July 17, 2006

Anne Wells
General Plan EIR Manager
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Re: Comments on Draft Goleta General Plan EIR

Dear Ms. Wells:

The Goleta Housing Leadership Council has reviewed the draft Environmental Impact Report for the draft Goleta General Plan/Coastal Land Use Plan. We have the following general comments on the draft EIR, followed by specific comments on various subsections of the document. In submitting our comments, our objective is to help the City prepare an EIR that supports a General Plan that is internally consistent, meets State housing requirements and facilitates the creation of affordable and workforce housing in our community.

General Comments

The draft Goleta General Plan Environmental Impact Report is a very large and complex document. One of the major difficulties in reviewing the adequacy of the EIR document is that it was released in May 2006 based on a March 20, 2006 version of the draft General Plan that been undergoing revisions. Since that time, significant changes have been made to the various General Plan Elements and these revisions continued until the closing of the public hearing process on the General Plan on July 11, 2006. It has been difficult to evaluate the adequacy of the draft EIR when the General Plan project was itself still in flux and has only just been formulated in its entirety.

Many of the revisions to the draft General Plan are not inconsequential. For example, three new policies were added to the Transportation Element, TE 5.12, 5.13 and 5.14, that propose new transportation projects to widen freeway access roadways on Storke Road and Fairview Avenue between Hollister Avenue and US101 and add a lane in each direction on Los Cerreros Road south of Hollister Avenue. These policies affect two major freeway interchange intersections (Storke and Fairview) and a key roadway segment (Los Cerreros) that are important components of the City of Goleta’s transportation system. However, these policies were first introduced at the final General Plan public hearing on July 10, 2006. The public hearing on the General Plan was closed the following day, on July 11, 2006, thus giving the public little time to evaluate or comment on the effects of the addition of the new policies. The new transportation policies directly impact the Land Use...
and Housing Elements and their resultant environmental impacts, whether positive or negative, should have been analyzed as part of the draft EIR.

Moreover, there appear to be inconsistencies between the draft General Plan as it has evolved over the past months and the information base that was used for the draft EIR. Some of the standards in the draft EIR are also different than those used in the General Plan documents.

For example, Figure 3.1-1 of the draft EIR identifies six Gateway areas in the City where scenic views need to be protected. However, these Gateway areas are not designated as such on Figure 14 Scenic and Visual Resources in the draft Visual and Historic Resources of the General Plan. Moreover, two of the Gateway areas in the draft EIR Figure 3.1-1 are entirely new scenic designations that are not included in the General Plan document. The designation of additional scenic areas in the draft EIR is significant since impacts to visual resources has been found to have Class I impacts that affect the viability of sites designated in the Housing Element to meet State mandated RHNA housing production.

In another example, environmentally sensitive habitat areas (ESHA) have grown in scale in the draft EIR as compared to the draft General Plan. Figure 3.4-3 Environmentally Sensitive Habitat Areas in the draft EIR shows new and expanded ESHA on properties southwest of US101 along Los Cerranos Road and on the Bishop Ranch property north of US101 and east of Glenn Annie Road that are not included on Figure 4-2 Environmentally Sensitive Habitat Areas in the draft Conservation Element of the General Plan. Yet there has been no scientific analysis provided to explain or support the enlargement of these areas. Moreover, no analysis has been presented to prove that these areas are necessarily rare and endangered and meet the definition of an ESHA.

Another major weakness of the Goleta General Plan EIR is that very little technical data is provided. Many of the findings made in various sections appear to have been made with little or no supporting data. So, it is difficult for the public to evaluate whether the factual data would support the findings.

The public should be able to view the data and analysis used in many of the draft EIR sections (e.g. Noise, Visual Resources, Biological Resources) so that interested parties can evaluate the merit of the technical documentation and see that it supports the major draft EIR findings and determine that it is consistent with site-specific data on record.

We also note another significant flaw in the draft EIR that needs to be corrected. In many of the sections there is limited and in some cases no identification of a reasonable range of practical mitigation measures for environmental impacts (we note in particular the absence of mitigation measures in the Air Quality section).

Finally, there has been very little information provided in the draft EIR that examines the local and regional environmental impacts of the various alternatives to the General Plan Project that are presented. Lower development scenarios are simply assumed to produce lesser environmental effects, although no substantial evidence is presented to support this underlying assumption. However, this assumption may be erroneous, as there are many local and interregional impacts to lesser development scenarios that may engender unanticipated, counter-intuitive environmental consequences. For example, given the City of Goleta’s chronic jobs-housing imbalance, reducing the residential development capacity within the City could result in increased workforce commuting with resultant greater local
traffic congestion (due to US101 spillover onto major Goleta arterials) and air quality deterioration. Similarly, reducing the density of housing development on key sites along Hollister Avenue designated for RHNA housing production may eliminate alternative transportation modes—such as rapid bus service—that rely on higher population densities to be cost effective. The EIR simply lacks any substantial environmental analysis of the alternatives to the General Plan Project.

In light of these fundamental weaknesses in the draft EIR, we believe that the Goleta General Plan EIR should be revised to reflect the General Plan Project revisions through the closure of the public hearings on July 11, 2006. Secondly, technical data used to justify and support the draft EIR findings in the various subsections should be released for public review. The revised EIR should then be re-circulated so that the public has adequate time to digest the revisions to the General Plan and evaluate the resultant environmental impacts in an up-to-date revised draft EIR that reflects the Goleta General Plan Project in its current form.

Executive summary:

Page ES-4: Growth-Inducing Impacts

The EIR Executive Summary states in the first paragraph in this section that, “The GP/CLUP would allow for the development of 3,370 new residential units. This is a direct form of growth inducement. The number of units would accommodate about 7,421 new residents in the City, which would bring the City’s population to 38,100. This population growth would also place an increased demand on public services, utilities, and public infrastructure in the City and surrounding areas”.

The EIR makes an assumption that construction of residential units automatically results in growth and that the accompanying population growth would be new residents, with an increased demand on public services and infrastructure. However, the EIR presents no data to support these general assumptions; therefore these comments appear entirely speculative. In fact, the conclusions drawn in this paragraph may be erroneous, for the following reasons.

Firstly, there has been no evidence presented to support the claim that the construction of residential units in itself causes population growth. On the contrary, the market for housing construction typically follows and responds to the demand generated by population and job growth. There is ample evidence from local and regional demographers and economists, that growth in Goleta and the South Coast region has been and will continue to be driven primarily by natural population increase (i.e. births over deaths) and job growth. The 2006 Santa Barbara County Real Estate and Economic Forecast states, “The dominant component of population growth is from the natural increase. While new migrants into the county comprised most of the population gain in 2000, it is unlikely that the level of new migration will exceed the natural increase in population for the foreseeable future.”

Footnote 1: Population growth in the State of California between 1991 and 2001 averaged 1.3 percent per year. In the Goleta Valley population grew at a slightly slower rate of 1.1 percent per year during the same period. Between 1990 and 2000, the population of Santa Barbara County grew by just under 39,000 people, representing a 10 percent increase. Most of the population gain (85%) was due to natural increase—births less deaths—rather than net migration. Source: “Face of the Housing Crisis: A Profile of Goleta Housing Needs”, Goleta Housing Leadership Council, October 2003.
Therefore, without a supporting demographic analysis, the EIR cannot claim that the construction of residential units in itself is a direct form of growth inducement.

Secondly, the EIR does not take into consideration several factors that would support the assertion that the development of 3,370 new residential units would primarily meet existing community housing needs.

Population growth in the Goleta Valley over the past decade or more, as in most of California, has exceeded housing production\(^2\). Goleta has also failed to produce enough housing to match the past local population and employment growth. During the period 1993 to 2002 only 1,411 housing units were permitted and built in the Goleta Valley, with about 62% of this housing production or 891 units occurring within the boundaries of the new City of Goleta\(^3\). At the same time the population of the Goleta Valley area grew by an estimated 9,100 persons. Using the average household size of about 2.77 persons for the Goleta Valley (Source: 2000 U.S. Census), the number of units needed just to house the increase in population in the Goleta Valley during this period was 3,285 units, yet only 43% of this needed housing was actually produced\(^4\). Therefore Goleta has a significant shortfall or past deficit of housing production necessary to meet current population needs.

Housing Production in the Goleta Valley has not even kept pace with the amount annually allocated under the past local growth control ordinance that was in place prior to the incorporation of the City of Goleta. The Goleta Valley and City of Goleta has an existing deficit of housing of some 1,960 units that could have been developed under the Goleta Growth Management Ordinance\(^5\). This represents over 50% of the proposed new residential development under the draft Goleta General Plan. Therefore half of the proposed residential development in the General Plan addresses an existing local deficit for population and employment growth that has already occurred.

Secondly, the City has adopted a Policy HE1.2 Local Preference for Affordable Housing in the draft Housing Element of the General Plan that gives preference in the marketing and selection of occupants of new affordable rental and homeownership housing to persons

\(^2\) "To meet demand, California homebuilders would have to construct an average of 220,000 additional housing units each and very year through 2020. Since 1987, new single- and multi-family home production has averaged just 141,000 units per year." (Raising the Roof, chapter 2, California Department of Housing and Community Development and UC Berkeley, May 2000)

\(^3\) This number does not include the 363-unit Maravilla Senior Complex. Maravilla is an independent and assisted living complex restricted to senior citizens and is not available as a normal market rate project. Total housing units including Maravilla would be 1,774.


\(^5\) In November 1989 the County Board of Supervisors instituted a Goleta Growth Management Ordinance (GGMO) restricting residential and commercial development within the Goleta Valley. The ordinance, which was replaced with a new ordinance in 1999, limited the amount of residential housing that could be developed each year within the Goleta Valley to 200 units. At the end of the 2001 growth management year, the residential pool of cumulative annual allocations included 1,761 residential units available for market rate projects. And, an additional 200 units were available in 2002. Therefore the past GGMO area had a total of 1,961 residential units still available for market rate development at the end of 2002. In 2003 the County of Santa Barbara abandoned the GGMO ordinance. And in 2003 the Goleta City Council adopted a GCGMO that exempts residential construction." Source: "Face of the Housing Crisis: A Profile of Goleta’s Community Housing Needs", Goleta Housing Leadership Council, October 2003.
working and/or residing in the City of Goleta. The City has also required that a large portion of the housing that could be developed under the Land Use and Housing Elements of the General Plan be targeted as affordable (55% of the 942 units projected for development in the central Hollister Avenue area must be affordable and 30% of all other projects citywide). Therefore, a total of 36% of the housing to be constructed under the General Plan would have to be marketed to local residents and employees, including those who are commuting to Goleta for work. These local residents, employees and workforce commuters are already in Goleta, impacting the community with traffic, shopping, use of services and facilities. The construction of housing targeted to existing residents and local workers would therefore not necessarily generate any additional growth or environmental impacts. In fact, affordable housing that serves local employees could possibly reduce commuting and resultant traffic impacts to major arterials and freeway exchange intersections.

Furthermore, due to the lack of housing production and high housing costs, it is projected that average household size will increase and more overcrowding will occur in the existing housing stock. That is, the population might increase despite the lack of housing construction. Therefore, construction of new housing targeted to Goleta residents and local workers could ease overcrowding.

The draft EIR has not evaluated the impact of the existing housing shortage, overcrowding or the Local Preference policy adopted in the draft Housing Element in carrying out its analysis of the environmental impacts of residential development. The draft EIR should be revised to include such an analysis.

Page ES-3, Paragraph 3 under this same growth-inducing section the draft EIR states,

"The GP/CLUP would lead to more intensive use of areas currently underutilized, this would stimulate significant economic or population growth, remove obstacles to population growth, would necessitate the construction of new community facilities that would lead to additional growth in the surrounding areas. Therefore, the proposed project would directly and indirectly foster growth in the City and surrounding areas."

There is an assumption here that using land more intensely automatically leads to economic and population growth by removing obstacles to population growth. The EIR concludes that the proposed project directly and indirectly fosters growth.

Again, these assumptions and the resultant conclusion have been made without any analysis and may be erroneous. The Santa Barbara County Association of Governments

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6 36% is calculated in the following manner. The total build-out proposed by the General Plan Project is 3,730 units. 942 of these units are located in the Central Hollister Affordable Housing Overlay Zone and are subject to the 55% inclusionary requirement for affordable housing. This would result in 518 affordable units. The remaining 2,788 potential new units are subject to a 30% inclusionary requirement, resulting in 836 affordable units. The total number of potential affordable units is thus 1,355 units, representing 36% of the total residential build-out.

7 The SBCAG Regional Growth Forecast 2000-2030 states, "In general, household size, which is the number of persons living in a housing unit, is expected to increase, reflecting higher housing costs and demographic changes in ethnicity for example. More workers may live together to afford the cost of housing. Because there are more workers in a housing unit, population may increase without an increase in the overall number of housing units", Santa Barbara County Association of Governments, Regional Growth Forecast 2000-2030, March 2002.
(SBCAG) has forecast an implied compound annual rate of growth in population for the City of Goleta between 2000 and 2020 of 0.98 percent, compared to the projected statewide average of 1.3%. Population growth may occur through other factors that are independent of land use decisions, including mortality and birth rates, changing demographics and net migration. Similarly, job growth is dependent upon many national, regional and even international factors (such as interest rates, energy costs, etc.)

The EIR should be revised to omit these unsubstantiated assumptions.

Project description

Environmental review law requires a stable project description. Unfortunately, the draft EIR was based on the version of the draft Goleta General Plan released on March 20, 2006. Since that time, significant revisions have been made to the General Plan Land Use Element, Housing Element, Noise Element, Conservation Element and Transportation Element. The last of these revisions were made by the Planning Agency at a joint Planning Agency/City Council public hearing held on the General Plan on Tuesday, July 12, 2006.

Some examples of significant changes to the General Plan documents that warrant re-examination of environmental impacts and additional time for public review include:

- The Transportation Element now includes new transportation policies 5.12, 5.13 and 5.14 that add major capacity improvements at the Storke Road and Fairview intersections between Hollister and US101 and Los Carneros roadway segment south of Hollister that result in significant changes to the intersection LOS and roadway segment ADT.

- The Land Use Element has added an entire new subsection LU 1.5 "Compatibility of Existing and New Industrial Areas with Adjacent Residential Development", as well as a new section LU 4.6 related to the South Kellogg Industrial Area.

- A new Section LU 4.3 has been added to the Office and Institutional section of the Land Use Element that creates a Hospital Overlay in the vicinity of Hollister Avenue and Patterson Avenue to accommodate rehabilitation and expansion of the Goleta Valley Cottage Hospital.

- The Fiscal Analysis of the General Plan was not even available to the public until the special Planning Agency meeting of July 11, 2006. There has been virtually no time to analyze whether the results of the fiscal analysis impact the draft EIR. Based on public input by the Goleta Housing Leadership Council, revisions may also be needed to the fiscal analysis.

In addition, as previously mentioned in the general comment section of this letter, there are differences between the draft EIR and draft General Plan documents that have not yet been reconciled.

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Therefore the General Plan project has been in substantial flux and the current document includes significant changes from the March 2006 draft used to conduct the EIR. Moreover, there has been inadequate time for the public to review the recent changes to the draft General Plan and evaluate the impact of these changes in relationship to environmental concerns. Since the General Plan Project has changed substantially, the EIR should be revised to analyze and evaluate the environmental impacts of the General Plan revisions and re-circulated for public comment. Without this re-evaluation process, we are concerned that the EIR may not be legally defensible.

Visual Resources

General Deficiencies

There are serious deficiencies in the EIR analysis of visual resources. There is no cogent definition of visual resources in the draft EIR and visual resources appear to have been designated in an arbitrary and subjective manner. Sections 3.1.1.2 and 3.1.1.3 on pages 3.1-2 through 3.1-4 of the draft EIR list visual resources and key public viewpoints in the City of Goleta, however, there is no rationale given for their identification as being of significant scenic value. Moreover, Figure 3.1-1 indicates scenic views to be protected with large yellow symbols that are placed over an aerial map of the City of Goleta. These areas appear to be quite broad. However, there is no written or legal description of the properties where these scenic views are located or how wide or extensive an area the scenic view shed may encompass. It is difficult to ascertain the specific location of the scenic view from this map and this leaves the determination of the scenic area to subjective interpretation.

The EIR asserts under 3.1.3.3 Project Impacts that there are Class I Long-Term Impacts on Visual Resources within the City along Hollister Avenue and the City Gateways. However, no objective measures have been established to evaluate visual resources and scenic views. And, no analysis or data has been presented in the EIR to support the finding of Class I impacts. This information should be provided.

On page 3.1-10 the EIR states under section Impact 3.1-2: Impacts of GP/CLUP on Citywide Visual Character that “Implementation of the GP/CLUP could result in a significant change to the visual character of the City because design standards and policies are subjective”. This section also notes that an exception to this occurs in the Coastal Open Space Areas where only open space or passive uses would occur. This seems to imply that any development could have an impact on the visual character of the community except for open space and passive areas where no development would occur. The underlying assumption here is that development of residential units and commercial spaces inherently create negative impacts to visual resources and scenic views. Rationale should be provided to support this assumption if this is true.

The draft EIR then asserts that since design standards and policies are subjective (i.e. there are no objective standards for protection of views), a finding of a Class I impact must therefore be made. The finding of Class I impacts appears to be based on an arbitrary and unsubstantiated identification of scenic visual resources impacts for which no clear description has been provided. This appears to be a circular argument of great breadth and impact with no rationale or foundation. It would seem to infer that all development of any kind negatively impacts scenic views and presents no opportunities for mitigation. It also assumes that urban development would obscure the scenic view, but does not account for mitigations such as site layout and design that might preserve significant view corridors.
We also note that figure 3.1-1 of the draft EIR identifies six Gateway areas in the City where scenic views need to be protected. However, these Gateway areas are not designated as such on Figure 14 Scenic and Visual Resources in the draft Visual and Historic Resources of the General Plan. Moreover, two of the Gateway areas in the draft EIR Figure 3.1-1 are entirely new scenic designations that are not included in the General Plan document. The designation of additional scenic areas in the draft EIR is significant since impacts to visual resources has been found to have Class I impacts that affect the viability of sites designated in the Housing Element to meet State mandated RHNA housing production. This inconsistency between the draft EIR and draft General Plan should be resolved.

Finally, the Visual Resources section of the draft EIR needs to present a reasonable range of mitigation measures to resolve the Class I Impacts.

Lack of Analysis on Constraints to Housing Development

A significant concern is that Class I impacts to visual resources may be found on key sites identified in the draft Housing Element of the General Plan to meet residential housing production under the State mandated Regional Housing Needs Allocation (RHNA). If Figure 3.1-1 in the draft EIR, which designates Public Viewpoints to be protected, is correlated to Figure 10A-3 Sites Suitable for Residential Development in the Land Use/Coastal Plan of the General Plan, a disturbing pattern is revealed. It appears that significant scenic views are located near or adjacent to all of the following key housing production sites: 14, 20, 21, 22, 23, 24, 25, 28, 32 and 37. The combined potential housing production capacity of these sites is 1,378 residential units, as calculated from Tables B-G in the Technical Appendix to the draft Housing Element. Location of scenic views near these properties, which are primarily designated for higher density residential development, could mean that any development that blocks views would not be allowed.

 Unfortunately, the City's calculation of the development capacity of these sites (see Tables B-G in the Technical Appendix of the Housing Element) does not take into consideration development constraints due to visual resources. Therefore, the development capacity of the sites may have been significantly overestimated.

The draft EIR therefore creates Class I impacts for visual resources, which are an optional environmental concern, that apply to the urban infill sites that have been designated in the Land Use and Housing Element for meeting State mandated RHNA housing production. This may make it infeasible to develop some of the identified housing production sites or at least significantly reduce the development capacity of these properties, unless a determination of overriding findings is made.

Accordingly, the policies in the Visual Resources Element are in direct contradiction with Land Use Element designations and the housing production goals of the Housing Element. This constitutes a major inconsistency between the Land Use Element and Housing Element and the policies of the Visual and Historic Resources Element. This internal inconsistency in the General Plan must be resolved.

The draft EIR should be revised to include an analysis of the impact of the visual resources policies on the development capacity of remaining vacant parcels identified in the Housing Element for meeting the City's RHNA housing production goals. Conflicting policies in the
Visual and Historic Resources Element, Land Use and Housing Element should be resolved to remove any internal inconsistencies between these General Plan elements.

Agriculture

The General Plan calls for the preservation of prime agricultural lands. Prime agricultural land must meet criteria related to soil conditions as well as a time component of active use. However, the draft EIR contains no substantial analysis of the current condition and viability of agricultural lands within the City. This analysis should be included in the EIR.

In applying the designation of prime agricultural lands that must be preserved, we believe that the City misidentifies agricultural properties in the General Plan and EIR analysis. There are Ag zoned properties that are not viable and do not meet the definition of agricultural properties (based on soil condition and not having been actively farmed in the past 4 years), most notably the Bishop Ranch property. The EIR also identifies Class I impacts on sites that are currently being used for agriculture but are zoned for residential use, for example the La Sumida site which has been approved for a 200-unit apartment project. In the case of the La Sumida property, the designation of unique farmland is in direct conflict with the site’s zoning in the Land Use Element for residential use and its designation for the production of affordable housing for lower income households in the Housing Element.

The misapplication of the definition of prime agricultural lands and the conflicts between the designation of sites of agricultural importance and residential uses in the Land Use and Housing Element creates an internal inconsistency within the General Plan.

We also note that there should be a study of alternative uses for sites of agricultural significance designated in the draft EIR. And, no alternative mitigations are proposed for preservation of agricultural land.

Air Quality

The air quality section of the draft EIR states that the Goleta General Plan growth projections are not consistent with the County’s Clear Air Plan (CAP) and would have long-term Class I significant and unavoidable impacts. This conclusion is based on a comparison of 2030 Vehicle Miles Traveled (VMT) projections for regional air quality between the CAP and City's General Plan, which indicates the City’s average annual increase of 1.15% exceeds the CAP annual increase of 1.10%.9 While this conclusion may seem contradictory, since the City of Goleta uses a lower average annual population increase factor (97%) than the CAP (1.18%),9 the draft EIR report explains that, “The increase of VMT is attributable to an increase in the number of average trips per household, longer average trip length, and the average trip distance (SBCAG 2004).”

We might surmise that the higher VMT level under the General Plan Project may occur because of an increase in longer distance commuting by the local workforce. This might argue in favor of higher residential production that would provide homes in the community targeted to the local workforce, thus decreasing average commuting trip length and trip

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9 See Table 3.3-5 Comparison of 2030 VMT Projections on page 3.3-16 of the draft EIR.
10 See Table 3.3-4 Comparison of Population Projections on page 3.3-15 of the draft EIR.
distance. However, it is difficult to speculate on the reasons for the higher VMT level (given a lower population projection) without viewing the methodology and data used to perform the CAP.

Secondly, we question whether the CAP methodology and analysis accounts for the beneficial impact of city policies in the Land Use, Housing Element and Transportation Element that may temper increases in VMT. For example, the Land Use Element and Housing Element call for production of substantial numbers of affordable housing located on properties adjacent to major employment centers along Hollister Avenue. The Housing Element also contains a Local Preference Policy HE 1.2 that encourages priority in marketing and selection of project occupants to persons working or residing in Goleta. Location of housing near employment, combined with the Local Preference Policy, could have a significant effect in reducing long-distance commuting and resultant regional air quality. Similarly, alternative transportation modes—such as pedestrian walkways and bike paths and employee vanpooling—along the Hollister transportation corridor can work to reduce VMT.

We also note that the EIR needs to identify or present any specific mitigation measures to air quality impacts.

This section of the draft EIR should be revised to explain why the CAP and Goleta General Plan results diverge on air quality projections based on population and VMT growth. And, specific mitigation measures to offset air quality impacts should be presented.

**Biological Resources**

There are several general weaknesses in the biological resources section of the draft EIR that should be corrected. In the draft EIR naturally occurring habitat on many properties is defined as "ESHA" (environmentally sensitive habitat area). However, there is no supporting biological analysis or scientific evidence presented to justify that these areas meet the General Plan standards or definition of ESHA, for example as areas containing rare or endangered species that are especially valuable. The draft EIR does not use the General Plan standards in identifying ESHA.

Environmentally sensitive habitat areas (ESHA) identified in the draft EIR have also grown in scale in the draft EIR as compared to the draft General Plan. Figure 3.4-3 Environmentally Sensitive Habitat Areas in the draft EIR shows new and expanded ESHA on properties southwest of US101 along Los Carneros Road and on the Bishop Ranch property north of US101 and east of Glenn Annie Road that are not included in Figure on Figure 4-2 Environmentally Sensitive Habitat Areas in the draft Conservation Element of the General Plan. Scientific analysis needs to be provided to support the enlargement of these areas and that these areas meet the definition of an ESHA.

A critical omission in the draft EIR is the lack of identification and analysis of inconsistencies between the General Plan Conservation Element, Land Use and Housing Elements. Overly restrictive environmental standards in the Conservation Element create

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11 Section 30107.5 of the City of Goleta Conservation Element provides the following definition of ESHA, "Environmentally sensitive area" means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments."
unnecessary barriers to needed residential housing production. Examples of Conservation Element policies that may significantly diminish the development footprint on vacant properties zoned for residential use in the Land Use Element and designated in the Housing Element to meet State mandated RHNA housing production include: expanded buffer zones (100 feet, which is twice the 50 foot buffer zone previously used by the County); limited criteria for defining wetlands (only one criteria is needed to trigger the definition rather than two or three); and, the prohibition of any development in ESHA or buffer zones, even on severely degraded or small and isolated remnant areas. Due to development constraints caused by excessive and inflexible environmental standards in the Conservation Element, the City may not be able to meet the legal requirements of State Law pertaining to a Land Inventory for RHNA production and its certification of its Housing Element.

For example, Conservation Element Policy CE 1.5 prohibits any development within an ESHA and requires a setback or buffer area between permitted development and adjacent ESHA. This policy does not provide any flexibility to developers of urban infill sites with small isolated ESHA areas to expand other more significant ESHA areas in exchange for being able to develop on remnant or highly degraded areas. Similarly, policy CE 3.2 defines all wetlands as ESHA. Therefore, according to the Policy CE 1.6, no development would be allowed, even on a small remnant area or highly degraded wetland that might be identified on an infill site.

The City has adopted policies in the Conservation Element that expand minimum environmental buffer zones by 100%, from 50 to 100 feet. The 100-foot standard is excessive for infill sites located within the urban boundary that are not environmentally sensitive areas. The standard employed by most jurisdictions is generally a maximum 50-foot buffer within the urban boundary. The City needs to perform an analysis of impacts to development sites prior to the adoption of enhanced environmental buffer zone standards in the General Plan. It is unclear how the buffer zones will be applied throughout the community and whether they will impact residential development planned on private vacant lots as well as environmentally sensitive areas. Moreover, there needs to be provisions in the policy for off-site preservation or other alternatives. Otherwise, the requirement for buffer areas of 100 feet means that large portions of properties slated for residential production may be unusable.

Many of the remaining vacant sites along Hollister adjacent to existing development are not significant environmental areas and the application of the proposed Conservation Element policies on these and other residentially zoned sites may act as a significant constraint to residential and mixed-use development needed to meet the City’s State mandated housing production goals.

We also refer to a discussion of potential constraints to residential development due to Conservation Element policies in letters to HCD dated March 3, 2006 regarding Goleta General Plan inconsistencies and to the City of Goleta Planning Agency dated June 10, 2005 regarding the Conservation Element. These letters are included as an attachment to this letter.

In Tables B-G in the Technical Appendix to the draft Housing Element, the City purports to account for diminished housing production due to environmental constraints such as wetlands, rare species habitat and ESHA. The maximum potential development capacity of
sites is shown with an adjustment to development capacity based on constraints. However, biological evidence or scientific analysis needs to be presented to support the claim that the Land Inventory of the Housing Element has already accounted for reduced development capacity due to environmental constraints. The City also needs to make available its methodology and the analysis used in estimating the development capacity of sites. The individual and cumulative site development capacity claimed in these tables appears to be arbitrary and unverified. We are concerned that the reduction in residential development capacity may be greater than what is presented.

The biological resources section of the draft EIR should be revised to include supporting evidence for the designation of ESHA identified as well as for the expansion of ESHA areas that are not accounted for in the draft General Plan. The draft EIR should also be revised to include an analysis of the site-specific and cumulative impacts of Conservation Element and environmental policies on the development capacity of residential and mixed-use production as called for in the Land Use and Housing Element. Any inconsistencies between the Conservation Element, Land Use and Housing Elements must be resolved for the General Plan to be in legal compliance with State law.

Population and Housing

The draft EIR should be revised to examine changing demographic patterns as relates to the City of Goleta's jobs-housing imbalance and associated environmental impacts. A primary trend, which have been documented in local employment and economic publications, includes a growing proportion of retiring workers and older residents and the commensurate need for replacement workers in key professional, health, public administration, education and other critical workforce areas. A second important trend is the entry of Generation Y (also known as the 'Echo Boom', as children of the Baby Boomers) into the workforce and local housing market. Another crucial component in future jobs/housing imbalance is the emerging trend of 'housing congestion'. This phenomenon refers to what occurs when the older retiring workforce remains in large single-family homes that have significantly appreciated in value due to lack of housing production and resultant price inflation, while no entry-level housing is available at prices affordable to replacement workers from the next generation.

3.8.1.1 Paragraph two of the Population section states, "The age profile for the City contained two large "bulges": one in the 35 to 45 age group (usually referred to as the working or family age group), and the other in the 20 to 30 age group, most likely attributable to the City's proximity to UCSB." This assertion is unsupported by data and should be omitted. While large numbers of young persons in the community may be in part attributed to the City's proximity to UCSB, other demographic trends may be of equal or greater importance in accounting for the population age profile "bulges". Most significant among these demographic factors are the large population bulges caused by the Baby Boomer generation (corresponding to the current age group of approximately 36-60) and the children of the Baby Boomers, known as the 'echo boom' or generation Y (corresponding to the current age group of approximately 10-30). These population trends have been documented by national, regional and local demographers.

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12 See the State of the Workforce, Santa Barbara County Workforce Investment Board, 2003 and the 2006 Santa Barbara County Real Estate and Economic Forecast.

13 State of the Workforce, Santa Barbara County Workforce Investment Board, 2003
Jobs-Housing Balance

We believe the EIR incorrectly defines and describes jobs-housing balance. The EIR needs to analyze the significant existing imbalance in jobs and housing in Goleta and concomitant environmental impacts such as increased workforce commuting, traffic congestion and diminished air quality. The report begins on a faulty premise and incorrect understanding of jobs/housing balance that contradicts State General Plan Guidelines, and continues with a series of misguided arguments to draw the erroneous conclusion on page 3.8-5 of the report that the City of Goleta is a net out-commuter of the workforce. The EIR report does not recognize or acknowledge that close to one-third of Goleta workers today are commuting considerable distances to reach their jobs in Goleta, or that housing resources are priced beyond the means of the majority of the work force in Goleta. Moreover, the EIR fails to analyze environmental impacts caused by the City of Goleta’s significant jobs-housing imbalance and lacks any mitigation measures to address environmental impacts caused by Goleta’s jobs-housing imbalance.

On page 3.8-3 the draft EIR states, “The jobs-housing balance concept is a comparison of the number of jobs provided at workplaces located in an area to the number of workers who reside in that same area (one job for each resident worker is a 1:1 ratio).”

This definition is erroneous and should be corrected. Jobs-housing balance, as described in the State of California General Plan Guidelines is a comparison of the available housing units and jobs located in an area. It is not a comparison of the number of jobs located within an area to the number of workers who reside in the same area. While information on the number of jobs to employed residents may be interesting, it is irrelevant to a discussion of whether there is enough housing available at affordable prices to meet the needs of the local workforce. Jobs-housing balance is focused on bringing local housing production into balance with job growth so that employees can live and work in the community and regional commuting is reduced. We note that SBCAG has indicated in its discussion of fair share regional housing production that local workforce housing production is a primary aim in addressing jobs-housing and commuting. “The ultimate goal is to help reduce the propensity for workers to live in areas far from their jobs by providing additional housing in employment rich areas.”

Jobs-housing balance requires a substantive and thorough understanding and analysis of various factors affecting jobs-housing balance, such as housing production and affordability, job growth and employment, labor force skills and existing transportation systems, among others. The General Plan Guidelines from the State of California: p. 21 of Chapter 2: Sustainable Development and Environmental Justice, include a detailed description of the basis of jobs-housing balance and how to improve it, as follows.

