areas, as well as common services such as day care and common meals. The communities are designed and managed by the residents who have chosen to live in a close-knit neighborhood. Co-housing communities currently exist throughout California in a variety of settings and cities, including Berkley, Davis, Oakland, Pasadena, and Santa Barbara. The concept is said to have originated in Denmark in the 1960s, so it seems an appropriate extension of Solvang's Danish heritage.

Community Development Block Grant (CDBG): A grant program administered by the U.S. Department of Housing and Urban Development (HUD). This grant allots money to cities and counties for housing rehabilitation and community development activities, including public facilities and economic development.

Condominium: A building or group of buildings in which units are owned individually, but the structure, common areas and facilities are owned by all owners on a proportional, undivided basis.

Density: The number of dwelling units per unit of land. Density usually is expressed "per acre," e.g., a development with 100 units located on 20 acres has density of 5.0 units per acre.

Density Bonus: The allowance of additional residential units beyond the maximum for which the parcel is otherwise permitted usually in exchange for the provision or preservation of affordable housing units at the same site or at another location.

Development Impact Fees: A fee or charge imposed on developers to pay for a jurisdiction's costs of providing services to new development.

Development Right: The right granted to a land owner or other authorized party to improve a property. Such right is usually expressed in terms of a use and intensity allowed under existing

zoning regulation. For example, a development right may specify the maximum number of residential dwelling units permitted per acre of land.

Dwelling, Multi-family: A building containing two or more dwelling units for the use of individual households. An apartment or condominium building is an example of this type of dwelling unit.

Dwelling, Single-family Attached: A one-family dwelling attached to one or more other one-family dwellings by a common vertical wall. Row houses and town homes are examples of this dwelling unit type.

Dwelling, Single-family Detached: A dwelling, not attached to any other dwelling, which is designed for and occupied by not more than one family and surrounded by open space or yards.

Dwelling Unit: One or more rooms, designed, occupied or intended for occupancy as separate living quarters, with cooking, sleeping and sanitary facilities provided within the unit for the exclusive use of a household.

Elderly Household: As defined by HUD, elderly households are one- or two- member (family or non-family) households in which the head or spouse is age 62 or older.

Element: A division or chapter of the General Plan.

Emergency Shelter: An emergency shelter is a facility that provides shelter to homeless families and/or homeless individuals on a limited short-term basis.

Fair Market Rent (FMR): Fair Market Rents (FMRs) are freely set rental rates defined by HUD as the median gross rents charged for available standard units in a county or Standard Metropolitan Statistical Area (SMSA). Fair Market Rents are published annually by HUD used for the Section 8 Rental Program and many other HUD programs.

First-Time Home Buyer: Defined by HUD as an individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home. Jurisdictions may adopt local definitions for first-time homebuyer programs



which differ from non-federally funded programs.

Floor Area Bonus: A development incentive, which would grant of additional floor area for mixed-use (commercial) projects that include senior housing or affordable housing units for, low and very-low income households. A floor area bonus would grant additional commercial floor space by reducing setbacks, landscaping or parking, or by increasing the height limit.

Floor Area Ratio (FAR): The gross floor area of all buildings on a lot divided by the lot area; usually expressed as a numerical value (e.g., a building having 10,000 square feet of gross floor area located on a lot of 5,000 square feet in area has a floor area ratio of 2:1).

General Plan: The General Plan is a legal document, adopted by the legislative body of a City or County, setting forth policies regarding long-term development. California law requires the preparation of seven elements or chapters in the General Plan: Land Use, Housing, Circulation, Conservation, Open Space, Noise, and Safety. Additional elements are permitted, such as Economic Development, Urban Design and similar local concerns.

Group Quarters: A facility, which houses groups of unrelated persons not living in households (U.S. Census definition). Examples of group quarters include institutions, dormitories, shelters, military quarters, assisted living facilities and other quarters, including single-room occupancy (SRO) housing, where 10 or more unrelated individuals are housed.

HCD: The State Department of Housing and Community Development.