“Jobs/housing balance compares the available housing and available jobs within a community or region. . . . Jobs/housing balance is based on the premise that commuting, the overall number of vehicle trips, and the resultant vehicle miles traveled can be reduced when sufficient jobs are available locally to balance the employment demands of the community and when commercial services are convenient to residential areas. Planning for a jobs/housing balance requires in-depth analyses of employment potential (existing and

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14 Regional Housing Needs for Santa Barbara County, Santa Barbara County Association of Governments, December 2002.
projected), housing demand (by income level and housing type), new housing production, and the relationship between employment opportunities and housing availability. Other factors, such as housing costs and transportation systems, must also be evaluated.

Improving the jobs/housing balance requires carefully planning for the location, intensity, and nature of jobs and housing in order to encourage a reduction in vehicle trips and miles traveled and a corresponding increase in the use of mass transit and alternative transportation methods, such as bicycles, carpools, and walking. Strategies include locating higher-density housing near employment centers, promoting infill development, promoting transit-oriented development, actively recruiting businesses that will utilize the local workforce, developing a robust telecommunications infrastructure, developing workforce skills consistent with evolving local economies, and providing affordable housing opportunities within the community. Jobs-housing provisions most directly affect the land use, circulation, and housing elements.

Currently the City of Goleta has a significant jobs-housing imbalance and a documented deficit within the Goleta Valley of some 1,960 housing units that were not developed during the past decade to match population and job growth. Lack of adequate housing production to match population and employment growth has contributed to rising housing prices and severe overcrowding among lower income households. Therefore, the Goleta General Plan EIR should consider the extent to which residential development can have positive influence in ameliorating Goleta's jobs-housing imbalance and in alleviating overcrowded living conditions for lower-income households.

Unfortunately, the draft EIR does not address the State of California General Plan Guideline description related to jobs/housing. It does not consider the type of housing needed by the local workforce, whether housing sizes, prices and affordability match various workforce salaries and needs, past and current housing production patterns in Goleta relative to population and employment growth, current and projected Goleta workforce commuting patterns, future employment needs related to emerging demographic patterns and economic trends, whether local labor force skills match needed employment, nor the overall relationships in the City of Goleta between employment opportunities, housing demand and housing costs and availability. Moreover, the draft EIR does not analyze how Goleta’s current jobs-housing imbalance and associated environmental issues affects the Land Use, Circulation and Housing Elements. Nor does the EIR propose mitigations to reduce jobs-housing imbalance and workforce commuting.

We also refer to a discussion of problems in the City of Goleta’s analysis of jobs-housing balance in a letter to the City of Goleta Planning Agency dated November 20, 2003. A copy of this letter is included in the attachments to this letter.

Of paramount importance, the draft EIR should be revised to include an evaluation of the environmental impacts of the City of Goleta’s jobs-housing imbalance in relationship to its draft General Plan. Such an analysis should include a detailed review of the local supply of housing and its affordability to the local workforce. This is essential to understanding the environmental impacts of the City of Goleta’s jobs/housing balance. An analysis of these factors would reveal that housing production within the City of Goleta and Goleta Valley

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region has not kept pace with either population or employment growth\textsuperscript{16}. The lack of housing production has contributed to rising home prices and rents and a housing affordability crisis for the local workforce. Due to exorbitant housing costs, an increasing number of local employees are unable to find housing they can afford within the City of Goleta. Clearly local housing costs do not match the salary levels and payment ability of the local workforce. And, as the housing crisis has heightened over the past few years, more and more employees have been forced to leave the community and commute long distances to Goleta for work.\textsuperscript{17} Increased workforce commuting is associated with environmental impacts such as greater vehicle miles traveled and longer commutes, traffic congestion and poorer air quality.

The seriousness of commuting and its concomitant environmental impacts due to jobs-housing balance has been documented in recent studies and surveys. A 2005 report from the California Inter-Regional Partnership Program found that in Santa Barbara County greater distances and increased congestion have caused at least a doubling of interregional commute times in the past ten years.\textsuperscript{18} This study is corroborated by annual employee surveys conducted by the Coastal Housing Partnership, a nonprofit organization with a membership of 80 major employers in South Santa Barbara County, representing an estimated 43,000 workers or almost one-third of the South Coast workforce. A 2003 survey of the workforce at 24 major Goleta employers revealed that a total of 30% of all workers at Goleta companies lived in Ventura County, the Santa Ynez Valley, and the Santa Maria/Lompoc Valleys (over 90% of the companies surveyed are located in the new City of Goleta).\textsuperscript{19} The 2004 CHP employee survey found similar results, with over thirty percent of the South Coast workforce living outside the community in which they work. The 2004 survey also reported a 55% increase in the percentage of commuters on the South Coast from when the agency first began conducting the survey in 1999.

On page 3.8-3 the draft EIR asserts that there is debate on what constitutes a desirable or superior jobs-housing balance. While we disagree with this assertion, a more important fact is that the City of Goleta, with a documented jobs-housing ratio of 2.30, has the highest jobs-housing imbalance in the entire County, far greater than the City of Santa Barbara with a ratio of 1.70 or any other Santa Barbara County local jurisdiction or unincorporated area. [Please see J. Jobs Housing Balance Ratios table in the appendix to the \textit{Regional Housing Needs for Santa Barbara County}, Santa Barbara County Association of Governments, December 2002.] The City of Goleta's draft Fiscal Impact Analysis of the Draft General Plan also forecasts that the City's jobs/housing balance would continue at approximately 2.3 jobs

\textsuperscript{16} The City of Goleta and larger Goleta region experience a significant shortfall or past deficit of necessary housing based on population and employment growth. During the period 1993 to 2002 only 1,411 housing units were permitted and built in the Goleta Valley, with about 62% of this housing production occurring within the boundaries of the new City of Goleta. At the same time, the population of the Goleta Valley grew by an estimated 9,100 persons. The number of housing units needed just to house our increase in population during this period was about 3,285, based on the average household size of about 2.77 for the Goleta Valley. However, only 42% of this need was met.

\textsuperscript{17} The Coastal Housing Partnership, which conducts an annual employee survey of major South Coast employers, has documented a 55% increase in workforce commuting to the Goleta Valley.

\textsuperscript{18} California's Inter-Regional Partnership Program, Jobs, Housing and Mobility Strategies, California Department of Housing and Community Development, June 2005.

per housing unit in the City. Given this projection, the draft EIR should certainly be revised to include an evaluation of the environmental impacts of the City of Goleta’s chronic jobs-housing imbalance and should propose mitigation options.

Section 3.8.1.3 Housing Affordability and Cost:

This section of the draft EIR lacks a discussion of the environmental impacts attributable to lack of housing affordability. Median home prices in the City of Goleta are now beyond the purchasing ability of the local workforce. A significant portion of the local workforce is also overpaying for rent. As mentioned in the previous discussion of jobs-housing balance, lack of housing affordability is a significant factor in increased commuting and resultant increased traffic congestion, VMT and diminished air quality. The draft EIR should include an evaluation of the impacts of lack of housing affordability on environmental concerns.

Section 3.8.1.4 Regional Housing Needs and Available

Housing Development Potential in Goleta

The draft EIR asserts that an analysis of potential housing sites in Goleta to meet Regional Housing Needs Allocation (RHNA) housing production was conducted as part of the Housing Element and that the analysis evaluated potential constraints to development, as reflected in data tables in the Technical Report to the Housing Element.

An analysis and data needs to be made available by the City of Goleta to support this claim. We reiterate our concern that there has not been an accurate assessment of the development capacity of sites identified in the City’s Land Inventory for RHNA housing production. Without any supporting data or analysis, or description of the City’s methodology in evaluating the development potential of individual sites, we cannot ascertain the accuracy of the individual and cumulative site development capacity claimed in Tables 10A-13 to 10A-20 in the Technical Appendix to the Housing Element.

We particularly note that the State Department of Housing and Community Development (HCD) is requiring that the City of Goleta include sufficient information in the Housing Element to fully evaluate the adequacy or realistic capacity of housing sites identified in the Land Inventory of the Housing Element to meet the City’s 2003-2009 Regional Housing Needs Allocation, particularly for lower income households. This requirement is outlined in an April 29, 2005 letter to the City of Goleta from Cathy Creswell, Deputy Director of HCD’s Division of Housing Policy Development. The specific requirements of the development capacity analysis are spelled out in the appendix to this letter under Section A. Housing Needs, Resources and Constraints. A copy of the April 29, 2005 HCD letter is included as an attachment to this letter. The Office of Planning and Research has corroborated the HCD concern in a July 29, 2005 letter from Sean Walsh, OPR Director to the City of Goleta, by placing as a condition of approval for the Goleta General Plan extension the following

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Information documenting lack of local housing homeownership and rental affordability is included in the 2006 Santa Barbara County Real Estate and Economic Forecast by the California Economic Forecast and in "The Face of the Housing Crisis: A Profile of Goleta’s Community Housing Needs", Goleta Housing Leadership Council, October 2003, and in the Technical Appendices of the draft Housing Element to the General Plan.

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21 Information documenting lack of local housing homeownership and rental affordability is included in the 2006 Santa Barbara County Real Estate and Economic Forecast by the California Economic Forecast and in "The Face of the Housing Crisis: A Profile of Goleta’s Community Housing Needs", Goleta Housing Leadership Council, October 2003, and in the Technical Appendices of the draft Housing Element to the General Plan.
requirement, "The adopted housing element must demonstrate that each site described in the housing element’s land inventory can be realistically and feasibly developed with residential uses commensurate with the City’s regional housing need for all income groups for the 2003-2009 planning period."

The draft EIR should be revised to include an in-depth analysis and evaluation of the development capacity of the City’s Land Inventory and the ability of sites identified in the Housing Element to meet State mandated RHNA production goals during the current 2002-2009 cycle. Barring such an analysis, there is no way to determine whether the City is in compliance with State Housing Element Law.

In the first paragraph of this same section, the draft EIR interprets the State law that permits sites zoned with densities of at least 20 units per acre as being appropriate to accommodate affordable housing for lower income households. The EIR asserts, "In other words, the effect of State law is that these sites are presumed to have densities sufficient to make production of affordable housing feasible for lower-income households". However, this interpretation of the State Law is speculative and unsubstantiated. Density is only one of several elements that work together to facilitate affordable housing production. We cannot draw the conclusion that the State means that density alone produces housing affordable to lower income households. If this were the case, then Housing Element law would not require the Housing Element to include policies, development incentives and financial mechanisms to facilitate affordable housing as well as a comprehensive 5-year program with specific programs and action plans to facilitate affordable housing.

3.8.3.3. Project Impacts

Paragraph two in this section estimates about 19,700 jobs in the City of Goleta. This figure conflicts with the estimate of 28,500 jobs stated in the City of Goleta Draft Fiscal Analysis Report. The factual error in the draft EIR should be corrected, using the information from the Fiscal Analysis or other current employment data.

Similarly, the employment gain estimated for the General Plan Project in the draft EIR is 3,400 to 3,900. This contradicts the estimate of a gain of nearly 7,000 jobs over the next 30 years, as estimated in the City of Goleta Draft Fiscal Analysis. This difference should be reconciled.

Paragraph three of this section states that the jobs-to-housing ratio for the growth allowed for the General Plan project ranges from 0.91 to 1.13. This jobs-to-housing ratio is incorrect and is based on faulty methodology (please see our discussion on pages 13-15 of this letter and the November 20, 2003 Letter to City of Goleta Planning Agency, re: Technical Inadequacy of the General Plan Background Report No. 3 on Jobs-Housing Balance). The correct forecasted jobs-to-housing ratio is 2.30, as stated in the Draft Fiscal Analysis to the General Plan. The wrong jobs-to-housing ratio cited in the draft EIR should be corrected.

Impact 3.8-4. Ultimate Build-out of the City in Accordance with the GP/CLUP Would Result in the Addition of Approximately 3,400 to 3,900 Jobs.

We reiterate that the job growth forecast shown in the draft EIR differs from the growth forecast projected in the Draft Fiscal Analysis by 50%. This is a significant difference. The jobs-housing ratio projected for build-out also differs from the projection in the Fiscal Analysis. These inconsistencies should be resolved.

Environmental Impacts of 55% Inclusionary Housing Policy:

The draft EIR fails to provide an analysis and evaluation of the Housing Element 55% inclusionary policy for the central Hollister Avenue area, which affects some 942 units of potential residential development that are designated as part of Housing Opportunity Sites23. It is our opinion that this inclusionary policy is economically infeasible and will most likely be rejected by the State Department of Housing and Development24. The 55% inclusionary policy will act as a constraint to development, virtually stopping any significant residential development in this key housing production area. If the City retains the 55% inclusionary policy, this could result in HCD disqualifying the 942 units on Housing Opportunity Sites in central Hollister for meeting the City’s State mandated RHNA housing production. A disqualification of the key production sites in the central Hollister Housing Overlay would then trigger the need for the City to rezone additional properties for development by right in order to meet state-mandated housing production requirements for lower income households and be in compliance with State Housing Element Law.

The City adopted a 55% inclusionary housing requirement for the central Hollister Avenue area vacant properties in December 2005. However, the draft EIR does not include an analysis of the feasibility of such a high inclusionary requirement and whether this policy will act as a constraint to development. The draft EIR needs to examine this policy and any resultant impact on meeting RHNA housing production goals and adequacy of the City’s Land Inventory in the Housing Element. Lack of an acceptable land inventory by the City could lead to the need to rezone additional property at densities of 20 units or greater by right25. However, the draft EIR contains no evaluation of the environmental impacts of rezoning additional land for higher density development.

The 55% inclusionary policy is simply economically infeasible. We are not aware of any other jurisdiction in California that has adopted a 55% inclusionary housing requirement for this simple reason. The market rate units within the projects cannot bear the financial burden of supporting this high a percentage of very low, low and moderate-income inclusionary units. Moreover, the City has provided no compensating regulatory or financial incentives and lacks adequate resources to subsidize low-income housing development at

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23 Properties designated as Housing Opportunity sites in the central Hollister area includes sites 20, 21, 24, 25, 28 and (see Figure 27 in the Land use Element). The production capacity of these properties is estimated as 942 units (see Table D: Inventory of Land Suitable for Residential Development: Vacant Residentially-Zoned Suites).

24 We note that the City of Goleta Planning Director has also stated publicly at General Plan hearings on the Housing Element that the 55% policy would most likely be viewed as infeasible by HCD.

25 Government Code Section 65553 defines “use by right” to mean that the local government’s review of a residential project may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a “project” under Division 13 of the Public Resources Code.
this scale. Typically local jurisdictions set inclusionary housing requirements at between 15-20% of the project units, although some jurisdictions (e.g. the County of Santa Barbara) have set inclusionary requirements as high as 30%, but not without significant prior economic analysis and input from the development community.

HCD has recently published a letter on its Internet Site addressed to the General Counsel of the Homebuilder's Association of Northern California (posted at www.hcd.ca.gov/hpd) that provides guidance to local government on how HCD's views inclusionary housing policies. HCD clearly stresses that local jurisdictions must not only analyze the policy's potential constraint to housing production but must also evaluate whether sufficient regulatory and financial incentives are provided to offset these constraints. These two HCD concerns are summarized in the following excerpts from the letter, "While some local governments adopt mandatory inclusionary programs as one component of comprehensive affordable housing strategy, such programs have the potential to negatively impact the overall development of housing. As a result, local governments must analyze mandatory inclusionary policies as potential governmental constraints on housing production when adopting or updating their housing elements. For example, local governments must analyze whether inclusionary programs result in cost shifting where the cost of subsidizing the affordable units is underwritten by the purchasers of market-rate units in the form of higher prices.....Even a modest increase in price can be an insurmountable obstacle. Local governments must also analyze their inclusionary policies to evaluate whether sufficient regulatory and financial incentives are offered to facilitate compliance with the requirements".

Unfortunately, the City Planning Agency adopted the 55% inclusionary policy in its draft Housing Element without performing a nexus study or economic analysis and without prior consultation with the development community as to its workability and economic feasibility.

We note that cases decided by the U.S. Supreme Court require that there be an essential nexus between project impacts and conditions meant to mitigate those impacts. Moreover those mitigations must be roughly proportional to the impacts. Mitigation conditions that do not establish a nexus are unconstitutional and therefore infeasible (CEQA Guidelines 15126.4(a)(4)). In establishing an inclusionary requirement, a jurisdiction must thus show how development of market rate housing creates a need for affordable units. Both the extent of the nexus and proportionality must be demonstrated. New development cannot be required to solve a community-wide deficit through adoption of disproportionate inclusionary requirements.

We believe that any professional economic analysis would demonstrate that a 55% inclusionary policy would make projects financially infeasible. Therefore the policy will effectively halt residential development on the very sites the City has selected for development of higher density housing to meet local RHNA and community housing needs. There is no realistic way for developers to develop projects with such a high inclusionary requirement without significant offsetting regulatory or financial incentives, which have not been offered by the City. As a result, we believe that the effect of the policy will be to drastically reduce the production capacity of the sites designated by the City to meet RHNA housing production for lower income households. In fact, the policy acts as a de facto growth constraint that derailed this key portion of the draft Housing Element.

Please see additional discussion of the impact of the 55% inclusionary policy as a development constraint in a letter from the Goleta Housing Leadership Council to Cathy
Creswell, Deputy Director, Division of Housing Policy, HCD dated March 3, 2006. A copy of the letter is included in the attachments to this letter.

Given these concerns, there is a very high likelihood that HCD will view the 55% inclusionary policy as a significant constraint to residential housing production and will not certify the Housing Element based on the inclusion of this policy. To be in compliance with State Law and have an internally consistent General Plan, the City would have either rescind the policy or rezone additional land to meet its lower income RHNA housing production. This land would have to be rezoned at densities of at least 20 units per acre to allow development of rental or ownership housing by right (Government Code 65583.2h)

The EIR contains no analysis of the environmental impacts resulting from the rezoning of additional land within the City to densities of 20 units or more to meet the legal requirements of the Housing Element. The draft EIR should be revised to include such an analysis.

**Impact of State Density Bonus Law**

The draft EIR should include an evaluation of the impact of State Density Bonus Law on the development capacity and resultant environmental effects of properties identified in the Land Use and Housing Element for residential development. Government Code section 65915 requires that the City provide a density bonus for provision of affordable housing units. This density bonus is proportionate to the amount of affordable units provided and can be as high as 35%. The Housing Element policies call for a citywide 30% inclusionary requirement for affordable units and a 55% inclusionary requirement for the central Hollister Affordable Housing Opportunity Sites. Given these relatively high inclusionary requirements, it is likely that developers would be eligible to receive the maximum 35% density bonus in many instances. However, it appears that the draft EIR has not accounted for the extra housing units in the environmental analysis. Traffic studies as well as other environmental impacts due to residential development should be re-evaluated to consider the additional housing units that may be allowed under State Density Bonus Law. The draft EIR should be revised to reflect the results of analyzing potential housing density attributable to density bonus.

**Local Preference Policy**

There is no analysis of the impact of Housing Element Policy HE 1.2 Local Preference in mitigating environmental concerns in the draft EIR. Policy HE 1.2 gives priority, to the extent consistent with applicable law, to persons working and/or residing in Goleta in the marketing and selection of affordable rental and ownership units. The Housing Element states that this policy is intended to contribute to mitigation of traffic, economic development, and community safety conditions. Therefore, this policy may influence regional commuting and traffic that impact Goleta’s transportation system, as well as regional and local air quality. The draft EIR should be revised to include an evaluation of the City’s Local Preference policy in mitigating environmental impacts caused by residential development.

**Build-out Analysis**

The EIR analysis of the impact of build-out of the City of Goleta is based upon 100% development of properties in the Land Use Element—whether vacant or with mixed-use or redevelopment potential. However, it is the experience of the majority of local, regional and
statewide jurisdictions in California that full build-out is not achieved. Typically in California the actual build-out under the land use in a General Plan ranges between 70-90% for a jurisdiction. Therefore, the EIR needs to recalibrate its analysis of the development capacity of the City at build-out based on standards that are typical for our region. Otherwise, the EIR overstates the development capacity of the City and associated environmental impacts.

**Lack of Adequate Analysis of Development Constraints**

The draft EIR needs to include an adequate analysis that demonstrates the development capacity of the Land Inventory in the Housing Element of the General Plan. We believe that combined effects of development constraints caused by overly restrictive policies found in the Conservation, Land Use, Noise, Transportation and Visual and Historic Resources Elements—e.g. ESHA standards, 100-foot buffer zones, lot coverage restrictions, building height limitations, scenic views—will significantly reduce the housing development capacity claimed by the City. Moreover, the EIR does not take into consideration the impact of development constraints on the residential capacity of key vacant properties and sites that could be redeveloped. Therefore the draft EIR analysis may overstate the locally generated environmental impacts associated with residential and mixed-use development. At the same time, the draft EIR fails to examine the regional impacts associated with increased traffic and diminished air quality, among others, due to workforce commuting caused by lack of adequate housing production and high housing costs.

The City has developed an Inventory of sites for development to meet its RHNA housing production goals and presents the production capacity in Tables 10A-13 to 10A-20 of the Technical Appendix to the Housing Element. While this inventory attempts to provide a rough estimate of constraints to development due to environmental and noise constraints, no supporting analysis or rationale is provided to justify the housing production capacity claimed in the Tables. Secondly, the development capacity estimates in the Housing Element do not include an analysis of constraints to residential production caused by the interaction of General Plan development standards such as F.A.R (floor area ratios), height limitations, lot coverage ratios and open space requirements. The Housing Element and draft EIR also do not evaluate impacts to residential development capacity due to Transportation Element policies and LOS standards.

The State Department of Housing and Community Development (HCD) has required that the City of Goleta demonstrate that each of the identified sites in its Land Inventory can be realistically developed at densities sufficient to meet the City's 2003-2009 Regional Housing Needs Allocation, particularly for lower income households. HCD has spelled out that this analysis must demonstrate that the development capacity estimates account for the imposition of land-use controls and development standards such as maximum lot coverage, floor area ratios, parking and open space requirements, among others. The HCD requirement is detailed in a letter from Cathy Creswell, Deputy Director of HCD Division of Housing Policy Development to the City of Goleta dated April 29, 2005. A copy of the April 29, 2005 HCD letter is included as an attachment to this letter.

The draft EIR should be revised to include an analysis of the reductions in residential development capacity due to the combined effect of development constraints in the Conservation, Land Use, Noise, Transportation and Visual and Historic Resources Elements. Without such an analysis the City cannot prove that it has adequate sites to...
meet its State mandated RHNA production goals, a key requirement for HCD certification of the Housing Element.

Land Use and Recreation

Certain policies and development standards proposed in the Land Use Element, Conservation Element and Transportation Element might have unintended environmental consequences. For example, restrictive floor area ratios and building height limitations in the Land Use Element, when combined with expanded environmental buffer zones and conservative traffic standards, will lead to lower density development on vacant lands. However, these policies, as well as the low-density suburban development standards generally adopted by the City, do not necessarily achieve the best environmental results. Diverse groups such as the Urban Land Institute and Sierra Club have espoused compact development as a way to lessen the ‘ecological footprint’ of development, promote alternative transportation and facilitate housing affordability. The draft EIR should examine the environmental and social benefits of policies that promote higher density, compact development as compared to policies in the draft Goleta General Plan that generally support lower density, less ecologically beneficial development.

Noise

There are several critical deficiencies in the Noise analysis of the draft EIR that should be corrected. The draft EIR delineates noise contours throughout the City in Figure 3.11-3. However, no technical data has been provided to document the parameters of the noise contours and the methodology used to develop the analysis has not been described. Therefore, the public is unable to evaluate the efficacy of the noise element EIR findings and compare them to site-specific noise studies on record.

The draft EIR describes Class I significant and unavoidable noise impacts due to increased traffic along major roadways and railroad noise that will impact planned residential development, causing interior noise levels to exceed 45 dBA CNEL. However, no scientific evidence or analysis is provided to support this assertion. Moreover, the draft EIR fails to adequately evaluate the ability of noise mitigation methods such as noise barriers, site planning, design and construction techniques to effectively mitigate interior noise. The draft EIR does not reference or utilize the Noise Control Techniques outlined on page 9-7 of the draft Noise Element. These control techniques address noise attenuation in three ways: reduce the sound level of the noise generator; increase the distance between the source and receiver; and, insulate the receiver. Finally, alternative mitigation measures for both individual and cumulative impacts to residential need to be presented in the EIR.

Policies and standards in the City of Goleta’s General Plan Noise Element directly contradict the stated goals of the Housing Element. The Noise Element discourages residential development on the very sites along the central Hollister corridor that the City of Goleta has selected for RHNA housing production in the Housing Element. The policies and standards in the Noise Element should be revised to facilitate development on these key sites and to remove this internal inconsistency within the General Plan.

Policy NE 1.2 in the draft Noise Element states, “The City shall discourage location of new residential units in areas where exterior ambient noise levels would exceed 60 dBA CNEL in residential areas, or 65 dBA CNEL for mixed use areas”. A proposed residential or mixed use project that exceeds these standards should only be approved if the project would
provide a substantial benefit to the City (including but not limited to provision of affordable units or as part of a redevelopment project), and if adequate mitigation measures are employed to reduce interior noise levels to 45 dBA CNEL or less. However, the noise contour maps for existing and future noise levels in the draft Noise Element due to roadways and railway indicate that all of the sites located along Hollister Avenue designated for RHNA housing production fall within the 60 dBA to 65 dBA or greater noise level. This means that the approval of projects in this key RHNA production area where the City expects to achieve the production of over 2,300 units is not assured.

Policy NE 1.2 discouraging residential development in areas where ambient noise levels exceed 60 dBA CNEL is inconsistent with Housing Element goals and should be revised to allow for residential development where noise mitigation measures are used and interior noise levels meet appropriate standards.

3.11.3.3. Project Impacts

The draft EIR finds long-term Class I impacts due to increased noise on roadways, including portions of Cathedral Oaks, Fairview Avenue, Hollister Avenue and Storke Road (see pages 3.11-17 and 3.11-18). The draft EIR states, “Assuming nominal exterior-to-interior noise reduction of 20 dB, interior noise levels could also increase to exceed 45 dBA CNEL. This impact is therefore considered to be significant”.

Impact 3.11-3 In this same section of the draft EIR goes on to assert that significant areas identified in the General Plan for residential development would be exposed to traffic noise exceeding 65 dBA CNEL and projects in this area would be presumed to be exposed to interior noise levels exceeding 45 dBA CNEL. The draft EIR further asserts that while Noise Element policies can be expected to reduce noise impacts to a less-than-significant level in most situations, there would be occasional situations where this could not be practically achieved and therefore the impact is considered significant and unavoidable.

However, no analysis or scientific data is presented to support the conclusion that interior noise levels would exceed 45 dBA CNEL or the findings of a significant Class I impacts. Furthermore, the assumption that there would occasionally be no remedies to reducing interior noise levels to a less-than-significant level is unsubstantiated. The draft EIR should consider the considerable and proven project development methods used to successfully mitigate both exterior and interior noise, including noise barriers and berms, project site layout, building orientation, design and set-backs, as well as construction techniques such as double-paned windows and extra insulation that effectively attenuate interior noise to 45 dBA CNEL or lower.

Similarly, Impact 3.11-4 on page 3.11-18 of the draft EIR finds significant noise impacts to residential land uses due to exposure to railway noise and also assumes interior noise levels that exceed 45 dBA CNEL and instances where noise reduction policies will have practical limitations to their effectiveness. Again, no analysis or evidence is presented to support these conclusions. Moreover, the draft EIR fails to include proven and successful noise mitigation measures, as described in the draft Noise Element.

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20 Please see Figure 9-1 Existing Noise Contours – Roadways, Figure 9-4 Future Noise Contours – Roadways and Figure 9-2 Existing Noise Contours – Airport and Railroad.
The draft EIR should employ the noise mitigation techniques outlined on page 9-7 of the draft Noise Element, which describes noise mitigation techniques in the following way.

"Noise can be mitigated in three basic ways: by reducing the sound level at the noise source, by increasing the distance between the source and receiver, and by insulating the receiver. Noise reduction can be accomplished by placement of masonry sound walls and/or landscaped berms between a noise source and the receiver. Garages or other buildings may be used to shield dwelling units and outdoor living areas from traffic noise. In addition to site design techniques, noise insulation can be accomplished through appropriate design of buildings. Nearby noise generators should be recognized in determining the location and orientation of door and window openings. Sound-rated windows (extra thick or multi-paned) and wall insulation are also effective. None of these measures, however, can realize their full potential unless care is taken in actual construction, such as doors and windows fitted properly, openings sealed, joints caulked, and plumbing adequately insulated from structural members."

There should be an analysis of these noise reduction techniques and their effectiveness in reducing noise impacts to a less-than-significant level in the draft EIR. The conclusion in the draft EIR that interior noise levels would exceed 45dB(A) due to roadway and railway noise appears arbitrary and unfounded.

**Transportation**

**Lack of Stable Project Description**

The draft EIR evaluates environmental impacts to the City’s Transportation Element that are based on a version of the element that was released on March 20, 2006. Since that time, significant changes have been made to the General Plan Transportation Element and the traffic model has been re-calibrated and re-run. As recently as July 10, 2006, three new policies were added to the Transportation Element, TE 5.12, 5.13 and 5.14 that propose new transportation projects to widen freeway access roadways on Storke Road and Fairview Avenue between Hollister Avenue and US101, and to add a lane in each direction on Los Camaros Road south of Hollister Avenue. These policies affect two major freeway interchange intersections (Storke and Fairview) and a key roadway segment (Los Camaros) that are key components of the City of Goleta’s overall transportation system. The draft EIR does not evaluate these new policies and the public has had insufficient time to fully gauge and comment on their effects. The draft EIR should be revised to re-evaluate environmental impacts due to the City’s Transportation Element based changes to the draft as of July 11, 2006 at the close of General Plan public hearings.

**3.13.3.2 Relevant Discussions of GP/CLUP Policies**

No mention is made in this section of the relationship of the Housing Element and the Transportation Element. The Transportation Element is directly related to the Housing Element, as it is an essential component of the city infrastructure necessary to support residential and commercial development. Environmental impacts under the Transportation Element should be correlated to the Housing Element, as required by State General Plan law. This section of the EIR should be revised to include a discussion of the interaction between the Transportation Element and Housing Element, including issues related to intersection capacity, roadway segment capacity, limits to physical improvements to the...
transportation system and other policies in the Transportation Element that either facilitate or impede implementation of the Housing Element.

City has developed a Transportation Plan based on restrictive policies (LOS C Standard, limits to the size of key intersections) around which the Land Use and Housing Element housing production goals are supposed to fit. This is the opposite of what is required by State Law. The Transportation Element is supposed to reasonably facilitate the goals of the Land Use and Housing Element.

**Deficiencies in the Analysis of the Impact of Freeway Overpasses**

There are key deficiencies in the EIR analysis of Transportation Element environmental impacts related to the proposed new Ellwood Station and La Patera freeway overpasses. These overpasses are essential to the effectiveness of the City's overall transportation system and mitigation of traffic impacts.

**Lack of Environmental Impact Analysis:** The draft EIR does not provide an analysis of the environmental impacts due to construction of the proposed Ellwood Station and La Patera freeway overpasses. There is no plan level analysis and no information provided on needed right-of-way, environmental or neighborhood impacts. We note that the La Patera freeway overpass would be constructed adjacent to the Los Carneros Lake area where an ESHA has been identified. Under the City's Conservation Element, no development is allowed in an ESHA or its buffer area.

**Timeframe and Class I Impacts:** By its own admission, the City projects a 15-20 year timeframe before the freeway overpasses are completed. Until that time, residential and commercial development may trigger Class I impacts until congestion relief is secured through construction of the new overpasses. The draft EIR analysis fails to account for timing of these key system-wide transportation improvements. The City has provided no other reasonable short-term mitigation measures for these Class I impacts traffic impacts during this time period. The draft EIR should be revised to run the traffic model without the proposed overpasses and to develop a reasonable range of alternatives.

**No Funding Analysis:** There are no funding mechanisms in place for constructing the two proposed overpasses. Neither has the City demonstrated the financial feasibility of doing so. Without a financial analysis, the City cannot claim construction of the two overpasses as a viable mitigation measure to traffic impacts.

**Lack of Nexus Study:** The City Planning Agency and Council have stated publicly that the primary purpose of the overpasses is to provide additional connectivity between the southern and northern portions of Goleta. However, the proposed additional connectivity is based primarily on existing community need. We would expect, therefore, that it would be difficult to demonstrate a nexus between future development and existing deficiencies in the existing Goleta transportation system such that new development would be required to pay for a significant portion of the proposed new overpasses. On the contrary, a large portion of the cost of the overpasses may have to be borne by the City rather than be paid for from development impact fees. The City has not performed a nexus study to determine the portion of the construction costs of the overpasses that would be required to be paid for by new residential development.
Timeliness in Meeting RHNA Cycle: The Transportation Plan improvements, among which the construction of new freeway overpasses is key, do not facilitate required local housing production to meet Regional Housing Needs Allocation (RHNA) requirements under the current cycle. The timeframe for the production of 2,388 units under the current RHNA cycle expires in 2009. But completion of the overpasses is some 15-20 years in the future. Moreover, the City will be required to facilitate the production of additional residential housing to meet local resident and workforce housing needs at the next RHNA cycle beginning in 2009. These factors have not been considered in the draft EIR.

Lack of Alternative Mitigation Measures to Traffic Impacts:

Although major sites for housing production are located near the major freeway interchange intersections in Goleta (Storke, Los Carneros, Fairview and Patterson), the Transportation Element and draft EIR do not evaluate improvements to these key intersections as a more cost effective and timely solution to alleviating traffic congestion generated from new development. The draft EIR should be revised to include such an alternative analysis.

Inconsistencies with the Housing Element

We reiterate that the draft EIR does not contain any discussion of the interface between the Transportation Element environmental impacts and the Housing Element. This is a serious omission that should be corrected.

The Transportation Element is an infrastructure plan that is meant to support the overall goals of the General Plan and must correlate with the objectives of both the Land Use and Housing Element\(^\text{27}\). However, the City’s transportation strategy and policies in the Transportation Element do not provide realistic or feasible remedies to mitigate traffic impacts that will be generated from residential development anticipated in the Housing Element. In fact, restrictive policies in the Transportation Element erect significant barriers to residential development on vacant properties along Hollister Avenue in western and central Goleta and other areas designated for RHNA housing production such as Old Town Goleta. This will affect over 2,300 units of potential housing to be constructed on sites located along the Hollister Avenue corridor between western Goleta and Old Town Goleta, as listed on the City’s Land Inventory in the General Plan (see Figure 27: Sites Suitable for Residential Development in the Land Use Plan and Tables 10A-13 to 10A-20 in the Technical Appendix to the Housing Element\(^\text{26}\)). The City’s needs to adopt practical and workable transportation infrastructure improvements to facilitate housing production and maintain internal consistency in the General Plan to assure the viability of the Housing Element.

\(^{27}\) See Chapter 4 of the State General Plan Guidelines.

\(^{26}\) By correlating Tables D-H to Figure 27 of the Land Use Map, we can locate sites that are adjacent to key freeway exchange and Hollister Avenue intersections that are already at maximum capacity and where physical improvements will not be allowed under City policies and/or require completion of non-freeway crossings to mitigate traffic impacts. We estimate the following sites and potential housing production capacity may be affected, resulting in either extended delay or substantial reduction in the number of units:

a) Table D – Vacant Residentially Zoned Land: 1,286 units in sites 14, 19, 20, 21, 22, 23, 24, 25, 26 and 36; 487 units on sites 3, 33, 37, 38, 39, 32, 35; b) Table E – Vacant Non-Residential Sites Proposed to Be Rezoned: 287 units on sites 17, 26, 31, 32; c) Table F – Vacant Land for Mixed Use: 91 units on sites 27, 5, 34 and 35; d) Table G – Non-Residential Sites for Redevelopment: 205 units on sites 7, 9, 13, 16, 18 and 29.
Key policy concerns in the City’s Transportation Element, among others, that negatively impact residential production goals in the Housing Element include:

- Arbitrary limits to the size of major arterials and intersections means that needed improvements to key intersections and roadways adjacent to RHNA housing production sites cannot be achieved;
- Reliance on the construction of two non-freeway exchange overpasses (which may take 15-20 years to complete and have no identified funding) to alleviate traffic congestion caused by development of key RHNA sites;
- Concurrency policies that may delay residential development for years and pose difficulties for the timely production of State mandated RHNA housing; and,
- Lack of clearly delineated standards for acceptable alternative traffic mitigations as well as lack of an analysis demonstrating that LOS standards can be achieved with such alternative strategies.

A detailed discussion of the Transportation Element policies that unnecessarily constrain residential housing production is outlined in a March 3, 2006 letter from the Goleta Housing Leadership Council to the State Department of Housing and Community Development. A copy of the letter is included an attachment to this letter.

The draft EIR does not evaluate potential reduction of development capacity due to Transportation Element policies on the sites listed in the City’s Land Inventory in the Housing Element to meet RHNA housing production. The draft EIR should be revised to include this evaluation. Moreover, the City should reconcile inconsistencies between the Housing Element and Transportation Element so that the City’s transportation system and policies facilitate State mandated RHNA housing production for the current and future cycles.

**Lack of Deficiency Plans**

Policy TE 4.3 in the Transportation Element requires that when the LOS for an intersection falls below LOS C, a Deficiency Plan should be prepared prior to approving any development that would further lower the LOS. [The draft EIR on page 3.13-28 identifies the intersection at Hollister Avenue-Storke Road as projected to exceed LOS C and only attain a LOS D with implementation of recommended transportation improvements.] Deficiency plans for the Storke/Hollister Avenue intersection should be developed now, otherwise needed housing production on key sites identified in the Land Use and Housing Element near this intersection would not be able to move forward. We also note that the draft EIR does not analyze whether the capacity exists at the Storke/Hollister intersection to handle the traffic impacts from development on adjacent properties specified for residential use in the Land Use Element and Housing Element.

**Lack of Financial Analysis**

The City has provided no financial plan, as required by CEQA, that demonstrates sources of revenue needed to finance the transportation improvements called for in the draft Transportation Element. Therefore it cannot be determined if transportation infrastructure improvements needed to support housing production goals in the Housing Element can be achieved. The draft EIR needs to address the financial plan requirements.
Lack of Alternative LOS Mitigation Analysis:

On page 3.13-9 of the EIR under Thresholds of Significance, it is noted that the City of Goleta has adopted a traffic standard of LOS C. The LOS C standard is more restrictive than the LOS D standard employed by the County’s regional Congestion Management Program (CMP), which is the standard used in evaluating City of Goleta intersections designated in the CMP. An alternative to the plan should run an analysis using the less restrictive LOS D to ascertain if traffic impacts can be mitigated in a more efficient and cost effective manner than planning for the construction of two expensive new freeway overpasses for which there is no identified or documented funding on record.

Alternative Transportation Options:

The EIR does not evaluate the potential for reduced regional commuting and lessened impacts to local freeway-linked arteries in Goleta that could result from development of housing adjacent to the employment centers along Hollister Avenue. It also does not evaluate the potential for the City’s Local Preference Policy HE 1.2 in the Housing Element to mitigate traffic impacts on the City’s major arterials caused by workforce commuting. [Please see the discussion in the Air Quality section on page 9 of this letter.]

A balanced presentation in the draft EIR of traffic impacts should also consider the potential for alternative transportation options that become possible with higher density housing and mixed-use development along the major transportation corridors in Goleta.

Alternatives

Lack of Adequate Analysis of Alternatives:

There is no analysis of the environmental impacts of reducing residential development under the Project Plan alternatives. The draft EIR simply assumes that building less residential units would be environmentally superior. However, this assumption may be erroneous and is not supported by any scientific data or evidence. In fact, lack of housing production may produce unanticipated environmental impacts that are surprisingly counter-intuitive.

A key factor that may produce unanticipated environmental consequences from less intense residential development relates to the City of Goleta’s chronic jobs-housing imbalance. As previously discussed in this letter, the City has a projected jobs-housing imbalance of 2.30, as stated in the City’s own Draft Fiscal Analysis to the General Plan. This means that a high percentage of local workers must commute long distances to work in Goleta. In fact, it has been documented that about one-third of the local workforce commutes from outside of the South Coast into Goleta every day, from Western Ventura, North Santa Barbara County and further. In addition, an analysis of emerging local demographic trends would most probably demonstrate that the current jobs-housing imbalance will be aggravated even further—with or without substantial local jobs or population growth—due to the imminent retirement of substantial numbers of local employees in the “Baby Boomer” generation who are approaching retirement age. [For example, the HR Director HR Director at Raytheon in


Please see the discussion on workforce commuting on pages 14-16 of this letter.
2004 indicated that approximately 30% of Raytheon’s local workforce would be retiring within the next 5 years. Similar and even higher projections have been reported by local government agencies and school districts in the South Coast region. This retirement wave will require local employers and business to hire and retain significant numbers of new employees to replace the retiring workforce.

With less housing production under the reduced development scenarios, there will be less new homes for the next generation of the workforce. Therefore, we can expect to see increased commuting with associated increases in traffic on US 101 and major Goleta arterials and streets adjacent to the freeway interchanges and employment centers along Hollister Avenue, as well as through traffic on Goleta roadways to UCSB, which is a major employment generator in the region. Increases in commuting, traffic and VMT will negatively impact local and regional air quality, which already has Class I impacts identified in the EIR.

5.4.13.3 Reduced Development Scenario 2 (Alternative 2):

Section 5.5 on page 5-21 identifies Reduced Development Scenario 2 (Alternative 2) as the environmentally superior alternative to the Project Plan. However, this alternative calls for a reduction in the number of residential units from 3,730 under the Project Plan to 2,270 units of housing, or a decrease of 39% in potential residential and mixed-use development. The State mandated Regional Housing Needs Allocation for the current cycle calls for the City of Goleta to produce 2,388 units of housing. Therefore, this alternative scenario conflicts with the goals of the City’s draft Housing Element to the General Plan and does not meet the legal requirements of State Law. Moreover, it is anticipated that additional housing will need to be constructed under the current RHNA allocation cycle beginning in 2010. The Reduced Development Scenario 2 provides for no additional housing to meet future community housing needs beyond the current RHNA cycle that ends in 2009.

The preferred alternative also fails to analyze the environmental impacts of reduced residential production on employee commuting, traffic congestion and air quality. As previously mentioned, the City of Goleta has a jobs-housing imbalance of 2.30 or more, the highest in the county. Home prices in Goleta have been documented to be beyond the reach of the majority of the local workforce. Therefore the City has a serious deficiency of adequate housing at affordable prices to meet current and future local employee housing needs. If housing production is reduced under the alternative and preferred environmental plan, employee commuting and impacts on the local transportation system are likely to increase substantially.

In addition, air quality, which already has Class I impacts, would most likely be poorer. This is because, as stated on page 3.3-15 of the draft EIR, air quality projections are based largely on the analysis of the growth of Vehicle Miles Traveled (VMT). More specifically,

31 The 2.30 jobs-housing ratio was established in 2002 by the Santa Barbara County Association of Governments (see the 2030 Growth Forecast Report) and is projected in the City of Goleta’s Draft Fiscal Analysis to be 2.50 in 2030. However, the current jobs-housing ratio may be different. The Draft Fiscal Analysis reports that the present number of housing units in the City of Goleta is 11,900 and jobs are estimated to be 28,500. The resultant jobs-housing ratio would be 2.46 in 2006.

32 See the draft Housing Element to the General Plan, also “Face of the Housing Crisis: A Profile of Goleta’s Community Housing Needs”, October 2003 and the 2006 Santa Barbara County Economic Forecast, and Coastal Housing Partnership Employee Survey Results 2005.
"The increase of VMT is attributable to an increase in the number of average trips per household, longer average trip length, and the average trip distance (SBCAG 2004)." With less residential development provided under the Reduced Development Scenario 2, there will be fewer homes for the next generation of the local workforce. Lack of adequate housing production, combined with higher home prices and housing “congestion” caused by older retired workers remaining in their Goleta homes, will result in more long-distance commuting by employees traveling from outside the South Coast into Goleta for jobs. Not only will interregional trips be increased, but also these commuter trips are anticipated to be longer and take more time, as congestion on US 101 increases. We reiterate that the Coastal Housing Partnership, which conducts an annual survey of employee housing needs in the South Coast and Goleta Valley region, has demonstrated a 55% increase in commuting to work over the past 5 years\(^3\). Average trip time to work and distance traveled has also increased.\(^4\)

Another concern is that if the City of Goleta were to reduce density on vacant parcels to below 20 units per acre under this alternative scenario, then the City could not prove that it has adequate land zoned in its Housing Element Land Inventory at densities high enough to qualify for RHNA housing production for lower income households under Government Code 65595. Therefore, the City would be required to rezone land for development by right in order to be in compliance with State Housing Element law (see discussion on pages 18-19 of this letter). The environmental impacts of rezoning additional lands for housing production for lower income households have not been evaluated in the draft EIR.

The alternative plan has not provided any analysis of the direct and indirect environmental impacts caused by a reduction in housing development capacity or whether this alternative complies with Housing Element Law. The draft EIR should be revised to include this analysis.

Other Considerations

No social or economic analysis has been provided in the draft EIR.

The draft EIR should be revised to include an evaluation of the social and economic impacts of various land use, housing, circulation, conservation and other General Plan element policies. Such an evaluation is particularly needed in regards to the Housing Element and lack of provision of housing for the full range of the local workforce. The EIR should examine the needs of the ‘human habitat’ in regards to General Plan policies that sustain a healthy local economy, offer housing opportunities for all economic segments of the community, and maintain a socially diverse and equitable community. Where policies may conflict, for example Conservation or Transportation element policies that may reduce residential development capacity and needed housing production called for in the Housing Element, the trade-offs should be clearly identified and presented. The social and economic needs of the community should be given equal weight and consideration in guiding public policy and decision-making. Moreover, this analysis may be needed for the City to make findings of overriding consideration.

\(^3\) Source: Coastal Housing Partnership, Employee Housing Needs Survey Results 2004
\(^4\) Source: Coastal Housing Partnership, Employee Housing Needs Survey Results 2004 and 2005.
In closing, we believe that there are numerous deficiencies and omissions in the draft EIR that must be corrected. In addition, the technical data and methodologies used in evaluating the various elements of the General Plan Project in the draft EIR should be made available to the public so that the validity of conclusions and findings in the draft EIR can be evaluated and verified. Additional analysis will also need to be provided, as noted in our comments, to justify assumptions that are currently unsupported by any analysis, scientific fact or data. Finally, the draft EIR should be revised to reflect the current General Plan Project and recirculated as soon as possible so that the public is able to comment on its findings.

Sincerely,

Jennifer McGovern, Coordinator
Goleta Housing Leadership Council

Attachments:

- March 3, 2006 Letter to Cathy Creswell, Deputy Director, Division of Housing Policy, HCD, re: City of Goleta General Plan Inconsistencies Limit Residential Development.
- March 3, 2006 Letter to Cathy Creswell, Deputy Director, Division of Housing Policy HCD, re: City of Goleta Revised Housing Element.
- June 10, 2005 Letter to the City of Goleta Planning Agency, Re: Conservation Element
- April 29, 2005 Letter from HCD to Ken Curtis, City of Goleta Planning Director, Re: Review of the City of Goleta's Draft Housing Element.
- April 26, 2005 Letter to Anne Wells, General Plan EIR Manager, City of Goleta, Re: Input for the Goleta General Plan EIR
- April 22, 2005 Memorandum to Don Thomas, HCD, Re: Additional Comments -- Inconsistencies in Goleta Transportation Element and Housing Element
- April 13, 2005 Memorandum to Don Thomas and Linda Wheaton, Policy Division, HCD, Re: Inconsistencies in Goleta General Plan and Housing Element
- April 13, 2005 Memorandum to Don Thomas and Linda Wheaton, HCD, Re: Impact of Transportation Element Policies on Housing Production.
- March 13, 2006 Letter to Don Thomas, Division of Housing Policy, HCD, Re: Comments on the City of Goleta’s Housing Element, Housing Types and Land Inventory Production Capacity.
March 3, 2006

Cathy Creswell, Deputy Director
Division of Housing Policy
State Department of Housing and Community Development
1800 Third Street, Suite 430
P.O. Box 952053
Sacramento, CA 94252-2053

Re: City of Goleta revised Housing Element

Dear Ms. Creswell:

The Goleta Housing Leadership Council has reviewed the revised Housing Element to the City of Goleta’s General Plan. Generally we are impressed with the improvements the City has made to the current Housing Element, which is far superior to the original draft, and are supportive of the overall direction of the proposed programs and strategies.

However, we would like to comment on two important items related to the revised Housing Element and new General Plan that we believe may impact the City of Goleta’s ability to effectively implement its Housing Element policies and programs: 1) the adoption of a 55% inclusionary housing requirement for higher density zoned housing sites located within the central Hollister that will constrain residential development; and, 2) the need for a more comprehensive and fully developed programmatic approach for facilitating affordable housing production.

I. 55% Inclusionary Policy Constrains Housing Production

Policy HE 11.6 in the City of Goleta’s revised Draft Housing Element enacts a 55% inclusionary housing requirement for sites located within the central Hollister area that are designated for 20 units per acre density development to meet RHNA production goals. The 55% requirement is almost double the 30% inclusionary requirement that the City has also adopted in the draft Housing Element as the citywide standard. The City chose inclusionary policy percentages for affordable units under HE 11.6 to match the City’s RHNA allocation numbers for low-to-moderate income housing, which consist of 24% very low-income, 17% low-income and 14% moderate-income. The production capacity of sites located in this area, site numbers 20, 21, 24, 25 and 26 on figure 27 of the Housing Element, is approximately 942 units (see Table D: Inventory of Land Suitable for Residential Development: Vacant Residentially-Zoned Suites).
The Goleta Housing Leadership Council believes that this level of inclusionary requirement is economically infeasible and will effectively stop residential development in this key housing production area. The City’s 55% inclusionary requirement was adopted without any nexus study or financial analysis of the economic impacts to market rate housing and without input from the development community as to its feasibility. Moreover, the policy is not linked to any compensating regulatory and financial incentives to facilitate compliance with the regulation. The 55% inclusionary policy will place a significant financial burden on new market rate development, with cost shiftings that create additional obstacles to homeownership. The excessive level of the mandated 55% requirement will act as a significant constraint to housing production and may derail the effectiveness of the Housing Element in meeting the City’s mandated RHNA housing production. We elaborate on the reasons that inclusion of this policy in the revised Housing Element will act to constrain residential development below:

- **The policy is economically infeasible.** We are not aware of any other jurisdiction in California that has adopted a 55% inclusionary housing requirement for the simple reason that it is economically infeasible. The market rate units within the projects cannot bear the financial burden of supporting this high a percentage of very low, low and moderate-income inclusionary units. The 55% inclusionary requirement therefore affects the economic feasibility of the entire project. Typically local jurisdictions set inclusionary housing requirements at between 15-20% of the project units, although some jurisdictions (e.g. the County of Santa Barbara) have set inclusionary requirements as high as 30%, but not without significant prior economic analysis and input from the development community. The City of Goleta has provided no analysis to justify the economic feasibility of this high an inclusionary requirement.

- **No compensating regulatory or financial incentives:** The City of Goleta has provided no compensating regulatory or financial incentives directly linked to HE 11.6 to offset the financial burden the 55% inclusionary requirement places on market rate residential development. The City admits in policy HE 12.1 that "Local funding sources to assist affordable housing within the time period of this Housing Element will be severely limited". The City currently lacks resources to provide adequate subsidies to support a 55% low-to-moderate income housing requirement for the 942 units that could be developed in the central Hollister area designated for affordable housing development. Neither has the City offered any specific land use and development incentives to help effectuate compliance with the policy.

- **Undue Burden on Market Rate Housing:** Without any compensating incentives, the cost burden on market rate units needed to internally subidize affordable units within a project with a 55% inclusionary requirement is excessive and results in significantly higher home prices which are not supportable by homebuyers in the local market. The 55% inclusionary requirement therefore impacts the economic feasibility of the entire project and creates an insurmountable obstacle to potential buyers.
• **Lack of Analysis and Public Involvement:** The City Planning Agency adopted the 55% inclusionary requirement for the central Hollister area in its revised Housing Element without performing a nexus study or any economic analysis as to the policy's impact on market rate residential development. The policy was also adopted without prior public input or consultation with the development community as to its workability and economic feasibility. In fact, the policy change was not even pre-noticed to the public. The 55% inclusionary policy was simultaneously introduced as a new item and adopted at a Planning Agency meeting on the evening of December 6, 2005.

• **The Policy Constrains Residential Development:** It is our opinion that any professional economic analysis of the City’s 55% inclusionary requirement for residential development would demonstrate that the policy will make most housing projects financially infeasible¹. As a result, the 55% inclusionary policy will effectively halt residential development on the sites rezoned in the central Hollister area for higher density residential development. There is no realistic way for developers to develop projects with such a high inclusionary requirement without significant compensating regulatory or financial incentives, which have not been offered by the City. As a result, we believe that the effect of the policy will be to drastically reduce the production capacity of the sites designated by the City to meet RHNA housing production. In fact, the policy acts as a *de facto moratorium on development* that negates this key portion of the City’s Housing Element to the General Plan.

• **The Policy Contradicts the Intention of State Law:** It is our opinion that the policy contradicts the intention of State Law for providing an inventory of adequate sites to meet community housing needs, particularly for lower income households. The City is required by State law to rezone properties at higher densities to qualify the sites for the RHNA allocation for lower-income households. This is because the State recognizes that this level of minimum density is needed as an important component for producing affordable units. To then require developers on these key RHNA sites to build 55% of their projects as affordable units (an additional 25% above the citywide 30% inclusionary requirement), without commensurate regulatory and financial incentives, undermines the purpose of providing the higher density zoning. In fact, the City’s policy of a 55% inclusionary requirement in the central Hollister area works as a serious constraint to development that is contrary to the State purpose in encouraging provision of higher density zoned land.

¹ There would be some projects that can achieve up to 100% affordable, based on application to and award of federal and state program funding in combination with potential City RDA, HOME and CDBG resources. However, these governmental funding programs are limited and highly competitive. It is highly unlikely that projects would be able to successfully compete for governmental subsidy programs for 518 units of housing (55% of the development capacity of these sites) during the current RHNA cycle ending in 2009. Nor does the City of Goleta have adequate local resources to subsidize this amount of affordable housing.
HCD has published a letter on its Internet Site (www.hcd.ca.gov/hpd) addressed to the General Counsel of the Homebuilder’s Association of Northern California that provides guidance to local government on the HCD perspective on inclusionary housing policies. HCD clearly stresses that local jurisdictions must not only analyze the policy’s potential constraint to housing production but must also evaluate whether sufficient regulatory and financial incentives are provided to offset these constraints. These two HCD concerns are summarized in the following excerpts from the letter:

“While some local governments adopt mandatory inclusionary programs as one component of comprehensive affordable housing strategy, such programs have the potential to negatively impact the overall development of housing. As a result, local governments must analyze mandatory inclusionary policies as potential governmental constraints on housing production when adopting or updating their housing elements.”

“For example, local governments must analyze whether inclusionary programs result in cost shifting where the cost of subsidizing the affordable units is underwritten by the purchasers of market-rate units in the form of higher prices. Even a modest increase in price can be an insurmountable obstacle. Local governments must also analyze their inclusionary policies to evaluate whether sufficient regulatory and financial incentives are offered to facilitate compliance with the requirements.”

**Recommendation:** We therefore urge HCD to require the City of Goleta to either eliminate Policy HE 11.6 as a condition of certification the Housing Element or to perform an analysis that demonstrates that the policy is economically feasible and does not act as a constraint to housing production.

### II. RHNA Production Goals Can Be Attained With A Comprehensive Approach

There is an existing documented shortage of affordable housing within the City of Goleta. While a reasonable inclusionary policy is one useful planning tool for producing some lower income housing, the City cannot expect new market-rate development to make up for a chronic communitywide deficit of affordable housing. Yet the City states in Policy 3.6 on page TA-41 in Part III of the revised Technical Appendices to the Housing Element that, “Inclusionary housing requirements will be the primary way the City will be able to meet its affordable housing needs and use available land efficiently.”

Instead of relying solely on its proposed inclusionary policies, we believe that the City can achieve its RHNA affordable housing production by developing a more comprehensive approach with specific targeted programs and action timelines in the revised Housing Element. While the City does mention general goals and intentions, there is no description of the specific land use policies, development standards, design guidelines and financial incentives the City can provide to developers to effectively facilitate affordable housing production. Nor are any of these policies directly linked to the mandated citywide 30% inclusionary requirement or the 55% inclusionary requirement in
the central Hollister area. The City can more fully develop and articulate the specifics of its implementation strategies to achieve RHNA housing production. There are a number of programs and incentives, in addition to a workable inclusionary policy, that a local jurisdiction can combine to stimulate the production of affordable housing units. In fact, the neighboring City of Santa Barbara is an exemplary model. Until 2005 the City of Santa Barbara did not even have an inclusionary housing policy. Nonetheless, the City of Santa Barbara has met its RHNA allocation for lower income housing production and over 12% of the City’s total housing stock is affordable.

A. Housing Incentives ‘Toolkit’:

We recommend that the City of Goleta articulate and adopt a ‘Toolkit’ of specific planning, land use and financial incentives in the Housing Element in order to meet its RHNA affordable housing needs within the overall housing production goals it has chosen for the community. Here are a few examples some of the tools that the City can include in the Housing Element to create a comprehensive and workable affordable housing strategy:

1. Financing Incentives: City financial incentives can be a major resource tool to stimulate the production of affordable housing. The City of Goleta’s financial resources for housing, while modest, can be effectively used to achieve a higher level of affordable housing production than a solitary inclusionary approach. This can be achieved by the City proactively leveraging the resources it does have. The City can facilitate affordable housing development by offering various loan and grant subsidies to lower development costs, by reducing development fees, and by sharing in the costs of infrastructure and other site improvements. Here are a few examples of specific methods the City can use:

   • Commit a portion of annual Redevelopment Agency (RDA), Community Development Block Grant (CDBG) funds and HOME consortium funds to subsidize affordable housing. These combined resources are currently several million dollars.

   • Use City Redevelopment Agency tax increment flow (which will grow as Goleta Old Town is redeveloped) to provide financial incentives for affordable housing production in and adjacent to the Old Town area. The City may also consider issuance of a below-market interest rate bond issue financed from the tax increments.

   • Establish reasonable in-lieu fees and use accrued fees to support 100% affordable and mixed income affordable housing projects.

   • Provide information, referral and facilitation services to developers to assist them in accessing federal, state, and local funding programs.

   • Work collaboratively with the new Housing Trust Fund of Santa Barbara County and local lending institutions to enhance city financial resources or affordable housing.
- Develop a targeted fee waiver and reduction program for qualified affordable residential and mixed-use development within a specified timeframe. Fees can either be reduced or subsidized to produce housing that serves low-to-moderate income workers and residents.

- Develop a program to allow developer payment of targeted fees upon issuance of certificate of occupancy rather than at building permit issuance, in order to help reduce project development carrying costs.

- Pay or share infrastructure, off-site and utility installation costs for affordable or mixed-income projects using RDA, HOME and CDBG resources.

- Subsidize special project improvements such as streetscape improvements, decorative lighting, green/open space and pocket parks.

- Promote employer assisted housing (EAH) options by convening community partners such as the Coastal Housing Partnership, Housing Trust Fund, Chamber of Commerce and other groups to facilitate innovative financial partnerships with local business and the financial and development community.

2. **Land-banking:** The City can use its financial resources to purchase and ‘land-bank’ sites for future affordable housing development. It can also work with developers of the major sites to set-aside portions of the land for 100% affordable projects, as a trade-off to inclusionary requirements.

3. **Land Use and Density Incentives:** The City states in its draft Housing Element that it will provide density incentives but does not yet have any policies other than adhering to the State Density Bonus Law. The City could provide extra density at appropriate locations to facilitate affordable units. The current maximum density a developer could achieve for a multi-family affordable housing project is 20-units per acre with up to a 35% density bonus, for a total of 27 units per acre. This is still relatively low density for multi-family development, particularly for smaller sized units for young single workers, the elderly or special needs populations. The City could provide densities of 30-40 units per acre in appropriate locations, as well as additional bonus density, and still facilitate the production of attractive, well-designed, low-impact affordable housing projects. The City can also allow for varying densities based on lot size, unit size and targeted population.

4. **Development Standards and Design Guidelines:** The City can facilitate more affordable housing production by allowing flexibility in development standards and design guidelines. The City’s primarily “suburban” development standards and design guidelines are not conducive to promoting a variety of affordable types. City adoption of urban infill or ‘new urbanist’ development standards and guidelines at appropriate locations (e.g. along Hollister, near shopping centers, Goleta Old town) can facilitate the production of more affordable units. Some examples of specific flexible standards and guidelines that can be included in the revised Housing Element include:
• Increased lot coverage and reduced open space requirements based upon specific guidelines.

• Flexible parking standards and reduced parking requirements at appropriate locations that encourage pedestrian use and alternative transportation modes.

• Reduce parking requirements for affordable, senior and special needs housing projects (it has been demonstrated that affordable housing project residents have fewer cars). For example, .5 uncovered space for senior units; 1 covered space for studio, 1 and 2-bedroom units; 1 1/2 (1 covered) for 3-bedroom units.

• Provide flexibility in setback requirements (include specific guidelines).

• Allow for greater building height up to 3 stories, with modulation up to 4 stories at appropriate sites, provided that the average building height is 3-story and view corridors are maintained. Less restrictive height limitations will enable more cost effective development of podium buildings at appropriate locations.

• Provide fee waivers for innovative design that creatively resolves parking and site design issues.

5. Streamlined Review and Fast-Track Processing:

Land use policies, flexible design and development standards and financing incentives cannot be fully effective in producing affordable housing unless the City is proactive in facilitating housing production and preservation. An uncertain and lengthy project review process is a disincentive for affordable residential development. To encourage development, the City needs to provide developers with the ability to reasonably gauge the costs and time associated with the regulatory review and approval of projects. The City of Goleta could enhance the efficiency, timeliness and certainty of the project development review process to stimulate affordable residential and mixed-use development.

Significant housing cost savings can occur if the development review process can be reduced from the typical 4-5 years in our region to 1-2 years. Many jurisdictions across the country have successfully achieved this goal by implementing specific policies and procedures. While the City does mention in the revised Housing Element under HE Program 10.D that it will establish ‘fast track’ processing and consider streamlining environment review, it does not elaborate on the methods it will use to achieve these goals. The City could include specific policies within the Housing Element to facilitate the timely processing of affordable housing. Some of the ‘best practices’ techniques the City of Goleta could employ to achieve reduced project processing time include:

• Use a development review team and/or ombudsperson within the City to guide a project quickly through the process;
• Exempt infill projects from significant environmental review, since these projects would be covered in the General Plan EIR (i.e. sites along the Hollister corridor);

• Prepare Master EIRs or areawide EIRs so that individual projects do not have to go through a year or more process;

• Provide user-friendly project process, application and submittal requirements and "technology-smart" centralized information clearly describing the project review process, key milestones and project status.

• Design and implement a "fast-track" and priority development review process for projects that provide a significant percentage of affordable units.

• Bring together the perspectives of the Planning staff, Design Review Board Planning Commission and Redevelopment Agency, so that development projects are reviewed in a collaborative manner.

• Foster better staff/customer relations and services and a positive attitude of proactive project facilitation.

• Adequate City Staffing and Expertise: Commit sufficient planning and economic development staff with requisite housing expertise and city resources to achieve affordable housing production goals.

• Carry out outreach, education and consensus-building activities to gain community acceptance for needed affordable housing development.

While we understand the city's housing objectives for the community, the city's proposed 55% inclusionary policy on designated sites is an impediment to the creation of affordable housing and therefore contrary to state law. We believe that there are other ways to achieve the city's goals, as discussed above, that will generate the affordable housing the community needs and state law requires.

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2 "Technology-smart" refers to better use of viable and cost effective technology to provide information. Examples include web-based permit status, fax/web/email permits, digital distribution of corrections, electronic payment, on-line codes and policies, and links to helpful web-sites.

3 "Fast-track processing" refers to special, accelerated treatment of project development permit processing that gives priority to the targeted project over other projects in the local government development review queue. Typically fast-track permit processing is applied to projects that meet identified priority community housing needs, such as affordable, senior and special needs, transit-oriented and workforce housing.