Home Mortgage Disclosure Act (HMDA): The Home Mortgage Disclosure Act requires larger lending institutions making home mortgage loans to publicly disclose the location and disposition of home purchase, refinance and improvement loans. Institutions subject to HMDA must also disclose the gender, race, and income of loan applicants.

HOME Program: The HOME Investment Partnership Act, Title II of the National Affordable Housing Act of 1990. HOME is a Federal program administered by HUD which provides formula grants to States and localities to fund activities that build, buy,



and/or rehabilitate affordable housing for rent or home ownership or provide direct rental assistance to low-income people.

Homeless: Unsheltered homeless are families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., the street, sidewalks, cars, vacant and abandoned buildings). Sheltered homeless are families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter (e.g., emergency, transitional, battered women, and homeless youth shelters; and commercial hotels or motels used to house the homeless).

Household: The US Census Bureau defines a household as all persons living in a housing unit whether or not they are related. A single person living in an apartment as well as a family living in a house is considered a household. Household does not include individuals living in dormitories, prisons, convalescent homes, or other group quarters.

Household Income: The total income of all the persons living in a household. A household is usually described as very low income, low income, moderate income, and upper income based upon household size, and income, relative to the regional median income.

Housing Problems: Defined by HUD as a household which: (1) occupies a unit with physical defects (lacks complete kitchen or bathroom); (2) meets the definition of overcrowded; or (3) spends more than 30% of income on housing cost.

Housing Subsidy: Housing subsidies refer to government assistance aimed at reducing housing sales or rent prices to more affordable levels. Two general types of housing subsidy exist. Where a housing subsidy is linked to a particular house or apartment, housing subsidy is “project” or “unit” based. In Section 8 rental assistance programs the subsidy is linked to the family and assistance provided to any number of families accepted by willing private landlords. This type of subsidy is said to be “tenant based.”

Housing Unit: A room or group of rooms used by one or more individuals living separately from others in the structure, and with direct access to the outside or to a public hall and containing



separate toilet and kitchen facilities.

HUD: See U. S. Department of Housing and Urban Development.

Income Category: Four categories are used to classify a household according to income based on the median income for the county. Under state housing statutes, these categories are defined as follows: Very Low (0-50% of County median); Low (50-80% of County median); Moderate (80-120% of County median); and Upper (over 120% of County median).

Large Household: A household with 5 or more members.

Live-Work Units: Live-work projects refer to units that contain both living quarters and studio/workshop space, such as artist lofts. In some instances, the business activity occupying the live/work unit may utilize employees in addition to the residents. However, at least one of the full-time workers of the live/work unit must reside in the unit, and the residential area cannot be rented separately from the working area. Live-work units are frequently created through the adaptive reuse of non-residential structures, but may also be developed as a new building designed for such use. This type of housing could provide business opportunities to enhance Solvang's tourist-based economy.

Manufactured Housing: Housing that is constructed of manufactured components, assembled partly at the site rather than totally at the site. This is also referred to as modular housing.

Market-Rate Housing: Housing which is available on the open market without any subsidy. The price for housing is determined by supply and demand and varies by location.

Median Income: The annual income for each household size within a region which is defined annually by HUD. Half of the households in the region have incomes above the median and half have incomes below the median.

Mobile Home: A structure, transportable in one or more sections, which is at least 8 feet in width and 32 feet in length, is built on a permanent chassis, and designed to be used as a dwelling unit when connected to the required utilities, either with or without a permanent foundation.





Mortgage Revenue Bond (MRB): A state, county or city program providing financing for the development of housing through the sale of tax-exempt bonds.

Overcrowding: As defined by the U.S. Census, a household with greater than 1.01 persons per room, excluding bathrooms, kitchens, hallways, and porches. Severe overcrowding is defined as households with greater than 1.51 persons per room.

Overpayment: The extent to which gross housing costs, including utility costs, exceed 30 percent of gross household income, based on data published by the U.S. Census Bureau. Severe overpayment, or cost burden, exists if gross housing costs exceed 50 percent of gross income.

Parcel: The basic unit of land entitlement. A designated area of land established by plat, subdivision, or otherwise legally defined and permitted to be used, or built upon.