4 "Affordable" generally refers to housing for low-to-moderate income households earning up to 120% of Area Median Income, adjusted for family size, with the household paying no more than 30% of income for housing rental expense and 35% for homeownership costs.
The Goleta Housing Leadership Council believes that inclusion of a comprehensive incentive program and adoption of a reasonable inclusionary requirement will improve the City of Goleta's Housing Element and bring it in compliance with State law. We urge HCD to require these revisions to the City of Goleta's Housing Element as a condition of its certification.

Sincerely,

Jennifer McGovern
Coordinator
Goleta Housing Leadership Council

CC: Don Thomas, Division of Housing Policy, HCD
    Linda Wheaton, Assistant Deputy Director, Division of Housing Policy, HCD
    Ken Curtis, Director of Environmental and Planning Services, City of Goleta
March 3, 2006

Cathy Creswell, Deputy Director  
Division of Housing Policy  
State Department of Housing and Community Development  
1800 Third Street, Suite 430  
P.O. Box 952053  
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Re: City of Goleta General Plan Inconsistencies Limit Residential Development

Dear Ms. Creswell:

The Goleta Housing Leadership Council is concerned that policies in several key elements of the City of Goleta’s new General Plan contradict the goals and objectives of the Housing Element. In particular, policies within the Conservation Element, Land Use Element, Noise Element and Transportation Element of the new Goleta General Plan unnecessarily constrain residential development. However, the City has not performed an in-depth analysis of the impacts of other General Plan element policies on the production capacity the City claims it can achieve in its revised Housing Element. We are concerned that the internal policy inconsistencies within the General Plan may significantly reduce the development capacity on sites designated in the Housing Element for RHNA housing production.

California State Law requires that the various elements of the General Plan must be internally consistent, “In construing the provisions of this article, the Legislature intends that the general plan and elements and parts thereof comprise an integrated, internally consistent and compatible statement of policies for the adopting agency” (Government Code 65300.5). Housing element law also requires that a jurisdiction adopt housing element goals and programs that can be implemented and identify how consistency will be achieved with other elements (Government Code 65583). The City should look to resolve any internal inconsistencies in the General Plan that may unnecessarily constrain residential development and impact the effectiveness of the Housing Element in meeting its programmatic goals and mandated RHNA housing production.

The City is claiming a production capacity of more than 2,300 units along the Hollister Avenue transportation between western Goleta and Old Town Goleta, as listed on the City’s Land Inventory in the Housing Element (see Tables D-H on pages TA 48-49 of the Technical Appendix to the Housing Element).
A summary of key policy concerns affecting the Housing Element in other General Plan elements is presented here, followed by a detailed discussion of each policy. We believe that the combined effect of these policy inconsistencies could diminish the housing development capacity on remaining limited sites within the City of Goleta.

A. Conservation Element Constraints to Housing Production: Restrictive environmental standards in the Conservation Element related to Environmentally Sensitive Habitat Areas (ESHA), streams and riparian areas and wetlands may significantly shrink the development potential of key infill sites along the Hollister Avenue corridor that have been identified in the Housing Element for RHNA production. The City has not yet performed an analysis of the impact of the Conservation Element environmental policies on the development capacity of these sites. The City’s environmental threshold standards are set quite high (for example they employ a much stricter definition of wetlands than the County of Santa Barbara) and can easily trigger a definition of an ESHA, thus creating an environmental concern that poses a constraint to full development of a site. Moreover, the policies are inflexible and provide no options to the developer for mitigating any potential environmental concern.

1. ESHAs (Environmentally sensitive habitat areas):

CE 1.6, page 9 of the Conservation Element does not allow any development at all within ESHAs and buffer areas, even for remnant or highly degraded ESHA areas on infill sites (i.e. sites adjacent to or near existing development). The policy may result in an unnecessary reduction of development capacity on infill sites needed for RHNA housing production along the Hollister corridor. ESHA policies should provide developers with the flexibility to expand other more significant ESHA areas in exchange for being able to develop on remnant or highly degraded areas located on sites designated for RHNA production.

Policy CE 1.9b on page 10 of the Conservation Element requires that new development adjacent to ESHAs must not create any impacts to the ESHA related to fuel modification for fire safety purpose. This may have the unintended effect of increasing the 100 foot buffer area, thus restricting the development envelope even further.

Recommendation: Policies related to ESHA in the City’s Conservation Element should be revised to allow developers more flexibility and options for mitigating environmental concerns.

2. Streams and Riparian Areas:

Policy CE 2.2b on page 15 of the Conservation Element requires a 100-foot buffer area for riparian areas on sites where there has not been previous development. The 100-foot buffer is double or 100% greater the previous 50-foot standard employed by the County of Santa Barbara and is excessive for infill sites located within the urban
boundary. We are concerned that the requirement for a 100-foot Streamside Protection Area (SPA) could shrink the development footprint on several remaining vacant parcels along Hollister Avenue, thereby reducing the potential housing capacity of those sites.

**Recommendation:** The Conservation Element policy related to buffer areas for riparian development sites within the urban boundary should be revised to the 50-foot standard.

3. Wetlands:

**Policy CE 3.1** on page 14 of the Conservation Element defines wetlands as using a standard of one (1) or more indicators rather than the typical standard of two or more indicators in defining wetland areas. The City is also using the term "preponderance" rather than "predominant" (which indicates 50% or more) in defining an area with plants adapted to moist soils. These standards are more stringent than and not consistent with the Army Corps of Engineers standards that have gone through legal review and have been tested and upheld in the courts. The City's decision to adopt more restrictive environmental guidelines and definitions for wetlands could have the impact of reducing the development footprint on remaining infill sites and may also be subject to legal challenge which could unnecessarily delay needed residential development.

**Policy CE 3.2** on page 15 of the Conservation Element states that all wetlands are considered ESHA. Therefore, according to the definition of an ESHA, no development would be allowed, even on a small remnant area or highly degraded wetland that might be identified on an infill site. The remaining vacant sites along Hollister adjacent to existing development are not significant environmental areas and the application of the proposed ESHA and wetlands policies on these sites will act as a constraint to needed residential and mixed-use development. Flexibility in allowing development on small remnant or degraded wetland on infill sites along Hollister will serve the City in meeting its mandated housing production goals. Buffer areas can also be reduced for these infill sites.

**Policy CE 3.5:** This policy establishes a 100-foot wetland buffer area policy, rather than the urban standard of 50 feet, that applies to infill sites in areas of existing development. The 100-foot buffer requirement applies regardless of the size of the wetlands or whether it is a remnant or highly degraded area. The arbitrary doubling of the previous 50-foot buffer zone standard could significantly shrink the development footprint on sites designated for RHNA protection. To date the City has performed no in-depth analysis of the potential reduction in development capacity on key RHNA sites along Hollister Avenue impacted by this new expanded buffer policy. The requirement for 100-foot wetland buffer areas may unnecessarily restrain housing production on remaining infill properties that are not environmentally sensitive areas. We recommend that the standard be revised back to 50 feet for infill properties.

**Recommendation:** The City's Conservation Element policies related to wetlands should be revised to remove unnecessary constraints to residential development on key
sites designated for RHNA housing production. The City should adopt the Army Corps of Engineers standard for the definition of wetlands. The 100-foot wetland buffer policy should be revised to 50 feet for infill and key RHNA housing production sites. The City’s policy on wetland ESHAs should be revised to allow flexibility for development on small remnant or degraded wetland areas on infill sites along Hollister Avenue and other key RHNA housing production sites.

4. Special Status Species:

Policy CE 8.4 on page 23 of the Conservation Element creates a 100-foot Buffer Area for Special Status Species. This standard applies to urban infill sites, although the buffer may be reduced to correspond to the actual width of buffer on adjacent property. It is unclear, however, exactly how this standard will be applied on infill sites that are primarily surrounded by existing development with no buffers. In fact, raptor nesting and roosting sites exist on fully developed properties within the City of Goleta next to major roadways (one notable example is the eucalyptus trees on the Post Office processing plant property immediately adjacent to Storke Avenue). The policy is subjective and left to the discretion of the City. This policy, along with the 300-foot prohibition on clearing, grading, construction and other development activity during nesting and fledging season (which is overly restrictive) may unreasonably reduce the development capacity of infill sites and delay completion of construction. Moreover, inclusion of these policies in the General Plan means that they cannot be revised or modified without a General Plan Amendment.

Recommendation: The special species buffer area should be changed to 50 feet for infill properties, with allowance for no buffer on sites adjacent to fully developed properties. The 300-foot radius prohibition for grading, construction and development activity should be reduced. Moreover, both policies should be included in the City’s zoning ordinance or other policies rather than in the General Plan.

B. Land Use Element Constraints:

Proposed policies in the Land Use Element may unnecessarily reduce the development capacity of remaining vacant properties along Hollister Avenue adjacent to major employment centers that have been identified as appropriate locations for a range of moderate and higher density residential and mixed-use development. We encourage the City to revise the policies described below so that the land along Hollister Avenue can be optimized for RHNA housing production.

Policies LU 2.1 b. & d. on pages 6-7 of the Land Use Element related to development timing require any transportation improvements needed to maintain the City’s level of service standard to have funding committed. This may be a difficult if not impossible requirement for residential development to achieve if the needed improvements are significant and require the accumulation of funding over an extended period time. For example, residential development on sites near the Storke/Hollister Avenue intersection
in western Goleta would have to wait until the City obtained funding for the proposed Ellwood freeway crossing. [The Storke/Hollister intersection is currently at maximum size, according to City limitations on intersection size. The City Transportation Plan states that traffic congestion at this intersection has no site-specific solutions and could be relieved only through construction of the proposed Ellwood freeway crossing.] However, according to City staff, this freeway crossing could cost a minimum of $20 million and it could take up to 15-20 years for the City to obtain the funding. Therefore this policy would effectively preclude development in areas of western Goleta for many years.

**Recommendation:** This policy is inconsistent with the Housing Element RHNA housing production goals and should be omitted.

**Table LU-1 Allowable Uses and Standards for Residential Use Categories** on page 9 of the Land Use Element:

**Principle Uses:** Table LU-1 requires a Conditional Use Permit (CUP) for development of Special Needs housing on higher density multi-family zoned land. Issuance of a CUP is a discretionary City action and does not provide assurance to developers of special needs housing that the project will be approved and will also make it more difficult for sponsors to obtain funding from State and Federal housing programs. The CUP requirement makes development of special needs housing more difficult and appears to discriminate against persons with special needs.

**Recommendation:** This requirement for a Conditional Use Permit is inconsistent with the City’s Housing Element goals to facilitate housing for special needs populations. The policy should be removed.

**Standards for Building Density:** Residential densities ranging between 22-30 units per acre are allowed in multi-family higher density zones. However, Table D in the Technical Appendices of the Housing Element only lists two sites with an allowable maximum density of 30 units per acre, with a combined production capacity of only 11 units. This appears to be a very limited application of higher densities needed to facilitate affordable housing.

**Recommendation:** The City should designate additional sites were higher density multi-family housing can be developed.

**Standards for Building Intensity:** There are no standards listed in this section. We are concerned that the City may adopt restrictive standards—such as a maximum 30% building coverage and building height limitations—that when combined will make it difficult to develop affordable multi-family housing.

**Recommendation:** The City should be required to articulate its building intensity standards and make sure that they do not conflict with the goals of the Housing Element and unnecessarily constrain residential development, particularly for affordable housing.
Policy LU 3.4 on page 11 of the Land Use Element regarding the Old Town Commercial district is unclear as to whether residential uses are permitted on the second floor of buildings. Residential development in this district also requires a Conditional Use Permit, which is a discretionary City action and makes mixed-use development problematic. These policies contradict the housing production capacity for lower income households claimed in the Housing Element in Tables E-G for the Old Town district.

Recommendation: Residential use on the second story should be permitted for all compatible commercial designations in the Old Town commercial district in order to foster a healthy mix of housing and commercial activity in Old Town Goleta. Residential use in Old Town Goleta should also be allowed by right rather than by Conditional Use Permit, to assist the City in achieving its lower income RHNA housing production goals.

Table LU-2 Allowable Uses and Standards for Commercial Use Categories on page 12 requires a Conditional Use Permit (CUP) for residential uses, senior residences and residential mixed-use projects in Community Commercial, Neighborhood Commercial, Old Town Commercial and General Commercial zones. Again, the CUP is a discretionary City action and may constrain residential development. Furthermore, the CUP requirement contradicts lower income housing production capacity claimed in the Housing Element in Tables E-G of the Technical Housing Appendices.

Recommendation: Residential use in Community Commercial, Neighborhood Commercial, Old Town Commercial and General Commercial zones should be allowed without the requirement of a Conditional Use Permit, in order to remove the inconsistency with the lower income housing production claimed in Tables E-G in the Housing Element.

Policy LU 3.5 on page 13 of the Land Use Element allows mixed-use development in Neighborhood Commercial areas subject to approval by Conditional Use Permit (CUP). Again, the CUP requirement may unnecessarily constrain development and impacts the City’s RHNA housing production goals.

Recommendation: Revise this policy to remove the requirement for a CUP.

Policy LU 4.4 on page 15 and Table LU-3 on page 16 allow mixed-use development with residential uses in these zones but by Conditional Use Permit only. This policy may contradict the production goal of 47 units for the North and South Hollister-Patterson areas listed in Table G of the Technical Appendices to the Housing Element.

Recommendation: The policy and table should be revised to remove inconsistencies with the production goals of the Housing Element.
C. Noise Element:

Policies and standards in the City of Goleta’s General Plan Noise Element directly contradict the stated goals of the Housing Element. The Noise Element discourages residential development on the very sites along the central Hollister corridor that the City of Goleta has selected for RHNA housing production in the Housing Element. Policies and standards in the Noise Element should be revised to facilitate development on these key sites.

Policy NE 1.2 on page 12 of the revised Noise Element states, “The City shall discourage location of new residential units in areas where exterior ambient noise levels would exceed 60 dGBA CNEL in residential areas, or 65 dBA CNEL for mixed use areas”. Current levels are 60 DBL. A proposed residential or mixed use project that exceeds these standards should only be approved if the project would provide a substantial benefit to the City (including but not limited to provision of affordable units or as part of a redevelopment project), and if adequate mitigation measures are employed to reduce interior noise levels to 45 dBA CNEL or less.” However, Figure 29 Existing Noise Contours shows that all of the sites located along Hollister Avenue designated for RHNA housing production fall within the 60 DBA or greater noise level. This means that the approval of projects in this key RHNA production area where the City expects to achieve the production of over 2,300 units is not assured.

Recommendation: Policy NE 1.2 discouraging residential development in areas where ambient noise levels exceed 60 dBGA CNEL is inconsistent with Housing Element goals and should be revised to allow for residential development where noise mitigation measures are used and interior noise levels meet appropriate standards.

Policy NE 2.8 on page 16 of the Noise Element requires new development to consider and mitigate noise generated by the expected increase in off-site traffic based on incremental increases in DBA CNEL, regardless if the overall standards of 60 or 65dBA are exceeded or not. Not only will it be difficult for a project to measure hypothetical increases in off-site noise, the policy may unnecessarily add extra costs to residential developments, which could affect housing affordability.

Recommendation: Policy NE 2.8 should be revised to require mitigation of off-site traffic only if the overall noise standard of 65dBA is exceeded.
D. Transportation Element:

The Transportation Element is an infrastructure plan that supports the overall goals of the General Plan and must correlate with the objectives of the Land Use and Housing Element. However, the City’s transportation strategy and policies in the Transportation Element do not provide realistic or feasible remedies to mitigate traffic impacts that will be generated from residential development anticipated in the Housing Element and Land Use Plan. In fact, restrictive policies in the Transportation Element erect significant barriers to residential development on vacant properties along Hollister Avenue in western and central Goleta and other areas designated for RHNA housing production such as Old Town Goleta. This will affect over 2,300 units of potential housing to be constructed on sites located along the Hollister Avenue corridor between western Goleta and Old Town Goleta, as listed on the City’s Land Inventory in the General Plan (see Figure 27: Sites Suitable for Residential Development in the Land Use Plan and Tables D-H on pages 49-53 of the Technical Appendix to the Housing Element). The City’s failure to adopt practical and workable transportation infrastructure improvements needed to facilitate housing production is a major internal inconsistency in the General Plan that impacts the viability of the Housing Element. Key concerns with the City’s Transportation policies are highlighted below, followed by a more detailed discussion of policy impacts:

- The City’s Transportation policies focus on a strategy to alleviate projected traffic congestion along Hollister Avenue and two key intersections at Storke and Los Carneros by creating two costly non-freeway exchange overpasses which may take 15-20 years to complete and for which there is no identified funding. Therefore no major residential developments could be constructed in western or central Goleta along Hollister Avenue until the freeway crossings are completed.

- At the same time the City has adopted transportation policies that limit the size of major arterials and intersections so that needed improvements to key intersections and roadways near RHNA housing production sites cannot be achieved.

1 See Chapter 4 of the State General Plan Guidelines.
2 By correlating Tables D-H to Figure 27 of the Land Use Map, we can locate sites that are adjacent to key freeway exchange and Hollister Avenue intersections that are already at maximum capacity and where physical improvements will not be allowed under City policies and/or require completion of non-freeway crossings to mitigate traffic impacts. We estimate the following sites and potential housing production capacity may be affected, resulting in either extended delay or substantial reduction in the number of units: a) Table D – Vacant Residually Zoned Land: 1,265 units in sites 14, 19, 20, 21, 22, 23, 24, 25, 26 and 36; 487 units on sites 3, 33, 37, 28, 31, 32, 36; b) Table E – Vacant Non-Residential Sites Proposed to Be Rezoned: 287 units on sites 17, 28, 31, 32; c) Table F – Vacant Land for Mixed Use: 91 units on sites 27, 5, 34 and 35; d) Table G – Non-Residential Sites for Redevelopment: 206 units on sites 7, 9, 13, 16, 18 and 29.
3 Intersections that will be impacted by this policy that lie along the Hollister Avenue and Calle Real transportation corridors include Storke, Los Carneros, Fairview and Patterson. Approximately 2,300 units of housing could be produced on sites adjacent to these key intersections on both the Hollister Avenue and Calle Real sides as well as near the freeway interchanges (See Figure 27 of the Land Use Plan and Tables D-H in the Housing Element Appendix).
- Four main freeway interchange intersections show the greatest current and future projected traffic counts under the City's forecast, yet the Transportation Plan has no strategy for improving these intersections. Two of these key intersections—Storke and Los Carneros at Hollister—are located adjacent to the major sites designated in the Land Use and Housing Element for higher density housing development (see Figure 27 in the Land Use Plan).

- Although major sites for housing production are located near the freeway interchange intersections, the City's Transportation Plan has not evaluated improvements to these key intersections as a more cost effective and timely solution to alleviating traffic congestion generated from new development.

- The City offers alternative methods as a way for developers to mitigate traffic impacts generated by development and maintain City adopted LOS standards. However, the standards are left to the sole discretion of the City and are unarticulated. There has been no objective analysis by the City that demonstrates that alternative strategies posed by developers will be able to achieve the City LOS thresholds. Furthermore, there are no policies in place or methods for developers to contribute to alternative transportation networks.

- The City has adopted concurrency policies for the construction of traffic mitigation improvements that pose difficulties for timely production to meet RHNA housing goals. These policies may delay residential development for years.

- The City has provided no financial plan, as required by CEQA, demonstrating sources of revenue to finance needed transportation capital improvements. Therefore it cannot be determined if transportation infrastructure improvements needed to support housing production goals in the Housing Element can be achieved.

- The cumulative impact of the Transportation Element policies is to effectively block residential development of any significant scale on key sites along Hollister Avenue in western and central Goleta and Old Town Goleta identified in the Housing Element to meet RHNA housing production goals.

**Recommendation:** The City has not yet evaluated potential reduction of development capacity due to Transportation Element policies on the sites listed in its Land inventory to meet RHNA housing production. The City of Goleta should be required to reconcile inconsistencies between the Housing Element and Transportation Element. And, the City should revise policies in the Transportation Element so that they support the goals and programs of the Housing Element and facilitate mandated RHNA housing production.

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4 Instead the City employs a strategy of reducing or avoiding traffic congestion at freeway interchanges and key intersections by constructing two new freeway overpasses. See discussion on page 5 of the City’s Draft General Plan 2030 Forecast Report, December 15, 2005.
1. Reliance on New Freeway Crossings Will Block Residential Development:

The City is relying on completion of two new freeway overpasses (Ellwood Station in western Goleta and La Patera in the central Hollister area) to ensure the adequacy of its Transportation Element to provide needed infrastructure improvements that will ease traffic congestion generated from new residential development called for in the Housing Element and Land Use Plan. However, construction of these freeway crossings may not be a feasible or realistic option.

Policy TE 1.3 on page 6 of the Transportation Element states that the City will place priority on creating non-interchange crossings of US 101 to relieve traffic congestion on cross-routes with freeway interchanges. However, according to statements made by City staff at a public hearing on the Transportation Element held on January 23, 2006, these freeway crossings would cost a minimum of $20 million each and the City has no identified funding to construct them. Completion of the proposed crossings may take 15-20 years. In fact, there is no assurance that the City has the ability to obtain the necessary inter-jurisdictional agreements and funding to construct the freeway overpasses. Therefore, any significant residential development in western Goleta that requires completion of the freeway crossings as traffic mitigation may be held up indefinitely.

Policy TE 5.5 on page 16 of the Transportation Element proposes development of two non-freeway interchange crossing projects (at Ellwood Station Road in western Goleta and La Patera Road in the central Hollister area) to create alternative routes to divert vehicle traffic away from existing heavily used freeway interchange routes, and to alleviate projected traffic congestion at the Storke and Los Carneros that will be generated with residential development on adjacent properties.

This policy will affect major developments near the Storke and Los Carneros intersections. [See Figure 20 Transportation Plan for location of proposed new overpasses, Figure 21 Public Transportation System for higher density residential concentrations, and Figure 27 Sites Suitable for Residential Development in the Land Use Plan.]

Under the City transportation policy that limits the size of key intersections (see TE 6.5 discussion below), traffic congestion at the Storke/Hollister intersection, which is currently at the maximum size, cannot be mitigated without construction of the new freeway crossings. [City staff reported at the February 13, 2006 meeting that the

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5 By law, the Transportation Element must correlate directly with the land use element and also relates directly to the housing element. The Transportation or Circulation Element is an infrastructure plan that supports the overall goals of the General Plan (see Chapter 4 of the State General Plan Guidelines).
6 Moreover, it is very unlikely that the proposed freeway overpasses would receive funding priority from the Santa Barbara Council of Governments because they are not linked to accessing US Highway 101.
7 City staff has also acknowledged that even if funding were currently in place to construct the freeway crossings, it would take 5-10 years to complete them.
Storke/Hollister intersection is currently at LOS D (maximum allowed) and that the intersection only improves with completion of the new freeway crossings. Similarly, the Los Carneros intersection is projected to be at LOS D or E under various future forecasts, with traffic congestion eased by the potential freeway overpasses. As previously mentioned, the City has acknowledged the magnitude, significant cost and extended time necessary to complete this undertaking. This means that housing development on key sites in western Goleta located near the Storke and Los Carneros intersections will most likely be delayed for decades. We estimate that these transportation policies will affect 1,755 potential housing units listed in the City's inventory of sites in Table D on page TA-48 of the Technical Appendix to the Housing Element.

2. Limits to Physical Improvements Constrain Development:

City Transportation Element policies limit the size of city arterials links and existing freeway interchange intersections along Hollister Avenue, the main transportation corridor. These policies limit physical improvements that are needed to mitigate traffic generated from anticipated residential development. Four key intersections affected by these policies include Storke at Hollister, which is already at the maximum size, and Los Carneros, Fairview and Patterson Avenues at Hollister, which are near the physical limits. These intersections are adjacent to vacant properties identified in the City Housing Element for residential development to meet RHNA production goals (see Figure 27 in the Plan Use Element). As a result, major housing or mixed-use development in these areas will have no way to mitigate traffic impacts through physical improvements to the intersections.

Policy TE 3.3 on page 9 of the Transportation Element limits the size of major arterials to one to two lanes in each direction. This policy means that Hollister Avenue, the main transportation arterial, could not be widened to accommodate increased traffic generated from projected residential and commercial development. The GTIP (Goleta Transportation Improvement Plan) included widening of Hollister Avenue to six lanes. This would be precluded under this policy.

Policy TE 4.2 on page 13 adopts modified LOS standards for specific intersections and allows for consideration of alternative methods for mitigating traffic impacts when an intersection is developed to the maximum size and at maximum LOS. However, there are no objective standards set for how a developer can provide alternative traffic mitigation measures; this is left to the discretion of the City. Neither has the City provided any analysis or evaluation of whether alternative transportation modes—such as transit, bicycle or pedestrian—would be effective in mitigating traffic impacts to conform to adopted LOS standards. Since there are no objective measures of the beneficial effects of such improvements, this policy would also introduce a considerable amount of subjectivity into the City’s environmental review process.

9 1,286 units on sites with existing density at 20 units per acre or greater and 489 units on sites with existing density less than 20 units per acre.
Policy TE 6.5 on page 19 limits the expansion of intersections to a total of 7 lanes in any leg, including through traffic lanes and turn lanes, even if this requirement reduces the LOS for intersections listed in policies TE 4.1 and TE 4.2 below the target range. Under this policy, physical improvements to four key freeway exchange intersections (Storke, Los Carneros, Fairview and Patterson) that may be needed to accommodate 2,300 or more potential units needed for RHNA housing production (see footnote 2 on page 7 of this letter) may not be allowed. This policy effectively limits the ability of developers to mitigate traffic impacts generated by new residential development. Instead, development would have to wait for the completion of expensive freeway crossings that have an extended time horizon (15-20 years) and no identified funding (see discussion in TE 5.5 above). Or, developers would have to provide alternative transportation mitigation measures that are left to the discretion of the City and that are unproven as acceptable (see discussion in TE 4.2 above).

3. Concurrency Policies Will Delay or Stop Residential Development:

The Transportation Element policies on concurrency also pose difficulties for timely housing production to meet City RHNA housing production goals. In fact, these policies could virtually eliminate residential development adjacent to key RHNA housing production sites in western and central Goleta.

Policy TE 4.3 on page 14 requires the City to develop a deficiency plan prior to allowing any development that would lower LOS below the adopted standard. Therefore projects that generate any substantial traffic to major intersections will have to wait until completion of the deficiency plans. The City has identified five intersections that require a deficiency plan. However, the City may not complete these deficiency plans in a timely manner. This policy could have the effect of stopping development.

Policy TE 13.3 on page 31 of the Transportation Element only allows new development when the City’s adopted LOS standards are maintained without reducing levels of service elsewhere. The City considers transportation facilities adequate if: the project meets the adopted LOS standard, or a financial commitment is in place within 6 or fewer years to make necessary improvements, or off-site mitigation measures are in place in the City impact fee system for addressing cumulative impacts.

This policy may be difficult for developers to meet for several reasons. Most of the key intersections near development sites are already at or near the adopted LOS standard (see the City’s transportation model forecasts). Major improvements to these intersections would be precluded due to limitations on physical improvements under Policy TE 6.5 (see above). Off-site mitigation measures such as the freeway crossings could take an extended timeframe of 15-20 years to complete. And, the City has provided no financial plan that demonstrates sources of funding for these off-site improvements. In fact, the inter-jurisdictional agreements and necessary funds

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10 Construction of the freeway overpasses would involve the City of Goleta, City of Santa Barbara, Santa Barbara Council of Governments and Cal-Trans.
required to complete the freeway overpasses may not be obtained. Therefore projects near the Storke/Hollister and Los Carneros/Hollister freeway intersections that generate appreciable traffic would have to wait until deficiency plans are completed and funding is obtained to implement the non-freeway overpasses. If the freeway overpasses are not constructed, this could be an indefinite wait. This policy creates a barrier to timely residential development on key RHNA housing production sites located along Hollister Avenue.

**Policy 13.4 on page 32** of the Transportation Element requires the City to take one of several actions if capital improvements needed to maintain adopted LOS standards are not able to be funded: 1) phase or delay development; 2) require the developer to construct necessary transportation system improvements under a reimbursement agreement; 3) reduce the scope of development; or, 4) require the developer to identify alternative traffic mitigation strategies.

This policy may significantly delay or reduce the scope of residential development near key intersections in western Goleta. This conclusion is reinforced by the fact that funding for planned Goleta Transportation Improvement Plan (GTIP) and new General Plan transportation improvements are not in place. Nor has the City prepared any financial analysis associated with planned improvements and the generation of funding. Moreover, the cost of system-wide transportation improvements (such as the freeway crossings) exceeds the ability of any single development to pay, and would most likely be considered an excessive mitigation requirement. Neither does the City currently have policies or methods in place that would allow for developers to contribute to an alternative transportation system or network. In fact, the City has not developed a workable transportation infrastructure improvement plan that supports residential development in meeting adopted LOS standards. The City has provided no analysis of the impact of this concurrency policy or its GTIP funding priorities on the residential production goals of the Housing Element.

4. **Cumulative Impact of Transportation Element Policies on RHNA Production:**

The City of Goleta Transportation Element policies create obstacles that may significantly reduce or even preclude housing production on vacant parcels identified in the City’s Land Inventory of the Housing Element for higher density residential and mixed-use development. We reiterate that this caused by the City’s policy emphasis on development of new non-freeway interchange crossings that will not occur for decades and for which there is no identified funding. Simultaneously, the City has adopted policies that limit physical improvements at major intersections and has provided no objective standards for alternative transportation mitigation strategies that satisfy LOS standards. As a result, developers will be left in the untenable position of being unable to improve major intersections to handle the traffic impacts generated by residential and mixed-use development and with no clear guidelines for acceptable alternative traffic mitigation. Unless inconsistencies in the Transportation Element are resolved, it is doubtful that the City will be able to achieve the development capacity claimed in the Housing Element’s Land Inventory of sites for RHNA housing production.
In summary, the cumulative impact of policies contained in the Conservation, Land Use, Noise and Transportation Elements the General Plan contradict the goals and programs of the Housing Element. These policies unnecessarily constrain residential and mixed-use development and will significantly diminish the housing development capacity of sites listed in the Housing Element’s Land Inventory. The City should be required to resolve the internal inconsistencies between the other General Plan elements and the Housing Element and to demonstrate that the production capacity it claims in the Housing Element can realistically be achieved.

Sincerely,

Jennifer McGovern
Coordinator
Goleta Housing Leadership Council

CC: Don Thomas, Division of Housing Policy, HCD
    Linda Wheaton, Assistant Deputy Director, Division of Housing Policy, HCD
    Ken Curtis, Director of Environmental and Planning Services, City of Goleta
    Terry Roberts, Director, State Clearinghouse, OPR
December 14, 2005

Planning Agency
City of Goleta
130 Cremona Street, Suite B
Goleta, CA 93117

Dear Chair and Planning Agency Members:

The Goleta Housing Leadership Council would like to comment on two important items related to the draft Housing Element to the General Plan that we fear have the potential to delay certification of the Housing Element by HCD: 1) The adoption of a 55% inclusionary housing requirement for sites located within the central Hollister area designated for higher density housing development to meet RHNA production goals; and, 2) the adequacy of the City’s analysis of development constraints on sites designated for RHNA housing production.

1. **55% Inclusionary Housing Requirement**: On December 6, 2005 the Goleta Planning Agency in a 3-2 opinion (Hawkhurst, Brock and Wallis for, Blois and Connell against) voted to adopt a mandatory 55% inclusionary requirement for residential development on sites along Hollister Avenue that are being rezoned to 20 units per acre to meet RHNA housing production goals. The inclusionary policy percentages for affordable units have been set to exactly match the City’s RHNA allocation numbers for low-to-moderate income housing. The production capacity of this central Hollister area, which includes sites 20, 21, 24, 25, 28 and (see Figure 27) is approximately 942 units (see Table D: Inventory of Land Suitable for Residential Development: Vacant Residentially-Zoned Suites). We are alarmed at the inclusion of this policy in the draft Housing Element for several reasons:

* The policy is simply economically infeasible. We are not aware of any other jurisdiction in California that has adopted a 55% inclusionary housing requirement for this simple reason. The market rate units within the projects cannot bear the financial burden of supporting this high a percentage of very low, low and moderate-income inclusionary units. Moreover, the City has provided no compensating regulatory or financial incentives and lacks adequate resources to subsidize low-income housing development at this scale. Typically local jurisdictions set inclusionary housing requirements at between 15-20% of the project units, although some jurisdictions (e.g. the County of Santa Barbara) have set inclusionary requirements as high as 30%, but not without significant prior economic analysis and input from the development community.
• The City Planning Agency has adopted this policy in its draft Housing Element without performing a nexus study or economic analysis and without prior consultation with the development community as to its workability and economic feasibility. In fact, the policy change was not even pre-noticed to the public. The 55% inclusionary policy was first introduced and subsequently adopted at the Planning Agency meeting on the evening of December 6, 2005 as a new item.

• We believe that any professional economic analysis would demonstrate that a 55% inclusionary policy would make projects financially infeasible. Therefore the policy will effectively halt residential development on the very sites the City has selected for development of higher density housing to meet local RHNA and community housing needs. There is no realistic way for developers to develop projects with such a high inclusionary requirement without significant off-setting regulatory or financial incentives, which have not been offered by the City. As a result, we believe that the effect of the policy will be to drastically reduce the production capacity of the sites designated by the City to meet RHNA housing production for lower income households. In fact, the policy acts as a de facto growth constraint that derails this key portion of the draft Housing Element.

• It is our opinion that the policy contradicts the intention of State Law for providing an inventory of adequate sites to meet community housing needs. The City is required by law to rezone properties at higher densities to qualify the sites for the RHNA allocation for lower-income households. This is because the State recognizes that this level of minimum density is needed to help produce units. To then require developers build an even higher percentage of affordable units on these sites than the standard citywide inclusionary requirement, without commensurate regulatory and financial incentives, undermines the benefits of the higher density zoning. In fact, the City’s policy of a 55% inclusionary requirement works as an unreasonable constraint to development that undoes the purpose of the HCD requirement on higher density zoning.

HCD has recently published a letter on its Internet Site addressed to the General Counsel of the Homebuilder’s Association of Northern California (see attached letter, also posted at www.hcd.ca.gov/hpd) that provides guidance to local government on how HCD’s views inclusionary housing policies. HCD clearly stresses that local jurisdictions must not only analyze the policy’s potential constraint to housing production but must also evaluate whether sufficient regulatory and financial incentives are provided to offset these constraints. These two HCD concerns are summarized in the following excerpts from the letter,

“While some local governments adopt mandatory inclusionary programs as one component of comprehensive affordable housing strategy, such programs have the potential to negatively impact the overall development of housing. As a result, local governments must analyze mandatory inclusionary policies as potential governmental constraints on housing production when adopting or updating their housing elements.”
"For example, local governments must analyze whether inclusionary programs result in cost shiftings where the cost of subsidizing the affordable units is underwritten by the purchasers of market-rate units in the form of higher prices.....Even a modest increase in price can be an insurmountable obstacle. Local governments must also analyze their inclusionary policies to evaluate whether sufficient regulatory and financial incentives are offered to facilitate compliance with the requirements."

The Goleta Housing Leadership Council is concerned that the adoption of a 55% inclusionary requirement will be viewed by HCD as a significant constraint to residential development unless the City builds in enough off-sets (i.e. regulatory and financial incentives) to make it economically feasible for developers. However, it is highly unlikely that the City of Goleta would be able to achieve this, given the percentage of inclusionary required. Therefore, it is probable that HCD will ask the City to revise this policy in order to receive HCD approval and certification of the Housing Element. Unfortunately, this will add unnecessary delay in the completion of the Housing Element and may delay adoption of the General Plan.

2. Analysis of Constraints to Development on RHNA Sites: The City has developed an inventory of sites for development to meet its RHNA housing production goals and presents the production capacity in Tables D-G. While this inventory attempts to provide a rough estimate of constraints to development due to environmental and noise constraints, it does not include an analysis of the combined impacts of other significant development constraints such as:

- The interaction of FAR (floor area ratios), height limitations and open space requirements on the development capacity of the sites;
- The impact of restrictive traffic and circulation standards
- Impacts caused by other development standards (such as setbacks and parking requirements)

The draft Housing Element states that the City has adequate sites to meet its RHNA production goals. However, it is not yet clear what development capacity will result on sites identified for meeting RHNA production goals if the above factors are taken into consideration. In addition, the City’s General Plan EIR, which will provide a full assessment of the environmental constraints on development potential, has not yet been completed. We are concerned that the City may have significantly overestimated the development capacity of sites listed in its inventory to meet RHNA housing production goals.

It is our understanding that State law requires the City to analyze constraints to development on the inventory of sites for meeting its RHNA housing production goals, including the impacts of transportation standards, FAR, open space, lot coverage minimum and building height. Without this analysis, we believe that the City will not meet this key HCD requirement for certification of the Housing Element.
The City of Goleta and its residents will be best served through the adoption of a Housing Element that is in compliance with State Law, that mitigates local development constraints and facilitates production of a range of housing to meet community needs. The Goleta Planning Agency’s recent adoption of a 55% inclusionary housing requirement and the lack of adequate analysis of the Land Inventory for RHNA housing production do not further this important community purpose. We offer our assistance toward meeting the needs of our community and State Law.

Sincerely,

Jennifer McGovern
Coordinator
Goleta Housing Leadership Council
June 10, 2005

Planning Agency
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Re: Conservation Element

Dear Planning Agency Members:

As you are aware, the Goleta Housing Leadership Council has been a strong advocate of residential and mixed-use development along the Hollister corridor as an appropriate location for the development of higher density housing to meet the needs of the local workforce. We believe that with the right policies and incentives, this region would be able to produce the housing the City needs to meet its Regional Housing Needs Allocation (RHNA). To that end, we have reviewed the Conservation Element with the goal of recommending refinements and revisions to the proposed policies that will balance the need for maintaining strong environmental standards with optimizing the development capacity of the remaining vacant sites along Hollister designated for housing.

We suggest the following revisions to the draft Conservation Element, in addition to comments previously forwarded to the Planning Agency in a letter dated May 5, 2005.

**ESHAs:** The current policies (CE 1.1-1.6) allow for no development at all within ESHAs and the buffer areas. We are supportive of strong environmental protection for significant environmentally sensitive areas within the City. However, for remnant or highly degraded ESHA areas on infill sites (i.e. sites adjacent to or near existing development), it would be helpful to provide developers with some flexibility to this policy. For example, the City may wish to allow a developer to expand other more significant ESHA areas in exchange for being able to develop on remnant or highly degraded areas.

Similarly, policy CE 3.2 states that all wetlands are considered ESHA. Therefore, according to the definition of an ESHA, no development would be allowed, even on a small remnant area or highly degraded wetland that might be identified on an infill site. The remaining vacant sites along Hollister adjacent to existing development are not significant environmental areas and the application of the proposed ESHA and wetlands policies on these sites may act as a significant constraint to needed
residential and mixed-use development. Again, flexibility in allowing development on small remnant or degraded wetland on infill sites along Hollister will serve the City in meeting its mandated housing production goals. Buffer areas can also be reduced for these infill sites. Another approach might be for the City to allow mitigation in other less degraded wetland areas in exchange for development on isolated or remnant areas. We reiterate the need to strike an appropriate balance between environmental protection and housing production goals to meet the City’s RHNA in the Hollister area.

**Streams and Riparian Areas:** We suggest clarifying language in policy CE 2.2 a. that ensures that the SPA for infill properties adjacent to existing development be 50 feet rather than 100 feet. We think that this parameter achieves a positive balance of protecting creekside and riparian areas while not unnecessarily constraining residential development on infill sites near existing development. Although we believe that this is may be the City intention, the language appears to us to be open to interpretation.

Under policy CE 2.3 for allowable uses and activities in SPAs, we suggest that flood control improvements and maintenance be an additional allowed activity.

**Wetlands (CE 3.1-3.8):** In defining wetlands (3.1), we recommend that the City use the guidelines and terms for the definition of wetlands that are consistent with the Army Corps of Engineers. The Army Corps of Engineer standards have gone through legal review and have been tested and upheld in the courts. It would serve the City well to adopt standards that will provide proven environmental protection and that cannot be easily challenged legally. In particular we recommend the standard of 2 or more indicators rather than one or more, and the use of the term “predominant” (which indicates 50% or more) rather than preponderance in defining an area with plants adapted to moist soils.

For wetland buffer areas on infill sites in areas of existing development, we recommend a buffer of 50 feet rather than the 100 feet. Policy 3.5 currently does not distinguish between wetlands in undeveloped areas versus remnant or seriously degraded wetlands in areas that have already been developed. We again express our concern that environmental protection standards for remnant areas be balanced with the need to optimize the very limited land along Hollister Avenue that is available to meet community housing needs under the RHNA.

Thank you for your consideration.

Sincerely,

[Signature]

Jennifer McGovern
GHLC Coordinator
May 5, 2005

Planning Agency
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Re: Revised Land Use and Conservation Elements

Dear Planning Agency Members:

The Goleta Housing Leadership Council (GHLC) would like to submit the following comments based on our preliminary review of the May 5th revised draft of the Land Use Element and Conservation Elements.

We commend the City on the redraft of the Land Use and Conservation Elements, which has resulted in much clearer, coherent and easier to understand documents. We would like to suggest some additional changes and revisions to these policies that we believe will assist the City in achieving its Regional Housing Needs Allocation (RHNA) goals on vacant lands located South of US 101 that are designated for residential and mixed-use development.

We encourage the City to optimize the use of the limited remaining sites along Hollister Avenue, adjacent to major employment centers, as appropriate locations for a range of moderate and higher density residential and mixed-use development. We recommend revisions and modifications to any proposed policies in the Land Use and Conservation Elements that may unnecessarily limit the development envelope and potential housing production on these properties, as follows:

LU 2.2 (f): Residential Use Densities – Noise: The use of a 60 DBA standard rather than 65 DBA for exterior noise may unnecessarily shrink the development envelope on properties where the City hopes to facilitate RHNA housing production. We recommend the Standard of 65 DBA.

LU 3.4 & LU 3.5: Old Town Commercial and Neighborhood Commercial: Regarding residential use in the Old Town Commercial area, it is unclear whether residential uses are permitted on the second floor of buildings under policy LU 3.4. Both policies do state that residential uses are permitted only by Conditional Use Permit. And, policy LU 3.5 provides for maximum densities for residential units in mixed-use developments of 12
units per acre. We recommend that residential use on the second story be permitted for all compatible commercial designations and that all residential use in this area be allowed by right rather than by conditional use permit. We also recommend that higher density residential use be permitted based on unit size and targeted clientele (for instance, single room occupancy or 1-bedroom units might accommodate higher density and serve persons with special needs). This will encourage a vibrant Old Town with a healthy mix of housing and commercial activity.

LU 5.3 Central Hollister Mixed-Use Area: Allowed Uses: We recommend that new office, commercial and light industrial uses be allowed by right rather than by conditional use. Property owners must have the flexibility to structure a mix of housing and commercial uses that make projects economical. Given that the City’s non-residential growth management policies determine the quantity of non-residential floor area based on prior residential production, the City’s concern for achieving an appropriate balance of uses should instead be covered under the policies listed in LU-12.

LU 5.6 Development Standards – Central Hollister Mixed-Use Area: We believe that the proposed floor area ratio of 0.40 for development in the Central Hollister Mixed-Use Area is overly restrictive for residential development. The Goleta Housing Leadership Council has previously commented on the impact of restrictive floor area ratios on the production of a range of housing types and affordability in our memorandum dated April 8, 2005. We would prefer that maximum F.A.R.s not be specified for residential use within the Central Hollister Mixed-Use Zone. However, if the Planning Agency chooses to adopt a F.A.R., we recommend 0.50. The higher ratio will promote more options for workforce housing.

CE 2.2 (b) Streamside Protection Areas: We are concerned that the requirement for a 100 foot Streamside Protection Area (SPA) may significantly shrink the development footprint on several remaining vacant parcels along Hollister Avenue. The 100-foot standard seems excessive for these infill sites, where the City hopes to facilitate the bulk of its RHNA housing production. We recommend that the standard be changed to 50 feet for infill properties.

CE 3.5 Wetland Buffer Areas: Similarly, the requirement for 100-foot wetland buffer areas may unnecessarily restrain housing production on remaining infill properties that are not environmentally sensitive areas. We recommend that the standard be changed to 50 feet for infill properties.

1 Alternatively, the Planning Agency could adopt a variable density ordinance that accommodates differences in density based on unit size and mix.
CE 8.4  **Buffer Areas for Special Status Species:** We question how the 100-foot buffer area for special status species might be applied on infill sites that are primarily surrounded by existing development. In fact, nesting and roosting sites exist on fully developed properties within the City of Goleta (one notable example is the eucalyptus trees on the Post Office processing plant property on Storke Avenue). This policy, along with the 300-foot prohibition on clearing, grading, construction and other development activity during nesting and fledging season may unreasonably reduce the development capacity of infill sites and delay completion of construction. We recommend that the special species buffer area be changed to 50 feet for infill properties.

The Goleta Housing Leadership Council may have additional comments for the Planning Agency’s consideration after we have had the chance to more fully review the new draft Land Use and Conservation Elements.

We appreciate your careful consideration of our suggestions for policy revisions. We believe that our recommendations will help the City facilitate and achieve its Regional Housing Needs Allocation housing production goals on vacant lands within the southern region of the City of Goleta.

Sincerely,

Jennifer McGovern

GHLC Coordinator
ATTACHMENT 2

LETTER FROM HCD, DATED MAY 2, 2005, PROVIDING COMMENTS ON THE DRAFT HOUSING ELEMENT OF JANUARY 2005
April 29, 2005

Mr. Ken Curtis
Planning Director
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Dear Mr. Curtis:

RE: Review of the City of Goleta’s Draft Housing Element

Thank you for submitting the City of Goleta’s first draft housing element, received for review on January 31, 2005, along with supplemental information received on March 3, 2005. As you know, the Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Pursuant to Government Code Section 65585(c), the Department has also received and considered numerous third party comments including but not limited to, the Home Builders Association of the Central Coast, Goleta Housing Leadership Council, the Goleta Valley Chamber of Commerce, the Law Office of Price, Postel, and Parma, the Central Coast Partnership, and the Law Office of Hatch and Parent. The Department strongly encourages the City to work with these and all interested stakeholders in developing an effective housing element to address the housing and community development needs of the community.

A February 9, 2005 meeting with you, Mr. Len Wood, Interim City Manager; Ms. Lucy Romero Serlet, Assistant City Manager; Ms. Margaret Duncan, Assistant Planner; and Mr. Pat Dugan, former General Plan Manager, along with a series of e-mail exchanges, and an April 25, 2005 conference call with you, Mr. Wood, Ms. Duncan, and Ms. Julie Hayward Biggs, City Attorney, facilitated the review.

While the draft element addresses a few of the statutory requirements of housing element law (Article 10.6 of the Government Code), the element requires significant revision to comply with the law. Among the necessary changes, the element must demonstrate the City’s proposed mixed use development strategy is sufficient to provide adequate sites to meet Goleta’s share of the regional housing needs allocation. The element must also be revised to include: (1) current demographic and population information, (2) a more thorough analysis of special needs households, (3) a description and analysis of the City’s land use controls, and (4) stronger program actions. These and other required changes are discussed in greater detail in the enclosed Appendix.
Mr. Ken Curtis
Page 2

As you know, completion and adoption of the City’s housing element is subject to the timelines outlined in condition No. 11 of the Governor’s Office of Planning and Research (OPR) approval of the City’s General Plan extension request, dated July 30, 2004.

The City should continue working expeditiously to address all the statutory requirements as described in the enclosed Appendix. The City should also remain diligent in fulfilling all other conditions, particularly the permit processing and reporting requirements described in Condition Nos. 3, 8, 9 and 10. The next quarterly report is due to OPR on May 2, 2005.

We appreciate the courtesy and insight you and your staff provided during the review process. The Department would be pleased to provide any assistance necessary to facilitate the City’s efforts to comply with State law. If you would like to schedule another meeting in Goleta or Sacramento or have any questions, please contact Don Thomas, of our staff, at (916) 445-5854.

Sincerely,

Cathy E. Creswell
Deputy Director

Enclosure

cc: Margaret Duncan, Assistant Planner, City of Goleta
APPENDIX
City of Goleta

The following changes would bring the City of Goleta’s housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department’s website at www.hcd.ca.gov. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Elements section contains the Department’s publication, Housing Element Questions and Answers (Qs & As) and the Government Code addressing State housing element law.

A. Housing Needs, Resources and Constraints

1. Include an analysis of population and employment trends and documentation of projections and a quantification of the locality’s existing and projected needs for all income levels (Section 65583(a)(1)). Include the locality’s share of regional housing need in accordance with Section 65584.

According the element, Goleta Census Designated Place (CDP) data is the primary source for much of the draft element’s population and demographic information. To more effectively and accurately reflect Goleta’s current housing needs, conditions, and resource availability, this information should be supplemented with other relevant local and regional data. In addition the element must be revised and refined to analyze current population figures, (including individuals with special housing needs), along with housing counts and tenure information for those areas within the confines of the City’s newly established corporate boundaries. More current and city-specific baseline data is available from a variety of sources including, the Santa Barbara County Association of Governments (SBCAG) and the Department of Finance’s Demographic Research Unit (www.dof.ca.gov). It is also the Department’s understanding that more detailed and specific population, housing, and demographic information may be available in the City’s General Plan Background Reports No. 1 (General Characteristics of Population, dated November 4, 2003) and No. 9 (Housing Density and Intensity, dated March 26, 2004). The Department also recommends you refer to the list of resources in the January 2005 critique of the City’s housing element, prepared by the Goleta Housing Leadership Council (GHLC). We would be happy to assist the City in addressing the addressing this requirement.

2. Include an inventory of land suitable for residential development, including sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3) and 65583.3).

The land inventory does not include sufficient information to fully evaluate the adequacy or realistic capacity of identified vacant and underutilized sites (Table HS 23 and 24). For example, while the element includes some site specific information, it must also clearly demonstrate that each of the identified sites (or consolidation of sites) is appropriately zoned, available, suitable, and can be realistically developed at densities sufficient to accommodate the
City's 2003-2009 regional share housing need, particularly for lower-income households (979 dwelling units). This is especially critical because Tables HS 21 and 22 only identify a total of 80 acres zoned for residential uses and only 3.0 acre for high density. The element's land inventory and analysis should be expanded to include the following:

- Include an analysis that demonstrates whether the City's capacity estimates factor in the imposition of land-use controls and site improvement requirements imposed. For example, the City must consider the imposition of maximum lot coverage requirements, open space, parking, and floor area ratios (FARs), when establishing its realistic unit capacity, rather than relying on a theoretical number based on maximum buildout.

- The land inventory analysis must clearly explain the relationship between the projected development capacities listed in Tables HS 23 and 24 and the individual sites identified in Table HS 26 and 27. For example, the projected buildout capacities listed in Tables HS 23 and HS 24 appear much higher than what can actually be achieved on those sites listed in Tables HS 26 and HS 27. Also, clarify the discrepancy between the ultimate capacity figures in Tables HS 25 and HS 23.

- Table HS 23 indicates there are 73.0 acres of Moderate Density Multifamily designated land/sites, yet Tables HS 21 and 22 list only 3.0 acres of higher density zoned land (DR-20 and DR-30). The element should clarify the inconsistency.

- Table HS 25 indicates 618 units have been built in the City. The element should include more detailed information about the all approved projects, including the Sumida Gardens project. Describe the number of units, density, and number of affordable units. Also describe the City's role in approving the Sumida Project along with the redevelopment agency's role in providing financial assistance.

**Mixed-Use**

- Include an explanation of the City's methodology for determining the realistic development capacity of the identified vacant mixed-use (MU) sites (rather than theoretical), with focus on the 56.0 acres along Hollister Avenue and the miscellaneous areas (238.8 acres) listed in Table HS 24. For example, describe the City's experience in encouraging and facilitating the development of MU designated sites with projects affordable to lower-income households. The element must also include an analysis of current market conditions, financial feasibility of density to deliver affordable units, redevelopment and adaptive reuse trends, and a description or menu of the incentives the City will offer to encourage the development of identified MU sites. See the program finding in Section C of this Appendix which requires the element to include definitive and strong MU implementation actions.

- The element should clarify that each of the MU sites are appropriately zoned and allow residential development (at least 22 du/acre) without subsequent rezones. Also, indicate whether stand alone multifamily residential uses are allowed “by right” on the identified mixed-use sites. If not, describe the discretionary review and approval process and indicate what percentage of a MU project site can be developed with residential uses.
• According to Table HS 27 (and witnessed during the Department’s February 9, 2005 site visit), many of the proposed MU sites are developed with active uses. The element should explain the methodology for determining realistic viability of these underutilized sites (or some portion) being redeveloped for residential purposes within the planning period. The methodology must evaluate the extent to which existing uses may constitute an impediment to additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

• The element should more clearly explain the difference between the vacant MU opportunity sites listed in Table HS 23 (Hollister Avenue) and those listed in Table HS 24. For example, which sites listed in the parcel specific inventory (Table HS 26 and HS 27) correspond to the aggregate totals in Tables HS 23 and HS 24?

• To demonstrate the suitability of the “potential mixed-use” sites, revise Table HS 27 to include the size of each of the listed parcels. If it is revealed the MU lots are too small to realistically accommodate development, the element should be expanded to include a lot assemblage and consolidation program. In addition, the element should evaluate the impact of parcel size on development capacity and affordability.

Special Needs

• Identify and analyze which sites/zones allow, by permitted or conditional use, emergency shelters, transitional housing and housing for farmworkers. The element must demonstrate the supply, suitability (i.e., lot size), and appropriateness (i.e., near transit and public assistance services) of the applicable sites/zones is adequate to accommodate the housing needs of the homeless and farmworkers.

3. Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land-use controls and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 (Section 65583(a)(4)).

Land-Use Controls: The element does address this statutory requirement. The element includes a program (HS 1.13) to review and revise all ordinances and regulations (as inherited from Santa Barbara County). However, the element must describe and analyze the proposed zoning ordinance and development standards (i.e., allowable densities, building setback, height, minimum lot size, FAR, open space, and parking requirements) for each zoning district that allows residential development. The element should also indicate when the zoning ordinance amendments will be complete and ready for adoption by the City Council. Also include a listing and definition of the City’s residential zoning designations, along with any other zoning designations that allow residential uses, including permitted residential uses and density ranges.
Many of the third party comments received on the draft element include concerns that the imposition of the current multifamily FARs requirements essentially precludes future projects being developed at the maximum densities. As a result, the element should analyze the impact of the 0.4 FAR requirements (or any proposed revisions) on the ability of residential development projects from achieving projected density yields and unit capacities on the identified sites.

**Process and Permit Procedures:** The element does address this statutory requirement and should be expanded to include a description and analysis of the City’s permit processing procedures and requirements. For example, the element should describe the details of the residential project review and approval processes, including which types of entitlement requests are subject to Planning Commission and/or City Council approval and approximate timelines to complete the process.

In addition, the element should describe the City’s design review and use permit process procedures as they apply to the review and approval of all residential projects, and in particular multifamily housing, emergency shelters, and transitional housing projects. For example, the element should clarify whether the use permit and/or design review process is conducted at the staff level, or subject to approval by the Planning Commission or City Council. The element should also analyze the impacts of these procedures on the cost and supply of housing. The element should include an analysis of whether Goleta’s design review and performance standards (as described in the land-use element) are objective and allow prospective applicants to determine what is required and whether the compliance with these standards poses a constraint to the development of affordable housing. Please refer to the Department’s publication, *Qs & As* (pages 21-22) for further guidance on preparing an analysis that complies with State housing element law.

**Inclusionary Housing:** The element includes a program (1.9) to amend the City’s inclusionary housing program requirements (as inherited from Santa Barbara County). However, from the brief description in HS 1.9, it is not clear how this program will be amended or implemented. The element should be expanded to analyze this policy as a potential governmental constraint, in particular the element should include a more specific description and analysis of the program’s implementation framework (as amended), including levels of affordability the City will target and a description of the types of incentives the City will adopt to encourage and facilitate compliance with inclusionary requirements. Further, the element should clearly describe what specific “economic” incentives or regulatory concessions the City will offer to ensure the overall housing production and supply is not unduly impacted along with and indication of what specific role and assistance the City will provide to assist developers comply with the requirements.

**Local Coastal Program (LCP):** The element should describe what areas of the City are subject to coastal zone regulations and indicate whether the City has prepared a draft LCP and is actively seeking approval from the California Coastal Commission. Depending on the status of the approval process, the element may need to include an analysis of whether the City coastal preservation policies will potentially impact future or existing housing development within the designated coastal zone of the City.
Fees: While the draft element (Graph 3B) provides a listing of “impact fees”, the element must be expanded to include an analysis of these impact fees, particularly the $12,074 (per units) traffic impact fee, along with a description and analysis of all fees and exactions associated with the development application and review process, including planning fees and associated public works fees (i.e., general plan amendments, rezones, use permits, variances, tentative maps, school, transportation etc.).

On- and Off-Site Improvements: The element does not address this statutory requirement. The element should describe and analyze the City’s on- and off-site improvements for residential development such as its requirements for street widths, curbs, gutters, and sidewalks, water and sewer connections and circulation improvements required of residential developments.

Codes and Enforcement: The element does not address this statutory requirement. Specifically, the element must describe the City’s building and zoning code enforcement processes and procedures and analyze their impact on the development, maintenance, and preservation of housing, including housing affordable to lower-income households.

Housing Constraints for Disabled Persons: The element does not address this statutory requirement and must include an analysis of potential governmental constraints on the development, maintenance, and improvement of housing for persons with disabilities. The element must also describe the City’s role in removing constraints, such as accommodating procedures for the approval of group homes, ADA retrofit efforts, an evaluation of the zoning code for ADA compliance or other measures that provide flexibility in the development of housing for persons with disabilities. To assist in complying with this statutory requirement, we have provided Ms. Duncan technical assistance materials, including an analysis tool and a copy of the statute.

Any identified constraints should be removed or programs to mitigate the constraints should be included in the housing element. Under separate cover, to assist in addressing this statutory requirement the Department will send you examples of thorough constraints analyses.

4. Analyze any special housing needs, such as those of the elderly, persons with disabilities, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter (Section 65583(a)(6)).

The draft element’s description of special needs households should be expanded beyond the basic household and individual counts for the various special needs groups, and include a detailed analysis of the housing needs and resources for each group. This analysis will assist the City in identifying any unmet housing need and dictate whether there is a need for programmatic responses.

Also, under separate cover, the Department will send the City examples of thorough special need housing analysis and would be glad to assist the City in finding resources to better quantify the housing needs of its special needs individuals/households.
7. **Homeless and Farmworkers:** The element should describe how the City’s review and approval processes encourage and facilitate the development of emergency shelters, transitional housing, and housing for farmworkers. For example, the element could describe the application procedures, including the types of development standards and/or conditions of approval imposed and an indication of the processing times for completing the review process for these temporary and permanent housing types.

7. **Analyze existing assisted housing developments that are eligible to change to non low-income housing uses during the next 10-years due to termination of subsidy contracts, mortgage prepayment, or expiration of use restrictions (Section 65583(a)(8) through 65583(a)(8)(D)).**

The draft element lists two housing projects that were funded with federal subsidies. According to City staff neither of these projects are at “at risk” of converting to non-affordable units within the 2003–2009 planning period. Nevertheless, the element should be expanded to indicate whether any units, including those that may have received State or local subsidies (with long-term affordability restrictions), are “at-risk” of converting to non-affordable units within the next five years.

The element’s analysis of “at-risk” units should be expanded to include the following:

a. **Listing of each development by:**
   - project name and address,
   - type of assistance received,
   - earliest date of change from low-income use, and
   - total number of elderly and nonelderly units.

b. **Cost of producing new rental housing that is comparable in size and rent levels.**

c. **Identify public and private corporations which may have legal and managerial capacity to acquire and manage these housing developments.**

d. **Identify and consider the use of all federal, State and local financing and subsidy programs which can be used to preserve, for low-income households, and the assisted housing developments at-risk.**

e. **A listing of any projects at-risk of converting to non-affordable within 10 years.**

For further guidance for preparing an adequate “at-risk” assessment, please refer to the Department’s publication *Jr & As* (pages 23–24). The Department will be sending you information from the California Housing Partnership Corporation (CHPC) to assist you in addressing this statutory requirement.
B. Quantified Objectives

The housing element shall contain a statement of the community’s goals, quantified objectives and policies relative to the maintenance, improvement, and development of housing, by income level (Section 65583(b)).

The element should be expanded to include the number of new, rehabilitated, and conserved units by income category, as shown in the sample matrix. These objectives may include both private and City planned activities. For example, the construction objective might include streamlining the review and approval process for affordable higher density residential development proposals.

<table>
<thead>
<tr>
<th>Income Category</th>
<th>New Construction</th>
<th>Rehabilitation</th>
<th>Conservation/Preservation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low-Income</td>
<td></td>
<td></td>
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<tr>
<td>Low-Income</td>
<td></td>
<td></td>
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<tr>
<td>Moderate-Income</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Above-Moderate</td>
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</tbody>
</table>

C. Housing Programs

1. Include a program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land-use and development controls, and provision of regulatory concessions and incentives. The housing element shall contain programs, which assist in the development of adequate housing to meet the needs of low- and moderate-income households (Section 65583(c)).

The element does not include the required program actions as required in Government Code Section 65583(c)(1-6). To address the requirements for (1) adequate sites, (2) assist in the development of low- and moderate-income housing, (3) mitigate/remove constraints, (4) conserve/improve existing housing, (5) promote equal housing, and (6) preserve housing for lower-income households, the element must be expanded to include thorough and measurable program actions for each statutory area.

Further, the majority of the City’s proposed housing development and assistance program actions listed in the “five year housing program” must also be strengthened to demonstrate stronger commitment to implement. To address the statutory program requirements, each program must (1) describe the City’s specific role in implementation, (2) include definitive implementation timelines and (3) identify specific funding sources and responsible agencies/department. Programs that must be expanded, include, but are not limited to, the following:

Zoning Ordinance Amendments (Program HS 1.2): Describe the specific land-use and housing policies the City will be incorporating into the forthcoming zoning ordinance amendments to more effectively encourage and facilitate the development of rental housing, manufactured housing, group homes, and other special need housing,
Funding (Programs HS 1.5, 1.6, 1.7, and 1.8): Success of the City’s housing assistance programs is greatly dependent on the City’s successful procurement of local, State, and federal funding. Therefore, these program actions should be strengthened to describe the City’s specific role in preparing and assisting with funding applications (e.g., preparing pro forma analyses and/or providing prospective applicants with demographic information). In addition, include specific application timelines and indicate how the City will promote the availability of housing assistance funds to lower- and moderate-income households (i.e., newsletter, brochure, or web page). If promotional materials need to be prepared, provide a timeline as to when they will be completed and made available.

2. Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities, including sewer collection and treatment, domestic water supply, and septic tanks and wells, needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobile homes, housing for emergency shelters and transitional housing (Section 65383(c)(1)).

Absent a complete land inventory analysis as required in A.2, it is not possible to evaluate the adequacy of the City’s sites program. However, the following programs should be expanded and/or added:

Adequate Sites (Program HS 1.1): Expand this program to describe the specifics of the proposed zoning ordinance the City is proposing to adopt as a vehicle for more effectively accommodating the regional share housing need.

Mixed-Use (MU) Development: Given the strong reliance on MU development, particularly along Hollister Avenue and the other residential opportunity areas shown on Map HP 1 and listed in Table HS 27, the element must include a detailed program that demonstrates this is a viable and realistic development strategy. For example, the element should describe the applicable MU development standards and include a list or menu of fiscal and/or regulatory incentives the County will offer to encourage and facilitate MU development. Other requisite implementation actions should commit the City to tracking and monitoring of development of identified MU sites. Monitoring is necessary to determine the effectiveness of the MU strategy in encouraging development of affordable housing. If MU development is not keeping pace with the need, especially for lower-income households, this program should include an action that commits the City to working with the local development community to devise alternative methods to make MU development a more viable development option (e.g., allowing higher densities and increased FARs). The program should also include a public outreach and promotional component, including dates for preparation and release of promotional materials and developer workshops.