Physical Defects: A housing unit lacking complete kitchen or bathroom facilities (Census definition). Jurisdictions may expand this definition in defining units with physical defects.

Project-Based Rental Assistance: Rental assistance provided for a project, not for a specific tenant. A tenant receiving project-based rental assistance gives up the right to that assistance upon moving from the project.

Public Housing: A project-based low-rent housing program operated by independent local public housing authorities. A low-income family applies to the local public housing authority in the area in which they want to live.

Redevelopment Agency: California Community Redevelopment Law provides authority to establish a Redevelopment Agency with the scope and financing mechanisms necessary to remedy blight and provide stimulus to eliminate deteriorated conditions. The law provides for the planning, development, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, and the provision of public and private improvements as may be appropriate or necessary in the interest of the general welfare by the Agency. Redevelopment law requires an Agency to set aside 20 percent of all tax increment dollars generated from each redevelopment project area for the purpose of

increasing and improving the community's supply of housing for low and moderate income households.



Regional Housing Needs Plan (RHNP): The Regional Housing Needs Plan (RHNP) is based on State of California projections of population growth and housing unit demand and assigns a share of the region's future housing need to each jurisdiction within the Santa Barbara County Association of Governments (SBCAG). These housing need numbers serve as the basis for the update of the Housing Element in each California city and county.

Rehabilitation: The upgrading of a building previously in a dilapidated or substandard condition for human habitation or use.

Second Residential Unit: An attached or detached dwelling unit on a permanent foundation, located in a single-family zone district, which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking and sanitation on the same parcel as the principal structure is located.

Section 8 Rental Voucher/Certificate Program: A tenant-based rental assistance program that subsidizes a family's rent in a privately owned house or apartment. The program is administered by local public housing authorities. Assistance payments are based on 30 percent of household annual income. Households with incomes of 50 percent or below the area median income are eligible to participate in the program.

Senior: The Census Bureau defines a senior as a person who is 65 years or older. For persons of social security eligibility, a senior is defined as a person age 62 and older. Other age limits may be used for eligibility for housing assistance or retired communities.

Service Needs: The particular services required by special populations, typically including needs such as transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services preventing premature institutionalization and assisting individuals to continue living independently.

Special Needs Groups: Those segments of the population which have a more difficult time finding decent affordable

housing due to special circumstances. Under California Housing Element statutes, these special needs groups consist of the elderly, handicapped, large families, female-headed households, farm workers and the homeless. A jurisdiction may also choose to consider additional special needs groups in the Housing Element, such as students, military households, other groups present in their community.



Subdivision: The division of a lot, tract or parcel of land in accordance with the Subdivision Map Act (California Government Code Section 66410 et seq.).

Substandard Housing: Housing which does not meet the minimum standards contained in the State Housing Code (i.e. does not provide shelter, endangers the health, safety or well-being of occupants). Jurisdictions may adopt more stringent local definitions of substandard housing.

Substandard, Suitable for Rehabilitation: Substandard units, which are structurally, sound and for which the cost of rehabilitation is considered economically warranted.

Substandard, Needs Replacement: Substandard units which are structurally unsound and for which the cost of rehabilitation is considered infeasible, such as instances where the majority of a unit has been damaged by fire.

Tenant-Based Rental Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Transitional Housing: Transitional housing is temporary (often six months to two years) housing for a homeless individual or family who is transitioning to permanent housing. Transitional housing often includes a supportive services component (e.g. job skills training, rehabilitation counseling, etc.) to allow individuals to gain necessary life skills in support of independent living.

U.S. Department of Housing and Urban Development (HUD): The cabinet level department of the federal government responsible for housing, housing assistance, and urban development at the national level. Housing programs

Housing Element

administered through HUD include Community Development Block Grant (CDBG), HOME and Section 8, among others.

Zoning: A land use regulatory measure enacted by local government. Zoning district regulations governing lot size, building bulk, placement, and other development standards vary from district to district, but must be uniform within the same district. Each city and county adopts a zoning ordinance specifying these regulations.