Policy 2.18: Expand the element to include a program that specifically commits the City to working with the development community to identify suitable affordable housing sites. The City should consider conducting yearly workshops or housing seminars to solicit input and support for its housing programs and strategies.
Special Needs Housing: Describe specifically what the City will do to ensure the housing needs of the homeless and farmworkers are adequately addressed. The City's proactive efforts should at minimum include: (1) demonstrate that development standards, and upcoming zoning ordinance amendments encourage and facilitate the development of emergency shelters, transitional housing, and housing for farmworkers, (2) actively seek grant funding to increase its ability to provide funding locally, and (3) work with service providers, non-profits, and agricultural employers to identify sites or zones appropriate for the development of emergency shelters, transitional housing, and housing for farmworkers.

3. The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of low- and moderate-income households (Section 65583(c)(2))."

The element must be expanded to include additional programs to specifically assist in the development of housing for low- and moderate-income households including but not limited to, programs to provide incentives and regulatory concessions. In addition, the element must include programs that commit the City to offering and promoting State density bonus law and second-unit development. Program actions should also list the type of incentives the City will offer and a timeline for adopting any requisite ordinance amendments and preparing outreach materials. We would be glad to assist the City in developing these program actions.

4. Include program actions to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for all income levels (Section 65583(c)(3)).

As noted previously (A.3), Goleta requires a more thorough description and analysis of the City's potential governmental constraints. It is likely the element will need additional program actions to mitigate potential constraints, including, but not limited to, expanding and strengthening Program HS 1.13 and/or include additional program actions to remove or mitigate any identified constraints. As a reminder, Condition No. 13, of the City's general plan extension approval specifically requires the element to include an analysis of development constraints and a program to mitigate or remove.

Affordable Housing Program Monitoring (Program HS 1.3): If monitoring finds the City's affordable housing program is not providing the desired affordability outcomes, the City should work with the local development community to determine what additional incentives or concessions should be included in subsequent amendments.

5. The housing program shall conserve and improve the condition of the existing affordable housing stock (Section 65583(c)(4)).

Policy HS 2.9: The element should include a program to implement this policy. In addition, the element should strengthen programs to provide rehabilitation assistance as described above in Programs 1.5, 1.6, 1.7, and 1.8.
6. The housing program shall promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status or disability (Section 65583(c)(2)).

**Fair Housing (Program HS 1.14 and 1.15):** Expand these programs to describe how Goleta will promote equal housing opportunities (i.e., newsletter, brochure, or website). The City could describe any outreach services provided by the Rental Housing Mediation Task Force (RHMTF). For further guidance, please refer to the Department’s publication Qs & As (pages 42-44).

7. Describe the amount and uses of moneys in the redevelopment agency’s Low- and Moderate Income Housing Fund (L&M Fund (Section 65583(c))).

The element must be expanded to include a projection of the revenues, through the 2003-2009 planning period, that will be deposited into the Redevelopment Agency’s 20 percent set-aside account and identify planned uses of housing funds over the current planning period. For your information, Community Redevelopment Law (Health and Safety Code Section 33334.4) requires agencies, over each 10-year period of the implementation plan, to ensure housing assistance is proportionately provided to very low- and low-income households (based on the proportion each group represents of the community’s total housing need for lower- and moderate-income persons) and also to persons under the age of 65 years (based on the proportion this population group represents of the total population reported from the current census). In addition, 33413(b)(4)) requires a redevelopment implementation plan to be consistent with a community’s housing element. The integration of applicable information from the Redevelopment Agency’s current housing implementation plan into the housing element will assist in the development of an effective housing element.

**D. General Plan Consistency**

The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals (Section 65583(c)).

Pursuant to the citation above and Government Code Section 65300.5, all elements in the general plan must be compatible and internally consistent. In the case of Goleta’s housing element, this is of special concern as some of the level of service (LOS) standards in the circulation element and performance standards in the land-use element appear to conflict with the programs to increase density and land-use intensity, as proposed in the housing element. These types of program and policy inconsistencies could dramatically impact Goleta’s ability to adequately and effectively address local housing needs. Given the City is in the midst of a comprehensive general plan update, now is the opportune time to ensure that all elements, particularly the housing element’s key program strategies, are internally consistent with one another. The element must demonstrate that policies and other elements will not preclude effective implementation of housing element goals. The element should include a thorough explanation as to how consistency will be achieved and maintained between other elements in the general plan during the planning period.
E. Public Participation

Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort (Section 65583(c)).

Housing element law requires jurisdictions to make a “diligent” effort to achieve public participation from all economic segments, and/or their representatives. Due to the importance of the public participation process in identifying housing needs and resources, along with programs and strategies to address the housing needs of the community, it is critical that the element describe Goleta’s specific role in soliciting input from all interested stakeholders including those representing all economic groups during the development of its draft housing element, especially lower- and moderate-income households, their representatives, or advocates. In addition, given the numerous third party comments received on the draft element, it is evident that local housing advocates, stakeholders, and the business community would like to be an active part of the housing element update process. Therefore, the City should take steps to work with all segments of the community in developing housing assistance strategies and solutions during the remainder of the update process.

For further guidance on generating public participation, please refer to the Department’s publication, Qs & As (pages 1-4).

F. Coastal Zone Localities

Document the number of low- and moderate-income units converted or demolished, and the number of replacement units provided (Section 65588).

To determine whether the City’s affordable housing stock in the coastal zone is being protected and provided as required by Government Code Section 65590, the element must be expanded to identify/inventory the number of low- and moderate-income dwelling units that have been replaced, demolished, and/or converted, within the coastal zone, since January 1, 1982.
Goleta Housing Leadership Council
C/O 7284 Fordham Place, Goleta, CA 93117 (805) 695-1949

April 26, 2005

Anne Wells
General Plan EIR Manager
City of Goleta
130 Cremona Drive, Suite B
Goleta, CA 93117

Re: Input for Goleta General Plan EIR

Dear Ms. Wells:

The Goleta Housing Leadership Council would like to submit the following comments on the scope of the EIR for the Goleta General Plan.

It is our understanding that the CEQA process was conceived as a means to require public agencies to consider and disclose to the public the environmental implications of land use and development decisions, as well as to mitigate significant adverse environmental effects of projects, if such mitigation is feasible. CEQA therefore provides a guide for informed public decisions on projects.

Given that the Environmental Impact Report for the Goleta General Plan is not project-specific but rather is a program-level document that addresses the overall environmental effects of the Goleta General Plan, we hope that the EIR will consider the following issues and concerns:

**Population and Housing:**

A probable environmental impact listed in the Goleta General Plan EIR Notice is the assumption of substantial population growth due to the increase in residential dwelling units. This assumption needs to be balanced with the perspective that population growth is caused primarily by the combination of job growth and natural population growth. Currently the City of Goleta has a significant jobs-housing imbalance and a documented deficit within the Goleta Valley of some 1,800 housing units that were not developed during the past decade to match population and job growth.¹ Lack of adequate housing production to match population and employment growth has contributed to rising housing prices and severe overcrowding among lower income households. Therefore, the Goleta General Plan EIR should consider the extent to which residential development can have positive influence in ameliorating Goleta’s jobs-housing imbalance and in alleviating overcrowded living conditions for lower-income households.

Land Use and Development Standards:

Certain policies and development standards proposed in the Land Use, Circulation and Conservation Elements might have counter-intuitive environmental impacts. For example, expanded environmental buffer zones, stringent traffic standards, restrictive floor area ratios and building height limitations applied to remaining vacant lands will promote lower density development. However, these policies, as well as suburban development standards, do not necessarily achieve the best environmental results. It has been demonstrated that compact development can lessen the 'ecological footprint' of development, promote alternative transportation and facilitate housing affordability. Therefore, the EIR should examine the environmental and social benefits of policies that promote compact developed compared to policies that generally support lower density, as proposed in the draft General Plan.

Social and Economic Impacts:

Since the impact of the overall General Plan will be examined, we believe that the EIR should consider the social and economic impacts of various land use, circulation, conservation and other General Plan element policies. The EIR should examine the needs of the 'human habitat' in regards to General Plan policies that sustain a healthy local economy, offer housing opportunities for all economic segments of the community, and maintain a socially diverse and equitable community. Where policies may conflict, for example conservation or transportation element policies that may reduce residential development capacity and needed housing production, the trade-offs should be clearly identified and presented. The social and economic needs of the community should be given equal weight and consideration in guiding public policy and decision-making.

Transportation and Circulation Impacts:

The EIR should consider the potential for reduced regional commuting and lessened impacts to local freeway-linked arteries in Goleta with the development of housing adjacent to the employment centers along Hollister Avenue, particularly housing that provides for local preference in residency. A balanced presentation in the EIR of traffic impacts would also consider the potential for alternative transportation options that become possible with higher density housing and mixed-use development along the major transportation corridors in Goleta.

Sincerely,

[Signature]

Jennifer McGovern
Coordinator, Goleta Housing Leadership Council

Cc: Ken Curtis, Director of Planning and Environmental Services
Memorandum

Date: April 22, 2005
To: Don Thomas, HCD
From: Jennifer McGovern, Goleta Housing Leadership Council
Re: Additional Comments – Inconsistencies in Goleta Transportation Element and Housing Element

We have had the draft Transportation Element of the Goleta General Plan reviewed by a traffic engineer. In addition to the information we forwarded you on April 12, 2005, we have the following supplemental comments on the impact of the Transportation Element on housing production.

We believe that the transportation policies of draft Goleta General Plan will likely have the effect of preventing or at least delaying all forms of new development in the City. Many of the policies are vague, inconsistent, and require substantial interpretation as to the intended policy direction. Examples include the following:

- The City wants to maintain LOS C conditions on its street system, yet to also encourage the use of transit and bicycling. Greater levels of transit usage typically occur in areas with moderate to substantial congestion (i.e., LOS D or worse). A “free-flowing” roadway system (i.e., LOS C or better) does not encourage the use of alternative travel modes.

- Policy TR 4.2 introduces the concept of “ultimate capacity” for intersections and roadways. The policy states that when a facility is constructed to its ultimate capacity, it is deemed to be providing an adequate LOS. It is unclear how “adequate” is defined or if adequate is the same as acceptable.

- Policy TR 4.2 may be interpreted as allowing the City to determine the extent to which mitigations not involving additional lanes, such as transit improvements, reduce the significance of impacts. Since there is no objective measure of the beneficial effects of such improvements, this policy would appear to introduce a considerable amount of subjectivity into the City’s environmental review process.

- Policy TR 4.3 (p. III-13) The City has to develop a deficiency plan prior to allowing any development that would lower LOS below C. However, the City may not complete a deficiency plan in a timely manner. This policy could have the effect of stopping development.
Policy TR 4.3 (p. III-13-III-14) limits the amount of intersection capacity that can be utilized by any one project. The standard of a change in V/C ratio of 0.03 or greater for intersections at LOS C is very stringent. Most jurisdictions use a standard of 0.05. This policy also states that project peak-hour traffic with cumulative traffic that degrades to or approaches LOS D would be inconsistent with the Plan. However, “approach LOS D” is not defined. This policy would also trigger the need for General Plan Amendments.

Policy TR 5.5 states that if transportation capital improvements to maintain LOS standards are not available, then the City may either phase or postpone development, reduce the scope of projects or require the developer to identify alternative mitigation strategies. Alternative transportation strategies may not be viable, given the City’s LOS C standard (see comment above). Moreover, no nexus study has been performed linking development to traffic system improvements.

Policy TR 5.8 apparently requires development to mitigate US 101 impacts. This would be an additional significant cost burden to development for which no nexus has been established.

Policy TR 7.11 specifies that City streets should be a maximum of four lanes unless shown otherwise on Map TR 2. However, Map TR 2 does not indicate any planned lane widths, which would suggest that no roadways could be six lanes with the new General Plan. The GTIP (Goleta Transportation Improvement Plan) included widening of Hollister Avenue to six lanes. This would be precluded under this policy.

Policy TR 7.12 specifies that no intersection, excluding freeway ramps, shall exceed a total of seven travel lanes. This would preclude a triple left lane.

The proposed policies would increase the likelihood that EIR’s are required for projects in Goleta. Since projects could be inconsistent with one or more of the many GP transportation policies, General Plan amendments may be frequently necessary.

The draft GP does not show the planned circulation system, nor does it identify locations where the LOS C objective cannot be met.

The relationship between transportation & land use is not fully explored. Do the new land uses in the GP generate a sufficient amount of impact fees to allow construction of the planned transportation infrastructure? Does “system-wide” include US 101?

Overall, the policies under the Concurrency section need to be clearer.
Memorandum

Date: April 13, 2005
To: Don Thomas and Linda Wheaton, HCD
From: Jennifer McGovern, Goleta Housing Leadership Council
Re: City of Goleta General Plan and Housing Element

Impact of Transportation Element Policies on Housing Production

Policies in the draft City of Goleta's draft Transportation Element may erect insurmountable barriers to reasonable residential development and will act to significantly reduce the development capacity of remaining vacant parcels in the City of Goleta's land inventory.

City traffic standards may block any significant housing production in western Goleta, where most of the remaining large vacant parcels are located (see Map HP 1 Planned Residential Opportunity Sites on page IV-9 of the Housing Element). This is due to the City's emphasis on development of new non-freeway interchange overpasses for which there is no identified funding, while simultaneously adopting policies that will effectively limit project traffic impacts and physical improvements at major intersections in western Goleta.

Limits to Physical Improvements:

City policies limit the size of city arterial links to 4 travel lanes and existing intersections to 7 travel lanes (Pol TR 7.11 and TR 7.12, page III-22 of the Transportation Element). This policy could potentially affect future physical improvements needed at major freeway exchange intersections along Hollister Avenue, the main transportation corridor. Four key intersections impacted by this policy include Storke and Hollister, which is already at the maximum size\(^1\), as well as Los Cerritos, Fairview and Patterson Avenue at Hollister (see Map 3, page III-17 of the Transportation Element).

While limiting physical improvements to the major existing freeway exchange intersections, the City proposes to build two new freeway overpasses linking the northern and southern portions of the city (Pol TR1.6, page III-2, Pol TR6.2 on page III-19, and Map 3, page III-17 of the Transportation Element). However, there is no funding identified for these overpasses and no time horizon set for their completion.

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\(^1\) The intersection at Storke and Hollister has 7 travel lanes, comprised of four main travel lanes, two left turn lanes and a right turn lane.
Moreover, it is very unlikely that these proposed overpasses would receive funding priority from the local Council of Governments because they are not linked to accessing US 101.

The major intersections in Goleta along Hollister Avenue are already at or near the physical limits set by the City of Goleta in the proposed Circulation Element. Therefore, under the City’s policy, it would not be possible to significantly improve these intersections beyond their current size. As a result, major housing or mixed-use projects proposed in this area likely may have no way to mitigate traffic impacts through physical improvements to the intersections.

The City’s limitations to physical improvements at key intersections along Hollister Avenue may significantly reduce or even preclude housing production on the larger remaining vacant parcels identified in the City’s land inventory. These parcels include mixed-use and moderate density zoned vacant sites adjacent to the Los Carneros intersection and moderate density zoned properties directly across from the Calle Real Marketplace shopping center adjacent to the Glenn Annie/Storke intersection (see Map HP 1 Planned Residential Opportunity Sites on page IV-9 of the draft Housing Element and Figure 3: Map of Vacant Land Inventory by Zoning on page 57 of the Appendix to Volume 1: Housing Analysis).

The City policies state that intersections and arterial links that are currently developed to the maximum allowed lane size are considered at ultimate capacity (Pol TR 4.2, page III-12 of the Transportation Element). While the City may consider other mitigation measures such as transit improvements, improved signalization, etc., no clear guidelines on what may be deemed appropriate are provided. The developer can propose an alternative mitigation; however, since there are no established standards for what is acceptable, the City has complete discretion to decide if the mitigation is satisfactory or not.

Past actions of the Goleta City Council bring up a concern that the City will not make the necessary transportation infrastructure improvements needed to facilitate residential and mixed-use production in close proximity to the main freeway intersection exchanges along US 101. In June 2003 the City, against their staff's own advice, voted to defer work on the City’s portion of the Los Carneros Bridge replacement and widening project. The City’s bridge is deteriorating and needs replacement. The Los Carneros bridge freeway overpass project was part of a $4.9 million project funded primarily with federal bridge replacement funds (HBRR), along with $688,000 in STIP funds from the local SBCAG. Despite an offer by SBCAG, as well as several private developers, to advance $366,000 in other funds to cover the City’s local match, the City Council voted not to proceed with the project. This action resulted in the permanent loss of $688,000 in STIP funds to the region. This is the first time that SBCAG has forfeited STIP funding.²

² Please see the attached SBCAG staff report memorandum dated August 21, 2003
Limits to Project-Specific Impacts:

In addition, the City traffic policies call for strict limitations to project peak-hour traffic impacts at intersections and consider increases greater than the volume to capacity (V/C) standard as a potential significant adverse impact under CEQA (Pol TR 4.2 on page III-13 of the Transportation Element).

These circulation standards also state that no project can utilize a substantial portion of an intersection capacity beyond a certain percentage, regardless if the current overall traffic level of service is within the acceptable range of LOS A-C (Pol TR 4.2 and Pol TR 4.3 on pages III-13 and III-14 of the Transportation Element). Projects with peak-hour traffic impacts to intersections that operate at acceptable levels but with future cumulative traffic might approach or degrade to a level of service (LOS) D would be inconsistent with the Plan.

Therefore, the City’s draft Circulation Element limits the project-specific impacts of any one project on intersections to a set portion of the intersection capacity. If a project trips the standard, the project would be inconsistent unless the developer constructs or contributes to intersection improvements and mitigates cumulative impacts. The City makes the determination of what is acceptable mitigation.

The City considers several of the major intersections in western Goleta in proximity to the remaining large developable site to be at LOS C or worse (see Table 3 Existing Peak Hour Level of Service from Attachment A of the City of Goleta Traffic Modeling Workshop, August 9, 2004). Based on the City’s V/C ratios, a project could not generate more than a 0.03 change in V/C ratio at LOS C or 15 peak hour trips at LOS D. Fifteen peak-hour trips at LOS D represent a maximum of 14.85 single-family dwelling units and 24 multi-family dwelling units (calculated from Table 7, page 26, 2004 Goleta Traffic Model Update)\(^3\).

These policies could be an impediment to the development of larger, higher density projects on remaining vacant parcels in western Goleta that have been identified in the City’s Land Inventory to meet its RHNA housing production goals. As previously mentioned, sites in the Hollister Mixed-use and moderate density zones adjacent to the Los Camaros and Storke intersections on Hollister Avenue would be affected. [See Map HP 1 Planned Residential Opportunity Sites on page IV-9 of the draft Housing Element and Figure 3: Map of Vacant Land Inventory by Zoning on page 57 of the Appendix to Volume 1: Housing Analysis].

In addition, the City transportation policies require developers to determine the impact of proposed development on traffic throughout the entire City transportation system, with the standard that there be no reduction in level of service elsewhere (Pol TR 4.5 on page III-14 of the Transportation Element). Apparently, a proposed development

\(^3\) Single-family homes generate 1.01 peak hour trips and multi-family units generate .62 peak hour trips according to Table 7 in the 2004 Goleta Traffic Model Update
must leave the entire transportation system in a "neutral" position without any impact anywhere within the City. This may be an extremely difficult standard to meet.

Lack of Clear Mitigation Standards:

Certain key policies in the Circulation Element do not provide clear standards for developers for what is acceptable mitigation of traffic impacts (e.g. alternative transportation). Other policies are left to the discretion and interpretation of the City without any reference to standards.

For example, there are no standards for acceptable traffic levels for roadways. This is left to the discretion of the City Engineer. There are no standards for what constitutes acceptable strategies for mitigating traffic impacts or for alternative transportation options. Instead, the City has sole discretion to determine what is satisfactory.

As a result, developers may be left in the untenable position of being unable to improve major intersections to handle the traffic impacts generated by residential and mixed-use development and with no clear guidelines for acceptable alternative traffic mitigation. This could significantly reduce or even preclude housing production on remaining vacant parcels identified in the City's land inventory.

Concurrency Standards:

The Transportation Element's policies on concurrency may also pose difficulties for timely housing production to meet the City's RHNA goals. Transportation facilities must be adequate at the time of a project's development, or, a financial commitment must be in place to complete improvements within 6 years, or mitigation measures must be in place in the City's impact fee system (Pol TR 5.3, page III-15 of the Transportation Element). If funding for transportation capital improvements is not available, the City may postpone or phase development, reduce the scope of a project or require the developer to identify alternative mitigation strategies (Pol TR 5.5, page III-15 of Transportation Element).

It is unclear what will happen to potential housing and mixed-use development sited in the City's Land Inventory to meet RHNA housing production goals that are not in priority areas for the City's transportation improvement impact fee system. Given the City's stated priority for funding new overpasses, it is also unclear what funding might be available for improving existing freeway exchange intersections close to the larger vacant sites in western Goleta. The City has provided no analysis of the impacts of its transportation concurrency policies or GTIP (Goleta Transportation Improvement Plan) funding priorities on the residential production goals of the Housing Element.

Impact of Other Policies:

Other transportation policies may inadvertently impose unnecessary cost burdens to proposed residential development. For example, Pol TR 5.7 on page III-16 of the Transportation Element requires developers to construct streets directly serving new
development and to mitigate the impacts of development. However, this policy contains no proportionality provision. It is unclear whether the developer would be required to construct the whole street, rather than the half attributed to the project, and consequently be required to absorb the entire cost.

Other policies may not provide equal protection under the law. In particular, Pol TR 5.2 (page III-15 in the Transportation Element) grants the City the ability to make findings of overriding consideration to approve a development even if an adequate LOS is not assured. Apparently this policy could be applied selectively, at the discretion of the City. Allowing the City to override its own Transportation Element policies is of doubtful legality.

Summary:

The City of Goleta draft Transportation Element sets out policies that are extremely difficult for a developer to meet. Other policies provide no clear standards on what is acceptable and therefore provide no certainty for the developer. As a result, the Transportation Element policies may pose serious impediments to reasonable residential and mixed-use development, particularly in Western Goleta. The policies may also preclude or seriously delay the development of larger scale projects needed to meet the City’s RHNA housing production goals. And, the combined policies may act to significantly reduce the development capacity of sites in the City’s Housing Element land inventory that have been identified for higher density residential or mixed-use development.

There has been no analysis by the City of the impact of the proposed Transportation policies on the RHNA housing production goals of the draft Housing Element. However we are concerned that the proposed policies in the Transportation Element, when combined, may effectively restrain reasonable residential and mixed-use development.

Cc:
Goleta Planning Agency
Mr. Ken Curtis, Director of Planning and Environmental Services
Memorandum

Date: April 13, 2005
To: Don Thomas and Linda Wheaton, HCD
From: Jennifer McGovern, Goleta Housing Leadership Council
Re: Inconsistencies in Goleta General Plan and Housing Element

The Goleta Housing Leadership Council has reviewed the City of Goleta draft Housing Element and previously forwarded you our extensive comments on potential deficiencies in this seminal document (see Critique of the City of Goleta Draft Housing Element).

However, in reviewing the Goleta General Plan in its entirety, we have noted inconsistencies between the Housing Element and other elements that, if unaddressed, may prevent the Housing Element from fully achieving its housing production goals. We would like to highlight key issues of concern to HCD in Section I pages 1-7 of this memorandum. Secondly, we provide a brief summary of key Housing Element deficiencies in Section II on pages 7-11 of the memorandum.

I. General Plan Policies Impact Housing Element Production Goals:

In addition to deficiencies we have previously noted in the draft Housing Element, there are many inconsistencies between the Housing Element and Goleta General Plan and Interim General Plan policies that create obstacles to residential and mixed-use development.

The barriers to development that unnecessarily constraint needed housing production and include: a) overly conservative traffic standards, b) expanded environmental buffer zones, c) maximum vs. minimum land use densities, d) restrictive floor area ratios, in both multi-family and single-family areas, e) building height limitations that preclude three story development, and, f) an inflexible inclusionary housing requirement that does not provide developers with workable options for economically producing affordable inclusionary housing units.

A. Conservative Traffic Standards:

Policies in the draft Transportation Element may erect insurmountable barriers to reasonable residential development and may act to significantly reduce the development capacity of remaining vacant parcels in the City of Goleta’s land inventory.

1 Please see our Housing Element Critique previously forwarded to HCD.
City traffic standards may restrict any significant housing production in western Goleta, where most of the remaining large vacant parcels are located (see Map HP 1 Planned Residential Opportunity Sites on page IV-9 of the Housing Element). This is due to the City’s emphasis on development of new non-freeway interchange overpasses for which there is no identified funding, while simultaneously adopting policies that will effectively limit project traffic impacts and physical improvements at major intersections along Hollister Avenue in Goleta. The combined policies of the Transportation Element may restrain housing production and significantly reduce the development capacity of sites in the City’s Housing Element land inventory that have been identified for higher density residential or mixed-use development.

Please see our detailed and annotated memorandum on Transportation Element impacts dated April 12, 2005.

B. Expanded Environmental Buffer Zones:

The City has adopted policies that expand minimum environmental buffer zones by 100%, from 50 to 100 feet. The 100-foot standard is excessive for sites located within the urban boundary. This policy may restrict optimum development on infill sites within the urban boundary that are not necessarily environmentally sensitive areas.

The standard employed by most jurisdictions is generally a maximum 50-foot buffer within the urban boundary. A 100-foot buffer requirement is not typical for urban infill sites; it is more appropriately used for rural areas rather than within the urban boundary. Secondly, the City did not perform an analysis prior to the adoption of enhanced environmental buffer zone standards in the Interim General Plan. It is unclear how the buffer zones will be applied throughout the community and whether they apply equally to private vacant lots as well as environmentally sensitive areas. There are also no provisions in the policy for off-site preservation or other alternatives.

The City of Goleta already has strong environmental standards. The expanded buffer zones are not necessary to protect environmentally sensitive areas and may unnecessarily reduce the production of housing and mixed-use development on limited remaining developable land.

C. Land Use Densities for Affordable Housing.

The City Land Use Element does not provide the minimum density designation required for sites in the Housing Element land inventory identified to meet RHNA affordable housing production. Instead, the Land Use Element delineates maximum densities. AB2348 requires that in determining the development capacity of a site to accommodate some portion of housing for all income levels, a jurisdiction must either require the development of a site at a minimum density or demonstrate how the number of units will be accommodated (Section 3(c)(1)). Therefore, the City cannot qualify sites

\[^{2}\text{For example, vacant properties surrounded with urban development may contain a remnant area of native plant species or a small raptor roosting area. Under the city policies, a developer could be required to provide a 100-foot buffer zone.}\]
it has claimed for RHNA lower income housing production in its land inventory without an either designating minimum densities or completing an economic analysis of the feasibility of low-income development, which it has not provided.

In particular we note that the City has counted a total of 2,623 units in the Hollister Mixed Use Zone and Moderate Density Multi-Family Zones for its RHNA affordable housing production (see Table HS 25: Total Residential Capacity During the RHNA Period on page 58 of the Appendix to Volume I: Housing Analysis). However, both of these land use zones are designated with maximum densities rather than minimum densities in the land Use Element (see pages II-16 and II-26 of the Goleta Land Use Element).

D. Floor Area Ratios:

Floor area ratios (F.A.R.s) in the Land Use Element and Interim General Plan Policies for both single-family and multi-family zones are restrictive and will preclude the development of a range of housing types and prices. The use of maximum F.A.R.s also impacts the economics of development and reduces the development capacity of remaining vacant sites within the City.

1. For Multi-Family Development:

The Land Use Element contains policies for low-to-high density multi-family housing that impose a maximum floor area ratio (F.A.R.) for various land use zones. Unfortunately, the policies were developed without the input of the local development community and do not consider the economics of housing development and market dynamics. They restrict housing unit size in many areas relative to optimum densities and may limit development of a variety of housing types to meet different workforce and resident needs. Given housing market dynamics, the maximum F.A.R.s also reduce the development capacity of remaining vacant sites. As such, these policies may conflict with Housing Element housing production goals. For example, we have provided an in-depth analysis that demonstrates that the use of a maximum F.A.R reduces the development capacity of the Hollister Mixed Use zone by 26%.

Please see our March 24, 2005 memorandum that analyzes the impact of F.A.R.s in the Hollister Mixed-Use Zone.

2. In Existing Single-Family Neighborhoods:

The City of Goleta has adopted restrictive maximum floor area ratios in the Interim General Plan Policies for existing single-family neighborhoods. Unfortunately, these policies are applied inequitably and limit the ability of homeowners in single-family neighborhoods to reasonably remodel and expand their homes to serve family needs. We are concerned that the standards in the Interim General Plan will be carried over to the new General Plan.

The F.A.R. standards for single-family neighborhoods in the Interim General Plan Policies are modeled after the rural town of Orinda, California, which are among the
most restrictive within the State of California. The policy sets extremely modest maximum square footage for structures in each zone. Moreover, the square footage is measured from the exterior building walls (see Section 2 of Goleta Interim General Plan).

The F.A.R.s were adopted by the City without any analysis of the impacts on homeowners in single-family neighborhoods who may wish to remodel and expand their homes. The F.A.R. standards restrict home expansion to 50% of an existing home's square footage. Unfortunately, this policy handicaps the owners of smaller homes who wish to expand their homes to accommodate changing family needs. Under the City's policy, an owner of a smaller house is precluded from reaching the maximum F.A.R. under the lot size category of their home. As such, the policy results in an uneven application of F.A.R. standards and unnecessary restricts the ability of owners of homes with smaller square footage to reasonably expand their homes.

For example, under the Interim F.A.R. policy, a home on a 7,000 square foot lot would be allowed a maximum size of 2,180 square feet, plus 440 square feet for a garage. However, the owner of a smaller home of 1,200 square feet on the same sized lot who seeks to remodel the home would be limited to 50% of the existing square footage, or a maximum of 1,800 square feet. This is a reduction in 380 square feet or 17% less than the maximum square footage allowed for the lot size category. Therefore, the homeowner in this case would be precluded from the equal opportunity of improving the home and adding on up to the maximum square footage for the lot.

Many Goleta neighborhoods were built in the 1950s to 1970s with the design and smaller home size characteristic of that era. The City’s maximum F.A.R. policy can limit a homeowner’s ability to expand their home based on changing family needs. Given current median home prices of $884,444 in the Goleta Valley\(^3\), property owners who have owned their home for some time cannot easily trade-up without incurring huge increases in their property taxes. Expansion of their existing home is the most economical option. However, the City’s F.A.R. policies act as barriers to the reasonable expansion of homes to meet family needs, as well as the growing need for housing for intergenerational families where grandparents, children and grandchildren as well as caretakers may need to reside in the home.

The Interim General Plan Policies on F.A.R.s do not allow the existing neighborhoods to modernize and evolve over time or homeowners to reasonably expand their homes to meet family life cycle and intergenerational needs.

E. Building Height Limitations:

Goleta’s Interim General Plan imposes a maximum height limitation of 30 feet above finished grade on key sites in the Old Town Goleta corridor (see Section 3, City of Goleta Interim General Plan Policies) This policy unnecessarily limits 3-story development, which typically requires a height of 35 feet, and will impact the economic

\(^{3}\) Source: Santa Barbara County Real Estate Outlook Update, August 2004.
feasibility of mixed-use redevelopment in this commercial area, making it more difficult to finance.

Land and development costs in Goleta are high and redevelopment cannot be economical carried out without optimizing the use of the site. Three-story development in the Old Town Goleta area could result in important cost efficiencies for mixed-use development and provide more housing units at a lower per unit cost. This occurs because the cost of the second floor in a three-story building is nominal relative to the planning, site and foundation work that is already in place for the first floor. And, the roof structure has been committed for the third floor. The incremental cost for the second floor is limited to one horizontal floor, vertical walls and interior finish. The three-story efficiency can reduce per unit costs up to 25% from a two-story building, resulting in both more units and lower priced housing units.

Three story mixed-use and residential projects can be well designed to protect views, solar access and privacy and there is no reason to exclude them. Examples of attractive 3-story mixed-use and residential development exist within the downtown and neighborhoods in the adjacent City of Santa Barbara, as well as in the nearby coastal community of San Buenaventura.

F. Inclusionary Housing Requirement:

The City of Goleta’s Interim General Plan policies on housing affordability could be more flexible and provide for a variety of options for achieving housing affordability for various income groups.

The current Inclusionary Housing Policy requires developers to meet the full range of RHNA affordability categories for each individual project, without commensurate incentives. However, this policy makes many projects uneconomical and difficult to financially structure without the development of high-end market rate housing. In particular, it will be extremely difficult for smaller scale projects to meet the policy standards. The strict category requirements may also preclude developers from effectively accessing affordable housing subsidy sources where flexibility in income targeting may be needed to achieve a competitive funding application\(^4\). We believe that the overall impact of the policy will result in a bifurcated product, with a few lower income units and the rest at market rate prices far beyond the purchasing ability of the majority of the local workforce.

We are aware that many other jurisdictions allow a developer more choice in the income mix and targeted affordability levels so that a developer has the flexibility needed to structure an economically viable project. Density, planning and financial incentives may also be offered to assist the developer in producing affordable housing units that meet the community's RHNA allocation production goal. The City of Goleta’s Inclusionary Housing Requirement could similarly provide options or incentives for developers. The

\(^4\) For example, competitive tax credit applications typically target households with incomes at 40% and 80% of Area Median Income.
policy could also benefit from providing for off-site mitigation of affordable housing and transfer of development rights.

The City's Inclusionary Housing Policy has no exception for rental projects, although it has been documented that it is economically infeasible for the private market to produce affordable rental units in South Santa Barbara County. Rental housing for lower income households can more affectively be served through the facilitation of affordable housing projects financed with Federal Housing Tax Credits and other federal and state funding programs.

With 30% of the Goleta workforce commuting from outside the South Coast due to extremely high home prices\(^5\), it may be better public policy to require homeownership projects to provide inclusionary units targeted to moderate-to-middle income households (100-200% of Area Median Income). This income group, which comprised a significant percentage of the local workforce, is currently excluded from the private housing market, as well as housing assistance programs.

Lower-income households can be better served with 100% affordable or mixed income housing projects that are financed with available Federal tax credits and other state funding programs. The end result would be the production of more overall affordable units than under the current inclusionary requirement.

We are also concerned that the City's policy requirement for affordability over the life of the project—in essence a requirement for affordability in perpetuity—may not be achievable, due to lender underwriting standards. Instead, 30-55 year 'rollover' resale requirements or affordability terms up to 99 years are typically used. We suggest that this policy be revised to reflect what is realistically possible at this time, using models provided by the State of California, Redevelopment Agency Law and major underwriters such as Fannie Mae.

[Please see our detailed letter to HCD dated June 10, 2004.]

The Goleta Housing Leadership Council recommends the following changes that could improve the City of Goleta's Inclusionary Housing Requirement and facilitate the production of affordable housing. These suggested revisions would allow developers more choice in the income mix and targeted affordability levels so that they have the flexibility needed to structure an economically viable project. We believe that this will result in production of more overall affordable as well as units affordable to the middle-income workforce.

1. **Allow Greater Affordability**: The current policy requires developers to meet the full spectrum of RHNA affordable housing categories from very low to moderate. This may preclude developers from accessing federal and state financing resources that target lower income households. For example, a competitive tax credit application normally targets households at 40% and 60% of Area Median Income.

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\(^5\) The median home selling price in South Santa Barbara County was $1,200,000 in February 2005.
The City could add a provision to allow a developer to provide an equal or greater number of units in a lower income category rather than having to provide the for the entire income spectrum of need. The County of Santa Barbara Inclusionary Program Policy has an effective development standard for this, as follows:

"Development Standard 1.2.6: Projects may meet inclusionary requirements by providing an equal or greater number of units in a lower income category than would otherwise be required."

2. Other Options for Provision of Affordable Units: Developers should have a range of options for providing affordable units, including off-site, donation of land, transfer of development rights or other options that satisfy inclusionary requirements.

3. Exempt Rental Housing and Mixed-Use Projects: It is widely acknowledged that it is economically infeasible for the private market to produce affordable rental housing units in South Santa Barbara County. In fact, the County of Santa Barbara conducted an economic analysis of rental housing production prior to adoption of its Inclusionary Housing Program that demonstrated this fact. The County of Santa Barbara's inclusionary policies exempt mixed-use rental projects and 100% rental projects with densities of 10 units per acre or more (Santa Barbara County Inclusionary Housing Program, Development Standard 1.2.1).

Rental housing for lower income households can more effectively be facilitated through mixed income and 100% affordable housing projects that are financed with Federal Housing Tax Credits and other state funding programs.

4. Encourage Workforce Units Through Density Bonus: There is a critical need for moderate to middle-income workforce units in Goleta. The City could encourage the production of workforce units by granting developers a density increase for providing moderate to middle-income resale restricted workforce units.

5. Provide Incentives: The City should provide incentives to encourage the economic feasibility of providing inclusionary units, such as development standard modifications.

II. Summary of Major Deficiencies in the draft Housing Element:

A. Public Participation:

The City of Goleta did not conduct a public participation process specifically for the development of the Housing Element and the Housing Element does not document public participation, as required by Law. The City did not consult housing consumers, special needs populations, advocates, business, faith community, development community or other community stakeholders. Citizen input on the development of the draft Housing Element consisted of public comment limited to 5-6 minutes per speaker at one 3-hour session convened by the Goleta Planning Agency to discuss the Housing
Element of the General Plan. However, even this discussion was not pre-noticed as specific to the Housing Element.

(Please see page 15 in the Goleta Housing Leadership Council Goleta Housing Element Critique.)

B. Community Needs Assessment:

The draft Housing Element consistently uses outdated information that understates community, workforce and affordable housing needs. For example, the Housing Element states that 14% of the local workforce commutes, while the Coastal Housing Partnership has documented that 31% of the workforce commutes from outside the area. The Housing Element downplays lack of housing affordability by using data that misses the tremendous housing inflation of the past 5 years. This misrepresentation of community housing need is then used to justify the erroneous conclusion that the current Regional Housing Needs Allocation (RHNA) housing production goal of 2,398 units meets all current and future community housing needs.

(Please see the detailed analysis of deficiencies in the community needs assessment on pages 18-58 of the Critique of the City of Goleta Draft Housing Element)

C. Housing Constraints:

The City of Goleta does not provide a realistic assessment of governmental and market constraints to development. The City's discussion of housing constraints is not specific to policies the City has adopted. There is little or no discussion of how the City will work to mitigate identified constraints to residential development.

(Please see detailed discussion on pages 7 and 61-63 of the Critique of the City of Goleta Draft Housing Element.)

D. Land Inventory:

The City of Goleta's land inventory is based on a 'theoretical' maximum build-out and unrealistically inflates the development potential of remaining vacant sites. The City has not provided any explanation or methodology for its estimate of the development capacity of sites in the land inventory. And, the City does not provide an adjustment to the development capacity of sites based on actual governmental and local constraints to development. Neither does the City provide required minimum density designations for land in its inventory that it claims for affordable housing production.

The land inventory does not provide for housing beyond the current RHNA cycle, as required by law. The inventory includes many small parcels that will be unlikely

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5 Employee Housing Needs Survey Results 2004, Coastal Housing Partnership
candidates for housing development, given City policy constraints and market economics.

(Please see our discussion on pages 7 and 58-61 of the Critique of the City of Goleta Draft Housing Element.)

E. Housing Policies and Program:

The City’s proposed affordable housing policies are weak, lack substance and a comprehensive approach to providing for all economic segments of the community. The City states that its primary affordable housing policy is conservation of the existing single-family housing stock relative to new construction (Pol HS 2.6, page IV-3 of draft Housing Element). However, the median-priced home in Goleta in August 2004 was $884,444. An income of over $177,000 would be needed to afford this median-priced home, or 273% of Area Median Income. The City’s single-family housing stock is not affordable to the vast majority of local workers and residents. The City’s emphasis on housing “conservation” is more appropriately a neighborhood protectionism policy and indirect growth control by limiting the size of homes.

The City of Goleta’s five-year action plan is weak and does not effectively address community housing needs or affordability concerns. The City’s affordable housing production goals are extremely modest. There is no program for Regulatory Concessions and Incentives.

(Please see our discussion on pages 9, 12 and 63 of the Critique of the City of Goleta Draft Housing Element.)

F. Quantifiable Objectives:

The City cannot reach its affordable housing production goals and quantifiable objectives within the timeframe of the current 2,388 RHNA nor through its proposed land inventory. The City provides no analysis of how the quantified objectives will be achieved. It has no programmatic response or developer incentives to facilitate the stated production objectives. Moreover, the City has insufficient local resources to financially facilitate its quantified objectives for housing for lower-income households.

(Please see discussion on pages 13 and 66 of the Critique of the City of Goleta Draft Housing Element.)

G. No Production Track Record:

The City of Goleta has no demonstrated housing production record. Other than the Willow Springs Project processed by the County, the City has only approved a total of 19 single-family building permits in the past 3 years and no multi-family permits. In fact,

7 Assumes a 90% loan, 6% fixed mortgage rate, property taxes at 1.1%, insurance and 38% of household income for total housing costs.

8 While the City of Goleta did issue building permits for the 235-unit Willow Springs project, this permit was processed and approved by the County of Santa Barbara prior to incorporation of the City of Goleta.
the City enacted a 2-year building moratorium and has a record of litigation, delay and opposition to housing development. 9

H. Failure to Provide for All Economic Segments:

The draft Housing Element does not provide a realistic or objective analysis of community housing needs. It downplays housing needs and affordability. There are no policies addressing an entire segment of the community – the moderate to middle-income workforce. And, options for lower income households and special needs populations are extremely limited.

(Please see our discussion on pages 9 and 67-74 of the Critique of the City of Goleta Draft Housing Element.)

I. RHNA Affordable Housing Goals:

The City cannot meet its RHNA affordability through inclusionary Housing Policy or projects in the current RHNA production pipeline. It is a mathematically impossibility. The economics of housing development in the South Coast of Santa Barbara—including market prices, land and development costs, development constraints, fees and a lengthy project review process—also preclude this. Significant subsidies, which the City does not have, are needed to produce affordable housing in the Goleta Valley.

The City must rezone additional land, loosen restrictive development and affordable housing policies, and design a comprehensive affordable housing program, including financial incentives, to achieve its RHNA affordable housing production goals.

(Please see our discussion on pages 10-11 of the Critique of the City of Goleta Draft Housing Element.)

J. Suitability Analysis Needed:

The City hasn’t demonstrated the economics of producing a range of housing proposed in its draft Housing Element policies. Given the City’s poor housing production track record and policies it has adopted that constrain development, the City should be required to provide a suitability analysis.

K. Hollister Mixed-Use Area:

The City proposes 1,223 units of housing for this 56-acre area. While this is a laudable goal that we support, we are concerned that this development potential will actually be

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9 The City denied the 109-unit Sandpiper Project, with 20% affordable units, despite the fact that the project was approved by the County of Santa Barbara prior to the City's incorporation. The project is still in litigation with the City of Goleta. After 2 years of delay, City has still not approved financial assistance for the La Sumida Project, which provides 200 needed rental housing units with the City’s Redevelopment Agency District. 100 (50%) of the project units are affordable to lower income households.
realized, given maximum F.A.R.s and other development constraints we have previously outlined. As we have demonstrated, the maximum floor area ratio (F.A.R.) for this zone of 0.4 may reduce overall residential production by 28% (see GHLC memorandum on F.A.R. dated March 24, 2005).

The City also claims that since the land use designation is 22 units per acre, it can count all of this potential production as lower income housing units (see table HS 25 on page 59 of the Appendix to Volume I: Housing Analysis). We believe that these claims are unrealistic, for the following reasons:

- This is a mixed-use area and it cannot be assumed that all of the acreage will be developed as residential;
- Residential use is allowed in the Hollister Mixed Use Zone only by Conditional Use Permit (Pol HM 1.1, page II-26 of the Land Use Element). Therefore, the City cannot claim these units for low-income housing, as discretionary approval is required.
- Market economics and lack of local subsidies make it impossible to achieve 100% affordability for projects in this zone.

L. Restrictions in Single-Family Areas:

The single-family areas constitute the bulk of Goleta’s housing stock. Interim General Plan policies severely restrict the ability of Goleta’s single-family neighborhoods to evolve to meet current multi-generational and future family needs.

- Interim General Plan Land Use Policies impose restrictive floor area ratios that restrain home remodels. [See discussion on pages 3-4 of this memorandum.]
- Second stories in single-family neighborhoods are barred except by Conditional Use Permit.
- The City’s Second Unit Ordinance restricts the number of second units that can be built and violates equal protection under the law. The ordinance imposes the following restrictive conditions that make it difficult to construct a second unit:
  - Requires a 200-foot separation standard between second units, which effectively limits second units to every third or fourth property on each side of the street;
  - Requires the second unit to be on the rear of the property with a 15 foot separation;
  - Requires a minimum lot size of 7,000 square feet for an attached second unit and 10,000 square feet for a detached second unit;
  - Imposes a maximum square footage of 400 square feet for second units on lots with 7,000-9,000 square feet.
  - Requires separate kitchen and bathroom facilities, within the 400 square feet for the smaller sized lot.
Goleta Housing Leadership Council  
C/O 7264 Fordham Place, Goleta, CA 93117  (805) 685 1849

March 13, 2006

Don Thomas
Division of Housing Policy
State Department of Housing and Community Development
1800 Third Street, Suite 430
P.O. Box 952053
Sacramento, CA 94252-2053

Re:  Comments on the City of Goleta’s Housing Element  
Housing Types and Land Inventory Production Capacity

Dear Don:

The Goleta Housing Leadership Council would like to submit the following additional comments on the City of Goleta’s draft Housing Element to the General Plan.

III. B Types of Housing Needed:

Policy HE 3.1 Housing for Local Workers on page 13 of the revised Housing Element is a positive goal, however it would be helpful for the City to describe an implementation program of specific land use, development and financial incentives it can provide to make this policy feasible.

HE 4.4 Variety of Housing Choices on page 15: This is an excellent policy, however, the City should include specific implementation program to encourage non-traditional and innovative housing approaches. This policy should also be linked to the development of the City’s Zoning Ordinance.

III. C Location of New Housing:

H.E. 6.1 to 6.6 Residential Development Capacity on pages 21-22: GHLC is concerned that the residential capacity of 3,531 units listed by the City of Goleta in Table H is overstated. We have previously commented in two separate letters to HCD dated March 3, 2006 that the City’s Land Inventory has not taken into consideration constraints to residential development caused by inconsistencies in other General Plan elements as well as the City’s newly proposed 55% inclusionary housing requirement for sites located in the central Hollister area.

In fact, the combined impact of policy inconsistencies in other General Plan elements, particularly the Transportation Element, create significant obstacles to residential development on vacant properties along Hollister Avenue in western and central Goleta and other areas designated for RHNA housing production such as Old Town Goleta.
This may drastically reduce the production capacity of potential housing that could be constructed on sites located along the Hollister Avenue corridor between western Goleta and Old Town Goleta, as listed on the City’s Land Inventory in the General Plan. [Approximately 2,300 units of potential housing could be impacted. See Figure 27: Sites Suitable for Residential Development in the Land Use Plan and Tables D-H on pages 49-53 of the Technical Appendix to the Housing Element.]

We have the following additional comments regarding the specific residential unit counts shown on Tables B-G in the Technical Appendix to the revised Housing Element:

**Table B: Approved Residential Projects, Construction Not Completed**

Table B relates to Policy HE 6.1 and lists the 200-unit La Sumida Gardens project, indicating 100 market rate rental units and 100 low-to-moderate rate rental units. It is our understanding that this project may not go forward, due to concerns around prevailing wage costs and the City’s inability to provide financial assistance to the project. Therefore, some 200 units of rental housing, including the 100 affordable units, may be lost to the City’s inventory.

**Table C: Pending Residential Development Applications as of December 2005**

Policy HE 6.2 refers to the housing production capacity listed in Table C in the Housing Element Technical Appendix. This table shows the Village at Los Carneros project with a proposed 265 units of housing, including 53 low-to-moderate income units. This project is currently undergoing environmental review. It is not clear whether the City’s new General Plan policies—particularly in the Transportation, Conservation and Noise Element—will apply to this project. If the new standards do apply, the result may be a reduction in the number of overall project units.

**Table D: Inventory of Land Suitable for Residential Development: Vacant Zoned Sites, September 2006:**

This Table relates to Policy HE 6.2, which claims a residential capacity of 1,780 units on vacant sites with existing zoning. The table lists 1,266 potential units could be located on sites with density of 20 or more units per acre, including sites 14, 19, 20, 21, 22, 23, 24, 25, 26 and 36 as listed on Figure 27 in the Land Use Plan. Another potential 486 units could be located on properties zoned at less than 20 units per acre, including sites 3, 28, 30, 31, 32, 33 and 37. An additional 25 units could be developed on miscellaneous single-family sites.

We reiterate our concern that most of these key RHNA housing production sites are located adjacent to key freeway exchange and Hollister Avenue intersections that are already at or near maximum capacity under the City’s Transportation Element policies and where physical improvements will not be allowed and/or require completion of expensive non-freeway overpasses to mitigate traffic impacts. In addition, noise standards in the Noise Element discourage development along the Hollister corridor, and restrictive Conservation Element policies may significantly shrink the development envelope on remaining vacant infill properties. As a result, the potential housing production capacity of 1,790 units (claimed in
Table D of the City’s Land Inventory to the Housing Element) may be significantly diminished, with potential projects subject either to extended delay or a substantial reduction in the number of units (please see our discussion in the letter on Goleta General Plan inconsistencies to HCD dated March 3, 2006).

**Table E: Inventory of Land Suitable for Residential Development:**
**Vacant Non-Residential Sites Proposed to be Rezoned for Residential Development and Land Rezoned to Higher Density.**

Table E relates to **Policy HE 6.3** and lists a residential production capacity of 287 units on sites that could be rezoned for residential development and higher density housing, including sites 17, 28, 31 and 32. 203 units of this total production capacity are located on sites near the Storke/Hollister intersection. The Storke/Hollister intersection is already at the maximum LOS D (level of service) and maximum physical size, according to the City Transportation Element standards. Therefore, any residential development at these three key sites would have to wait for completion of the Ellwood Station freeway overpass in order to mitigate traffic impacts generated from residential development. The City has acknowledged that completion of the Ellwood Station overpass, for which there is no identified funding, may take decades (see our discussion on pages 8-12 in the letter to HCD dated March 3, 2006 regarding Goleta General Plan inconsistencies). Therefore, unless the City’s Transportation Element policies are revised, it is highly unlikely that the 203 units listed in Table E will be initiated or completed during the current RHNA cycle, or future RHNA cycle for that matter.

**Table F: Inventory of Land Suitable for Residential Development: Vacant Land Proposed to be Designated for Mixed-Use Development.**

Table F correlates to **Policy HE 6.4** and proposes that 209 units of housing could be produced as Mixed-Use development in commercial and office/institutional zones on sites 4, 5, 6, 15, 16, 27, 34 and 35 (see Figure 27 in the Land Use Plan). However, all of these sites, with the exception of 3, are located along the Hollister Avenue transportation corridor between western Goleta and Old Town Goleta. This means that the same constraints to development previously discussed will also reduce the development capacity of the potential 178 units that could be produced on the mixed-use sites along Hollister. A second concern is that the City currently does not have any standards for mixed-use development and no track record in facilitating or approving mixed-use development. We are doubtful that the City will be able to facilitate the production of 209 units of residential development in mixed-use developments during the current RHNA cycle.

**Table G: Inventory of Land Suitable for Residential Development: Developed Non-Residential Sites that May Be Redeveloped to include Residential.**

Table G correlates to **Policy HE 6.5** and lists potential housing production from the redevelopment of commercial and office and institutional properties located at the Plaza Shopping Center at Pacific Oaks, Fairview Shopping Center, Calle Real Shopping Center,

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1 We note that site 32 is listed twice—on Table D and again on Table E. This is either a numbering error or a redundancy that should be corrected.
North and South Patterson area and Old Town Goleta. The City is showing an estimated production capacity of 205 units on sites 7, 9, 13, 16, 18 and 29 (see Figure 27 in the Land Use Plan).

We find the estimated production capacity of 205 units within the current and future RHNA cycles highly unlikely, for the following reasons. Two of the shopping areas, Fairview and Calle Real, have recently been renovated; therefore it is doubtful that they will be redeveloped again in the foreseeable future. Therefore the 89 housing units indicated for these sites cannot reasonably be anticipated and should be omitted. Secondly, the City has not established mixed-use development standards and has no track record in approving mixed-use projects. Moreover, the City is not proposing any financial incentives that would encourage owners of commercial and office and institutional facilities to consider developing housing on their properties. Housing development is a time-consuming, expensive proposition, with project processing problematic at best. There are no compelling reasons for a property owner to pursue residential development on the existing properties on these lists, barring proactively facilitation and provision of incentives by the City, which have not been forthcoming.

In summary, we are doubtful that the City of Goleta will be able to achieve the production capacity claimed in its Land Inventory to the Housing Element unless significant changes are made to the Conservation Element, Land Use Element, Noise Element and Transportation Element so that constraints to residential development are removed. In particular, we reiterate our concern that the City’s proposed 55% inclusionary policy will prevent the creation of affordable housing as provided in the Land Inventory to the Housing Element.

We urge HCD to encourage the City of Goleta to analyze the impact of policy inconsistencies in the General Plan on the production goals of the Housing Element and the concomitant reduction in residential development capacity in the City’s Land Inventory. We further encourage HCD to request that the City of Goleta revise its Land Inventory to reflect a more realistic assessment of current development capacity to meet RHNA housing production goals.

Sincerely,

Jennifer McGovern
Coordinator
Goleta Housing Leadership Council

cc: Cathy Creswell, Deputy Director, Division of Housing Policy, HCD
    Linda Wheaton, Assistant Deputy Director, Division of Housing Policy, HCD
    Ken Curtis, Director of Environmental and Planning Services, City of Goleta
November 20, 2003

City of Goleta
Planning Agency
6500 Hollister Avenue, Suite 120
Goleta, CA 93117

Dear Planning Agency Members:

I would like to call your attention to what I believe to be the technical inadequacy of the draft General Plan Background Report No. 3 on Jobs-Housing Balance. I respectfully offer the following constructive critique of the Jobs-Housing Balance Background Report, in the hopes that my comments will lead to an improvement of this important baseline report that affects so many aspects of the General Plan.

It is my professional opinion that this report falls significantly short of meeting the State of California requirements and intentions for the General Plan and Housing Element. The report begins on a faulty premise or limited understanding of jobs/housing balance and continues with a series of unconnected and misdirected arguments to draw the erroneous conclusion that jobs and housing opportunities in the City of Goleta are currently balanced. In fact, just the opposite is the case. The report fails to recognize or acknowledge that close to one-third of Goleta workers today are commuting considerable distances to reach their jobs in Goleta, or that housing resources are priced beyond the means of the majority of the work force in Goleta. The report’s weaknesses are serious and numerous and need to be corrected.

The primary flaw of this report is its premise that jobs-housing balance is a simplistic matching of the number of workers who reside in an area with the number of jobs provided, as asserted by the author of the report. I quote from the Executive Summary of the report, which states, "The purpose of the job-housing balance concept is to match the number of workers who reside in an area with the number of jobs provided in the same area (one resident worker for each job). However, this is not the correct understanding of jobs-housing balance as presented by the Atlanta Regional Commission, a primary research source cited by the City’s report, nor is it the standard utilized by the State of California, which sets the guidelines for the General Plan. Rather, jobs/housing balance is something much more complex and it relates to many important aspects of the General Plan."
The City's Jobs-Housing Balance Report cites the Atlanta Regional Commission Internet resources on jobs-housing balance. However, even this research source clearly states that the concept of jobs-housing refers to balancing jobs and housing units and goes beyond mere numerical accounting, as noted in the citation below:

"Jobs-housing balance is a planning tool that local governments can use to achieve a roughly equal number of jobs and housing units or households in their jurisdiction or part of a jurisdiction. The notion of balancing jobs and housing goes well beyond trying to attain numerical equality. [Italics added] Ideally, the jobs available in a community need to match the labor force skills, and housing should be available at prices, sizes, and locations for workers who wish to live in the area. Hence, there is a "qualitative" as well as "quantitative" component to achieving jobs-housing balance."

What is required by the State of California, which sets the standards for the General Plan, is an even more substantive and in-depth understanding and analysis of jobs-housing balance. I quote from the General Plan Guidelines from State of California: p. 21 of Chapter 2: Sustainable Development and Environmental Justice, which includes a detailed description of the basis of jobs-housing balance and how to improve it.

"Jobs/housing balance compares the available housing and available jobs within a community or region......Jobs/housing balance is based on the premise that commuting, the overall number of vehicle trips, and the resultant vehicle miles traveled can be reduced when sufficient jobs are available locally to balance the employment demands of the community and when commercial services are convenient to residential areas. Planning for a jobs/housing balance requires in-depth analyses of employment potential (existing and projected), housing demand (by income level and housing type), new housing production, and the relationship between employment opportunities and housing availability. Other factors, such as housing costs and transportation systems, must also be evaluated.

Improving the jobs/housing balance requires carefully planning for the location, intensity, and nature of jobs and housing in order to encourage a reduction in vehicle trips and miles traveled and a corresponding increase in the use of mass transit and alternative transportation methods, such as bicycles, carpools, and walking. Strategies include locating higher-density housing near employment centers, promoting infill development, promoting transit-oriented development, actively recruiting businesses that will utilize the local workforce, developing a robust telecommunications infrastructure, developing workforce skills consistent with evolving local economies, and providing affordable housing opportunities within the community. Jobs-housing provisions most directly affect the land use, circulation, and housing elements."

However, the City's Jobs-Housing Background Report does not address either the State of California General Plan Guideline description of jobs/housing balance nor the concepts presented by the Atlanta Regional Commission. It does not consider the type


Goleta jobs-housing balance
of housing needed by our local workforce, whether housing prices and affordability
match various workforce salaries and needs, our past and current housing production
patterns relative to population and employment growth, current workforce commuting
patterns, future employment needs related to emerging demographic patterns and
economic trends, whether labor force skills match needed employment, nor the overall
relationship between employment opportunities, housing demand and housing
availability.

Of paramount importance, the Jobs-Housing Background Report needs to include a
discussion on the regional and local supply of housing and its affordability to the local
workforce. This is essential to understanding jobs/housing balance. An analysis of
these factors would reveal that our housing production within the City of Goleta and
Goleta Valley region has not kept pace with either population or employment growth.
The lack of housing production has contributed to rising home prices and rents and a
housing affordability crisis for the local workforce.

In fact, we have a significant shortfall or past deficit of necessary housing within our
local region. During the period 1993 to 2002, while the population of the Goleta Valley
increased by some 9,100 persons, our housing production level averaged only 141 units
per year, or about 42% of the required need. This level of housing production is
embarrassingly low and wholly inadequate for an area comprising a population of nearly
78,000 people\(^2\). This chronic lack of housing production has significantly contributed to
skyrocketing inflation in local home prices and rent levels and the resultant widening of
the housing ‘affordability gap’ for the local workforce. Due to exorbitant housing costs,
an increasing number of local employees are unable to find housing they can afford
within the City of Goleta. And, as the housing crisis has heightened over the past few
years, more and more employees have been forced to leave the community and
commute to Goleta for work.

Therefore, in the City of Goleta the primary jobs-housing concern is that the affordability
of the housing stock does not match current and emerging workforce needs. We simply
do not have adequate housing at affordable prices for the current workforce, or for the
workforce that will be needed for potential economic growth. As stated previously, this is
an issue that the State has determined must be evaluated as part of our local jobs-
housing balance analysis. Here are a few salient facts about the mismatch between
local housing costs and workforce housing demands\(^3\):

\(^2\) The City of Goleta and larger Goleta region experience a significant shortfall or past deficit of
necessary housing based on population and employment growth. During the period 1993 to 2002
only 1,411 housing units were permitted and built in the Goleta Valley, with about 62% of this housing
production occurring within the boundaries of the new City of Goleta. At the same time, the population
of the Goleta Valley grew by an estimated 9,100 persons. The number of housing units needed just
to house our increase in population during this period was about 3,285, based on the average
household size of about 2.77 for the Goleta Valley. However, only 42% of this need was met.

\(^3\) Primary source: “The Face of the Housing Crisis”, A Profile of Goleta’s Community Housing
Needs, Goleta Housing Leadership Council, October 2003

Goleta jobs-housing balance
Between 1998 and 2003, the County median family income rose 17.9% from $51,400 to $60,500 for a family of four. However, during this same period average rents in the City of Goleta rose 33.4% and median home sales prices rose 113% in North Goleta and 116% in South Goleta. **Rental prices increased almost twice as fast as incomes, and home prices increased over 6 times as fast as incomes.**

The average salary for workers in Goleta in 2000 was $38,153. By the first quarter of 2003, the average salary for Goleta workers increased to $43,354. The increase from 2000 is 13.8% per year over the 3-year period (California Economic Forecast).

Assuming that median household income increased in tandem with average salaries, the estimated median household income for Goleta workers in 2003 is estimated to be $73,700 (California Economic Forecast).

However, to purchase the median selling price of a home in the Goleta South area ($675,000 for the first 8 months of 2003), a household income of $152,880, or more than twice the average Goleta household income, would be required.4

Consequently, a household of two full-time workers each earning 176% of the average salary per worker in Goleta would be needed to purchase a lower end single-family home in Goleta.

There are no sectors with jobs in Santa Barbara County that, on the average pay 176 percent of the average salary in Goleta. In the fourth quarter of 2002, the only sectors coming close to this level were finance and insurance, and oil and gas extraction, with jobs that average in excess of $60,000 per worker.

'Housing Wage': Using the federal standard of 30% of income for housing costs, a Goleta family would have to earn at least $31.08 per hour ($59,670 annually) in order to afford the averaged priced two-bedroom, 1 bath apartment in Goleta in 2002, with a rent of $1,492 per month. **This is more than four and a half times the current state minimum wage.**

According to the City's baseline Economic analysis, 12% of the local workforce is employed in the lower wage services sector.

Two full-time minimum wage earners5 working in retail or service industries in Goleta would have to pay 52% of their combined household income to afford the average priced one-bedroom apartment unit costing $1,124 per month in June 2003. And, they would need 66% of their combined income to afford the averaged priced 2-bedroom apartment costing $1,492 per month in June 2003.

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4 This assumes a 20% downpayment, 30-year fixed rate mortgage at 6.25%, with 35% of monthly income for mortgage payment, 1.1% property taxes and insurance. Monthly mortgage payment is $3,740, property taxes $619 per month and insurance $100 per month.

5 Assumes a minimum hourly wage of $6.75 per hour under California's minimum wage rate, January 2002.
Clearly local housing costs do not match the salary levels and payment ability of the local workforce. As a result, more local employees are commuting into the Goleta area to work because they are unable to purchase homes or afford rents in the local housing market.

Workforce commuting patterns are another key factor in the jobs-housing analysis that should be evaluated by the City. However, a discussion of this issue is entirely lacking in the City’s Jobs-Housing Background Report. This is a surprising omission, since the State of California General Plan Guidelines emphasize that the reduction of commuting and vehicle miles traveled is the primary premise of jobs-housing balance. This is echoed by the Atlanta Regional Commission, which states, “The most important objective sought by a jobs-housing balance policy is a supporting strategy to reduce vehicle miles traveled (VMT).”

In the City of Goleta and larger Goleta Valley region, workforce commuting is a serious concern. A 2001 survey of the workforce at 24 major Goleta employers revealed that a total of 30% of all workers at Goleta companies lived in Ventura County, the Santa Ynez Valley, and the Santa Maria/Lompoc Valleys (over 90% of the companies surveyed are located in the new City of Goleta). This means that an estimated 8,000 private sector wage and salary workers live outside the South Coast and commute to the City of Goleta each day. For the larger workforce that includes UCSB and the schools, it is estimated that over 10,000 workers commute to Goleta from Ventura or Northern Santa Barbara County daily.

Moreover, recent surveys and information from both government and private sources document a significant increase in commuting over the past several years that correlates with the same timeframe as the rapid increase in local housing costs since 1998. Automobile counts on the U.S. 101 between Santa Barbara and Ventura County line have reached record levels, according to the California Department of Transportation. From 2000 to 2002, the number of vehicles on the 101 increased 13%, or 8,000 trips daily. Traffic counts are also growing on the 101 between Goleta and Buellton, as more local workers commute from the North County housing areas.

Coastal Housing Partnership reports an increase from 20% to 27% of local workers in the South Coast commuting from outside the area in a short 3-year period. The surveys also indicate that the daily one-way commute from Ventura and Oxnard to the South Coast has increased from 35 or 40 minutes in 1999 to 55 minutes or longer in 2003. These trends are due to high housing costs and a chronic shortage of available housing in the Goleta Valley and South Coast affordable to the workforce. Coastal Housing Partnership’s 2003 Employee Housing Survey also indicates that a high percentage of renters (nearly 62 percent) would consider leaving the South Coast.

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6 Atlanta Regional Commission, Jobs-Housing Balance Toolkit, page 4
8 The Coastal Housing Partnership includes a membership of 70 major employers who employ an estimated 33,000 workers, or about 33 percent of the total South Coast workforce. The 2003 Employee Survey collected and analyzed a total of 3,748 employee surveys.

Goleta jobs-housing balance
region if they cannot purchase a home. And, 69 percent of workforce renters said they would consider leaving their job for more affordable housing elsewhere.

Therefore, a broad spectrum of the current local workforce — from lower to middle-income households—are being excluded from residing in the community. The City of Goleta and larger Goleta Valley region has been a large generator of jobs in the recent past, however it has been a poor producer of housing commensurate with its population employment growth. As a result, the City of Goleta and surrounding area have become a significant “exporter” of workers. Therefore, the lack of housing opportunities in Goleta for the local workforce has resulted in heightened commuting and a severe jobs-housing imbalance.

Another factor of jobs-housing balance that the City of Goleta failed to examine is needed employment growth, employee recruitment and retention. The City report does not address these important aspects. The economic climate and higher costs of housing have led to significant downsizing in the local technology and industrial sectors in Goleta. During the recent economic turndown, employment in the Goleta Valley declined by over 1,500 jobs, representing a 4.5% loss in total wage and salary jobs. The major loss in jobs was at the expense of the private sector and occurred in higher-than-average paying sectors of durable manufacturing, information technology, and wholesale Trade. With housing costs typically exceeding the income ability of more than 95 of workers or current homeowners, recruitment of new and qualified employees has become very difficult. When a local company wants to hire additional workers, a key question is, where will these employees live? Therefore Goleta’s economy may experience difficulty in expanding coming out of the recent economic downturn, as local companies may relocate to other areas and workers seek affordable housing elsewhere. Without building more housing that is affordable to these workers, we may experience growing gridlock on U.S. Highway 101 and slower economic growth with less job creation and less wealth creation for Goleta’s local economy.

The City’s Jobs-Housing report also needs to look at changing demographic patterns as relates to jobs-housing balance. These trends include a growing proportion of retiring workers and older residents and the commensurate need for replacement workers in key professional, health, public administration, education and other critical workforce areas. A second important trend is the entry of Generation Y (also known as the ‘Echo Boom’, as children of the Baby Boomers) into the workforce and local housing market. A crucial component in future jobs/housing imbalance is the emerging trend of ‘housing congestion’. This phenomenon refers to the older retiring workforce that remains in large single-family homes that have significantly appreciated in value due to lack of housing production and resultant price inflation, while no entry-level housing is available at prices affordable to replacement workers from the next generation.

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9 Santa Barbara County Real Estate & Economic Outlook, Mid-Year Update 2003, California Economic Forecast.
10 Source: ‘The Face of the Housing Crisis’. A Profile of Goleta’s Community Housing Needs, Goleta Housing Leadership Council, October 2003
For example, the City of Goleta's Background Report 2 on Economic Conditions and Character indicates that two large, predominately single-family residential areas of the City of Goleta have relatively high percentages of households receiving retirement income, which would indicate the presence of retired workforce or older residents. 27.8% of the households in the Northeast area receive retirement income and 20.5% of the households in the Northwest area receive retirement income. As the Baby Boomer generation in Goleta continues to age and retire from the workforce, one would predict that households who are no longer participating in the local workforce might occupy a larger percentage of the City's single-family residential areas. Where then are the homeownership opportunities in Goleta for the professional and critical workforce members that must replace this generation?

Another consideration is the critical lack of entry-level rental housing in Goleta that is affordable to the emerging young adult worker of Generation Y.

It is important to reiterate here that, as we have seen, jobs/housing balance is a more complex issue than a simple numerical ratio between the number of housing units and jobs. However, the City's baseline report does not even effectively tackle jobs-housing ratios. Rather, the report merely attempts to compare the number of actual labor force participants who reside in the area relative to the number jobs in the area, irrespective of the number of housing units. Moreover, the City's analysis lacks a discussion of the types of jobs and corresponding types of housing and prices needed by the local workforce. This approach is a futile exercise at best. The issue is not whether we are near full employment or, as asserted in this report, whether there exists "a perfect match between jobs and resident labor force". That is not what jobs-housing balance is about, according to the State of California General Plan Guidelines and others versed in the field. The issue is about reducing workforce commuting and whether there is enough housing, of adequate type and affordability that matches the needs of the local workforce both now and in the future.

In addition to the serious omissions described above, the City's Jobs-Housing background Report contains other weaknesses and inaccuracies in its analysis that need to be corrected.

The report argues that the resident labor supply in Goleta is in close balance with the number of jobs, and that this is influenced by the large number of students who reside within the Goleta Valley and who may be undercounted as part of the local labor force. However, this argument is fallacious because it does not compare the types of jobs available and needed in the local economy to the skills and qualifications of the labor pool. The large number of undergraduate students residing within the Goleta Valley, if employed, typically work in part-time lower paying service and retail related jobs while they attend school. They generally do not possess the skills or qualifications required for higher paying professional, managerial, technical, manufacturing and other full-time permanent positions that are needed in the local Goleta economy. So, merely having a large adjacent potential labor pool of students does not necessarily equate with a balance in labor supply and jobs.
Moreover, a large local student population without commensurate housing can contribute to the jobs-housing imbalance. Goleta's local student population occupies a significant portion of the local and regional rental housing market. The City’s background report states that there were over 22,291 college or university students residing in the Goleta Valley at the time of the 2000 Census and asserts that a large number of these students—up to 5,639 persons—may live in dorms and similar group quarters\(^\text{11}\) that are not counted as housing units. However, according to these same statistics, 75% or more of these students, or 16,718 persons, do not live in group quarters but presumably rent or own housing in the local housing market. This is a significant impact on the local housing market and jobs-housing balance, as students can often combine their financial resources and compete more effectively to rent housing that would otherwise be available for the local workforce.

The City’s report also attempts to argue that the Santa Barbara Council of Government’s use of jobs-housing ratios within the geographic boundaries of the City of Goleta, as part of the Regional Housing Needs Allocation process, is arbitrary and unrelated to the policy objectives usually associated with jobs-housing balance. However, this interpretation is incorrect and shows a lack of understanding or acceptance of the SBCAG and State of California policy objectives for both jobs-housing balance and regional fair share of needed housing production. A brief review of how SBCAG utilizes jobs-housing ratios in its housing production allocation plan can elucidate this issue.

The Regional Housing Needs Allocation production goal is allocated to the County of Santa Barbara by the State of California, based on estimated Santa Barbara County employment and population growth, and is in turn distributed to the various cities and unincorporated areas within the county by SBCAG. The bulk of this ‘fair share’ housing allocation, or 70% of the RHNA production goal, is allocated primarily on the estimated population and employment growth for each sub-region of the county. The remaining 30% of the allocation is distributed based on a number of interrelated adjustment factors applied to each jurisdiction, such as the availability of land, vacancy rates, avoidance of further impaction of lower income households, employment and commuting patterns, and farmworker and special housing needs. It is appropriate and reasonable that the jobs-housing ratio of each jurisdiction, as an indicator of commuting patterns, is taken into consideration as one of the factors in this latter distribution of RHNA housing production. The methodology for these distribution adjustment factors is clearly spelled out in the Regional Housing Needs Allocation Plan adopted by SBCAG and reflects the requirements and intentions of State Law. Contrary to the assertion of the City's Jobs-Housing Report that there is no clear rationale or policy objective for using the city’s geographical boundaries for the jobs-housing adjustment factor, the SBCAG Regional Housing Needs Allocation Plan is in alignment with State RHNA and jobs-housing balance policies and objectives and clearly states,

\(^{11}\) It is important to note that group quarters may include residents other than students, such as housing for special needs populations.
“Commuting patterns of workers are also taken into consideration by using an employment input to the RHNA allocation process. Jurisdictions with a higher proportion of countywide jobs are allocated more of the RHNA housing. The ultimate goal is to help reduce the propensity for workers to live in areas far from their jobs by providing additional housing in employment rich areas”\textsuperscript{12}

Finally, to suggest, on page II-8 of the City Jobs-Housing Background Report, that adding housing units in Goleta would increase rather than reduce congestion on 101 is simply inaccurate and borders on the absurd. All current data and information demonstrate just the opposite. It is the chronic lack of housing production and resultant rise in housing prices and lack of affordability to the local workforce that have caused a massive increase in commuting into the City of Goleta. In fact, building more housing in Goleta would help reduce the cost of housing, and re-zoning land for higher density uses and providing entry-level housing would accommodate more of the local workforce and remove significant commuter traffic from Highway 101.

The City’s Jobs-Housing Background Report relates to many aspects of the City’s General Plan and will affect the development of the Land Use, Circulation and Housing Elements. Therefore, it is imperative that this baseline document contains an accurate and complete discussion of jobs-housing balance. I strongly urge the City of Goleta Planning Agency to direct staff to revise the Jobs/Housing Background report to better reflect the understanding and requirements of State General Plan Guidelines and to include a more thorough and honest analysis of the interrelationships between housing production, workforce housing needs and affordability, and workforce commuting patterns within the City of Goleta.

Sincerely,

Jennifer McGovern

Jennifer Bigelow McGovern, Principal
The Agora Group
Member Jobs/Housing Policy Steering Group
Jobs-Housing Project, Santa Barbara-Ventura County Inter-Regional Partnership

cc: Mr. Fred Stoudt, City Manager, City of Goleta
Ken Curtis, Manager of Planning & Environmental Services, City of Goleta
Jim Kemp, Executive Director, Santa Barbara Association of Governments
Tom Frutchey, Project Manager, The Jobs/Housing Project
Linda Wheaton, Assistant Deputy Director, Policy and Research, State HCD

\textsuperscript{12} Santa Barbara County Association of Governments, Regional Housing Needs for Santa Barbara County, December 2002

Goleta jobs-housing balance
Response to Comment No. B.4-1

The commentator states the opinion that the DEIR does not fully disclose the impact of the GP/CLUP because the GP/CLUP was under revision at the time the DEIR was prepared. See response to comment B.4-11.

Response to Comment No. B.4-2

The commentator states the opinion that the addition of three new policies (TE 5.12, 5.13 and 5.14) during the GP/CLUP revision process requires analysis in the DEIR. City staff note that the three new policies were identified following the release of the DEIR and are included in the Final EIR and Final Traffic Forecast Report as measures to reduce traffic-related congestion. The revision to the Final EIR does not change the EIR conclusion or result in any significant impacts not identified in the Draft EIR. In fact, the additional new policies are intended to reduce potential impacts to the transportation system through lane widening or reconfiguration.

The commentator adds that the public did not have adequate time to review the additional policy text. The comment is unrelated to the EIR and it is not the EIR’s purpose to address the public review process related to the GP/CLUP. As discussed in Section 1.0 Introduction, the DEIR is intended to evaluate the potential environmental impacts of implementing the GP/CLUP. See also response to comment B.4-11.

Response to Comment No. B.4-3

The commentator observes that Gateways designated in Figure 3.1-1 of the DEIR are not shown on Figure 6-1, Scenic and Visual Resources (incorrectly referenced as Figure 14 by the commentator), in the GP/CLUP. The commentator also alleges that two of the Gateway areas shown in DEIR Figure 3.1-1 are new scenic designations that are not included in the GP/CLUP.

The scenic resources map in the GP/CLUP (Figure 6-1) identifies locations on public roads, trails, parks, open spaces, and beaches that serve as public vantage points for viewing scenic resources consistent with GP/CLUP Policy VH 1.2, Scenic Resources Map. Gateways are not listed as a feature found on the map nor is it a requirement to present gateways on the map. More specifically, Gateway locations are listed and detailed in GP/CLUP Policy VH 2.6. As such, there is no need to revise GP/CLUP Figure 6-1.

DEIR Figure 3.1-1 is not a policy map, and therefore the map does not “designate” gateways as the commentator suggests. Nonetheless, DEIR Figure 3.1-1 does not currently include all of the gateways listed in Policy VH 2.6 (two gateways are missing from DEIR Figure 3.1-1: Cathedral Oaks at the eastern and western City boundaries; and Calle Real and Patterson Avenue). These gateways have been added to FEIR Figure 3.1-1.

Response to Comment No. B.4-4

The commentator has requested clarification regarding discrepancies between figures in the EIR and the GP/CLUP. As indicated in the introduction to EIR Section 3.4 and on Figure 3.4-2, the map in the EIR showing ESHA habitat types in the City was produced by merging three datasets: the 2004 aerial imagery interpretation conducted by Jones & Stokes in April through May 2006, the 2004 habitat mapping for the area covered by the Ellwood-Devereux Coast Open Space and Habitat Management Plan, and the map of designated ESHAs in the Conservation Element of the GP/CLUP. In EIR Figure 3.4-2, areas are identified as ESHAs if they meet the
ESHA definition in Policy CE 1-2, are identified in Policy CE 1-3 as a designated ESHA, or are listed as an ESHA on Table 4-2 in the GP/CLUP. It should be noted that the ESHA definition cited in the comment letter (B.4-26) is for environmentally sensitive areas as defined in the California Coastal Act (Section 30107.5).

See response to comment B.1-3 for details regarding habitat and species occurrence FEIR updates.

In addition, the EIR text preceding Section 3.4.1 has been revised to add more detail about the methods used in the aerial imagery mapping. The methods are based on accepted professional standards for the identification of habitat types based on characteristics visible in aerial imagery.

**Response to Comment No. B.4-5**

See response to comment B.2-3.

**Response to Comment No. B.4-6**

The commentator states the opinion that the DEIR lacks a range of mitigation. CEQA Guidelines Section 15126.4(a)(3), Consideration and Discussion of Mitigation Measures Proposed to Minimize Significant Effects, states: “Mitigation measures are not required for effects which are not found to be significant.”

The EIR includes mitigation measures for all Class I impacts, where feasible mitigation measures exist. Potential environmental effects that cannot be avoided, even after mitigation, are presented in EIR Section 6.2. The commentator has not identified other mitigation measures that could reduce potential environmental impacts associated with implementation of the GP/CLUP.

The use of GP/CLUP policies to lessen impacts (i.e., a self-mitigating approach) is described in EIR Section 3.02.3. This approach is allowed by CEQA Guidelines Section 15126.4(a)(2), which states: “In the case of the adoption of a plan, policy, regulation, or other public project, mitigation measures can be incorporated into the plan, policy, regulation, or project design.”

The analysis and level of detail presented to explain the effectiveness of mitigation measures identified in the EIR is consistent with the level of detail for a programmatic, General Plan policy document. The setting, impacts, and mitigation discussions presented in the EIR are all, by definition, program-level. Detailed descriptions of GP/CLUP policies are provided in the GP/CLUP. No further detail regarding the use of those policies as a self-mitigating approach to reducing potential environmental impacts is necessary.

**Response to Comment No. B.4-7**

The commentator states the opinion that the EIR lacks sufficient environmental analysis. The analysis and level of detail presented to evaluate the potential environmental impacts of alternatives identified in the EIR is consistent with the level of detail for a programmatic, General Plan policy document. The setting, impacts, and mitigation discussions presented in the EIR are all, by definition, program level.

The commentator provides two examples suggesting that implementation of Alternatives 1 and 2 might, counter-intuitively, result in greater environmental impacts than the project. The City
disagrees because Alternatives 1 and 2 also propose reduced amounts of commercial/industrial development that would serve to reduce workforce commuting in comparison to the project. Potential indirect effects on air quality are too speculative for this program-level environmental analysis because the future commute patterns of residents outside the City are currently unknown.

Similarly, the potential for Alternatives 1 and 2 to eliminate alternative transportation modes is also unsubstantiated, as the commentator assumes some speculative future demand for transit services whose cost feasibility in Goleta is unproven.

Response to Comment No. B.4-8

See response to comment B.2-4.

Response to Comment B.4-9

The commentator alleges that the conclusions regarding growth-inducing impacts may be erroneous. Section 15126 of the CEQA Guidelines requires that an EIR include a discussion of the project’s potential to foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. The CEQA Guidelines also indicate that it must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment. In general terms, a project may foster spatial, economic, or population growth in a geographic area if it meets any one of the following criteria:

- Remove an impediment to growth (e.g., establishment of an essential public service or the provision of new access to an area). The elimination of either physical or regulatory obstacles to population growth is considered to be a growth-inducing impact. A physical obstacle to population growth typically involves the lack of public service infrastructure. The extension of public service infrastructure, including roadways, water mains, and sewer lines, into areas not currently provided with these services is expected to support new development. Similarly, the elimination of or change to a regulatory obstacle, including existing growth and development policies, can result in new population growth.

- Foster economic expansion or growth (e.g., changes in revenue base, employment expansion, etc.).

- Foster population growth (i.e., the construction of additional housing), either directly or indirectly.

- Establish a precedent setting action (e.g., an innovation, a change in zoning, or general plan approval).

- Develop or encroach on an isolated or adjacent area of open space (being distinct from an "infill" type of project).

Should a project meet any one of the above listed criteria, it may be considered growth inducing. It is noted that the CEQA Guidelines require an EIR to “discuss the ways" a project could be growth inducing and to “discuss the characteristics of some projects that may encourage…activities that could significantly affect the environment.” However, the CEQA Guidelines do not require that an EIR predict (or speculate) specifically where such growth
would occur, in what form it would occur, or when it would occur. The answers to such questions require speculation, which CEQA discourages (see CEQA Guidelines Section 15145).

The proposed GP/CLUP would directly affect growth as a result of jobs or housing created as allowed under the GP/CLUP, secondary growth that might be fostered by the presence of new businesses or residents, and growth that might result from a development project that removes an obstacle to population or economic expansion. Development consistent with the proposed GP/CLUP would increase the city’s population and introduce additional residential and commercial development, as well as employment. It would directly foster growth in the city as well as possibly indirectly encourage additional growth in portions of the area surrounding the city. Refer to Section 6.4 of the EIR for additional discussion of growth-inducing impacts associated with the project.

Response to Comment B.4-10

Refer to response to comment B.4-9.

Response to Comment No. B.4-11

The commentator alleges that the DEIR project description (e.g., the revisions to the Draft GP/CLUP) was in flux, and requests that the EIR be revised to analyze the potential environmental impacts of the GP/CLUP revisions and recirculated for public review.

The DEIR, dated May 31, 2006, analyzes the potential environmental impacts of the Draft GP/CLUP, released for public review on March 20, 2006. Since issuance of the Draft GP/CLUP, refinements as part of the GP/CLUP process were made. Refer to FEIR Section 2.6 for a summary of the GP/CLUP revisions.

The CEQA Guidelines acknowledge that project planning and evaluation should proceed concurrent with public review of a Draft EIR. Specifically, CEQA Guidelines Section 15203(b), Adequate Time for Review and Comment, states:

(b) A review period for an EIR does not require a halt in other planning or evaluation activities related to a project. Planning should continue in conjunction with environmental evaluation.

Project description revisions that may occur during public review of a Draft EIR are not uncommon, and are typical for projects of all sizes and complexities. From a CEQA standpoint, the key issue is not that changes are proposed to a project, but whether or not those changes would result in a significant new environmental impact. CEQA Guidelines Section 15088.5(a), Recirculation of an EIR Prior to Certification, states:

(a) A lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review under Section 15087 but before certification. As used in this section, the term “information” can include changes in the project or environmental setting as well as additional data or other information. New information added to an EIR is not “significant” unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project’s proponents have declined to implement.
The refinements made to the Goleta GP/CLUP project description since issuance of the DEIR are addressed in the Final EIR. Revisions in the project description, as summarized in FEIR Section 2.6, have resulted in no new significant environmental impacts, nor new alternatives, which would render the DEIR project description inadequate. Accordingly, recirculation of the EIR is not warranted under CEQA.

**Response to Comment No. B.4-12**

The commentator alleges that there are various deficiencies in the DEIR analysis of visual resources: there is no cogent definition of visual resources; visual resources appear to have been designated in an arbitrary and subjective manner; there is no rationale for selected visual resources and public viewpoints as having significant value; and the scenic views identified in Figure 3.1-1 are not sufficiently defined so as to precisely identify scenic views.

In response, visual resources may be broadly defined as those aspects of the environment that are perceived by human visual sense. Such resources may encompass areas of scenic, historic, and cultural value, scenic highway corridors, and urban form and design. Although the measurement of visual resources qualities is subject to individual interpretation, the thresholds of significance identified in DEIR Section 3.1.3.1 fully disclose the criteria used to assess the significance of potential impacts to visual resources associated with the GP/CLUP.

The commentator provides no specifics regarding the allegation that the EIR designates visual resources in an arbitrary and subjective manner. To the contrary, the Visual and Historic Resources Element of the GP/CLUP rightfully acknowledges that Goleta’s visual resources include the scenic beauty of its open spaces, foothills, and ocean and mountain views. The scenic resources, scenic corridors, and key public viewpoints identified in EIR Sections 3.1.1.2 and 3.1.1.3 are consistent with those visual resources discussed in GP/CLUP Section 6.1.

Figure 3.1-1 is not a policy map, and is intended only to identify the general locations of public viewpoints in the City of Goleta. Detailed information regarding the size or precise location of scenic views and viewsheds is not applicable to the programmatic-level analysis provided in the GP/CLUP.

**Response to Comment No. B.4-13**

The commentator requests that the following information be provided in the EIR: objective measures to evaluate visual resources and scenic views, and analysis and data to support the finding of Class I impacts.

Thresholds used to evaluate the significance of aesthetics and visual resources impacts are identified in EIR Section 3.1.3.1. The thresholds listed are those adopted in the City of Goleta’s Environmental Thresholds and Guidelines Manual, as well as by CEQA. Due to the inherently subjective nature of visual resources impacts, no “objective” measures have been defined to evaluate impacts, as requested by the commentator. The discussion presented under Impact 3.1-1 provides specific information regarding impact characteristics, locations, and persons affected so as to support the finding of a Class I impact.

**Response to Comment No. B.4-14**

The commentator asserts that the EIR assumes “that development of residential units and commercial spaces inherently create negative impacts to visual resources and scenic views.”
This assumption is incorrect. To the contrary, the EIR notes that design standards and policies are subjective, but does not suggest that related aesthetics impacts are inherently negative or beneficial.

**Response to Comment No. B.4-15**

The commentator alleges that the DEIR’s finding of Class I impacts “appears to [be] based on an arbitrary and unsubstantiated identification of scenic visual resources impacts for which no clear description has been provided.”

DEIR Section 3.02.3 defines a Class I impact as “significant adverse impacts that cannot be feasibly mitigated or avoided.” The finding of a Class I impact for aesthetics and visual resources results from the potential for negative impacts that cannot be mitigated. It is expected that mitigation such as site layout and design (the examples noted by the commentator) would be applied as appropriate to future development; however, the feasibility of such mitigation to all projects cannot be assumed in this program-level GP/CLUP EIR. Specific types of development are addressed under GP/CLUP Policy VH 4, Design Review, and include: VH 4.3, Single Family Residential Areas; VH 4.4, Multifamily Residential Areas; VH 4.5, Retail Commercial Areas; VH 4.6, Industrial Areas; VH 4.7, Office Buildings, Business Parks, Institutional, and Public/Quasi-Public Uses; and VH 4.8, Telecommunications Facilities.

**Response to Comment No. B.4-16**

See response to comment B.4-3.

**Response to Comment No. B.4-17**

The commentator requests that the Visual Resources section of the DEIR needs to present a reasonable range of mitigation measures to resolve the Class I impacts. The DEIR presents a reasonable range of policies that reduce Class I impacts, but not to a level of insignificance. The commentator has provided no suggestions regarding additional mitigation to be considered.

**Response to Comment No. B.4-18**

The commentator suggests that Class I impacts to visual resources may be found on key sites identified in the draft Housing Element to meet residential housing production under the RHNA. The commentator is concerned that the location of scenic views near these properties could mean that any development that blocks views would not be allowed.

The commentator correctly observes that significant scenic views are located near or adjacent to selected housing production sites. The commentator also correctly acknowledges that “a determination of overriding findings” (i.e., a statement of overriding considerations) can be made in a future project-level CEQA document to ensure the feasibility of future development for RHNA housing production. Potential impacts to aesthetics and visual resources that could conceivably result from future development of those sites will depend upon the specific type, nature, location, extent, and design of development. The policies contained in the GP/CLUP visual, land use, and housing elements provide program-level guidance regarding the future development of the City and are not inherently contradictory.
Response to Comment No. B.4-19

The commentator has requested that the EIR include an analysis of the current condition and viability of agriculture lands in the City. The General Plan calls for the preservation of “Agricultural Land” and does not specify whether or not it must be “prime.” This includes all lands designated for “agriculture” land use by the General Plan, the criteria for which is provided in the Land Use Element under Policy subsection LU 7.3. The EIR evaluates the conversion of agriculture land to other uses and does not specifically address how the sites were designated for agriculture use or the viability of the sites for agricultural production. In accordance with CEQA, the EIR applied the thresholds that a project may have a significant impact related to agricultural resources if it will:

- convert Prime, Unique, or Farmland of Statewide Importance to nonagricultural use or impair the agricultural productivity of prime agricultural land;
- conflict with a Williamson Act contract or existing zoning for agricultural use; or
- involve other changes in the existing environment that could result in conversion of farmland to nonagricultural uses.

Therefore, the setting portion of the EIR does not contain a discussion of the current conditions relative to viability of agricultural lands within the City.

Response to Comment No. B.4-20

The commentator states the opinion that the City misidentifies agriculture properties in the General Plan and EIR and bases this assertion on a definition of agriculture that is inconsistent with the definition presented in the EIR. The commentator is directed to EIR Section 3.2.1 for the definition of agriculture upon which existing agricultural sites were identified and evaluated in the EIR. The existing agriculture sites identified on EIR Figure 3.2-1 are consistent with the EIR definition.

The commentator incorrectly asserts that there is an inconsistency between the protection of agriculture lands in the Conservation Element with the allowed residential use on the Sumida Site in the Land Use and Housing Elements. The commentator is directed to GP/CLUP policy subsection CE 11.2. This subsection prohibits conversion of sites designated as agriculture on GP/CLUP Figure 2-1 Land Use Plan Map. The Sumida Site is not designated for agriculture on General Plan Figure 2-1; therefore, the elements are consistent. The DEIR correctly identifies a Class I impact for agriculture conversion, such as the conversion allowed on the Sumida Site, based on the CEQA thresholds. Refer to EIR Section 3.2.3.1 for a discussion of the CEQA thresholds upon which impacts were measured.

City staff note that the commentator incorrectly uses the term zoning and designation in the comment. To clarify, the General Plan and EIR identify land use “designations,” not “zoning.” Also, the term unique farmland is a type of important farmland as identified by the Department of Conservation, not a General Plan “designation.”

Response to Comment No. B.4-21

The commentator requests that the EIR include “a study of alternative uses for sites of agricultural significance.” An EIR must only contain a reasonable range of alternatives that could feasibly attain most of the project objectives and attempt to reduce environmental impacts of the
proposed project. The City of Goleta does not need to consider every possible alternative that is suggested, and as the Lead Agency, may consider the reasonable range of alternatives that warrant analysis.

No alternative mitigations are proposed for preserving agricultural land because the conversion of agricultural land is considered a significant impact that is unmitigatable. Therefore, there are no feasible alternative mitigation measures that would reduce impacts to less than significant levels.

Response to Comment No. B.4-22
See responses to comments A.2-4 and A.2-5.

Response to Comment No. B.4-23
See response to comment A.2-5.

Response to Comment No. B.4-24
See response to comment B.6-8.

Response to Comment No. B.4-25
See responses to comments A.2-4 and A.2-5.

Response to Comment No. B.4-26
See response to comment B.4-4.

Response to Comment No. B.4-27
See response to comment B.4-4.

Response to Comment No. B.4-28
The commentator is of the opinion that several elements of the GP/CLUP are inconsistent. Comment noted. No change to EIR Sections 3.4 or 4.1 is required. In terms of potential effects on biological resources, the GP/CLUP policies in the Conservation Element and Land Use Element are consistent with one another. The Housing Element does not reference ESHA requirements. While it may be true that the application of policy subsection CE 3.4 could affect the amount of developable land on any given parcel, housing development allowed under the GP/CLUP far exceeds RHNA requirements to account for the presence of wetlands, as well as other onsite development constraints.

Response to Comment No. B.4-29
The commentator disagrees with GP/CLUP ESHA buffer setbacks and provides a series of letters to HCD regarding the GP/CLUP Conservation Element. The comment and the attached letters to HCD are on the GP/CLUP and do not pertain to the DEIR.
Response to Comment No. B.4-30

The comment is on the GP/CLUP and does not pertain to the DEIR.

Response to Comment No. B.4-31

See response to comment B.4-4.

Response to Comment B.4-32

The commentator is requesting that the EIR evaluate changing demographic patterns and their effect on the local workforce and housing market. Effects on employment and the housing market are not environmental impacts as defined by CEQA. Refer to the Housing Element Technical Appendix for additional information on demographic patterns, employment, and housing affordability and Section 3.8.1 of the EIR.

Response to Comment B.4-33

The commentator has requested that unreferenced data be deleted. The reference for this data has been added to page 3.8-1 of the FEIR.

Response to Comment B.4-34

The commentator alleges that the definition of the job-housing balance in the EIR is incorrect. However, the commentator is misinterpreting the definition of the jobs/housing balance as referenced in the State of California General Plan Guidelines. Page 263 of the State of California General Plan Guidelines defines the jobs/housing ratio as “the number of jobs in an area by the number of employed residents. A ratio of 1.0 indicates a balance. A ratio greater than 1.0 indicates a net in-commute; less than 1.0 indicates a net out-commute” (Governor’s Office of Planning and Research 2003). It is also important to note that there is no requirement that the City use the State General Plan Guidelines for evaluating CEQA impacts.

While the jobs/housing balance is the term most often used, the jobs/employed resident balance is the more precise measure of the local relationship of housing to jobs and a better measure when examining the environment effects of a project; therefore, it is used in the EIR analysis. Assuming a simple ratio of one job to one household is inappropriate to modern economies that have many households with more than one person in the workforce or variations in labor force participation. This latter of the two is especially important in settings such as Goleta and the Santa Barbara area, where there are larger than average proportions of households that may have atypical labor force participation, such as households composed of elderly persons and students or homeowners who use their residences as second residences or vacation homes.

To the degree that a balance is achieved between local jobs and housing, there is greater opportunity for local residents to work close to where they live. A jobs/housing balance of 1:1 (i.e., one local job for every employed resident) therefore tends to reduce a community's contribution to regional traffic congestion, noise, and air pollution. Where a city's local jobs/employed resident ratio is substantially higher than the regional ratio, a higher tendency toward in-commuting is indicated; where the local ratio is substantially lower than the regional ratio, a higher tendency toward out-commuting is indicated.
As discussed in Section 3.8.1.2 of the EIR, there is currently a jobs/housing balance within the Goleta CDP. This conclusion is based on the 2000 US Census, which estimates a total of 27,265 jobs in the Goleta CDP and 27,515 workers living in the CDP, or slightly less than one job per employed resident. The ratio of the number of jobs to the number of resident workers within the Goleta CDP was 0.99, which indicates a balance.

As identified in EIR Table 3.8-7, the additional housing units resulting from full General Plan buildout would help maintain an existing balance between jobs and housing, or between jobs and employed residents. The increase in employment opportunities would be gradual over the next 24 years due to Goleta’s Growth Management Policy and Ordinance, which regulate the rate of nonresidential development in order to ensure an appropriate balance between the rate of development of commercial-industrial space and the rate of housing growth in the City. In addition, implementation of Policy LU 11: Nonresidential Growth Management would also help to maintain an existing jobs and housing balance. The objective of the policy is to manage the amount and timing of nonresidential development within the City based upon actual residential construction so as to maintain an appropriate balance between jobs and housing in the City. Refer to response A.7-6 for additional discussion on Policy LU 11.

Response to Comment B.4-35

See response to comment B.4-34. The Housing Element includes targets for the City’s fair share allocation to provide adequate housing and to address regional growth. Under guidelines set forth by SBCAG, an additional 2,388 dwelling units would be required by June 30, 2009, to meet regional goals. Table 10A-20 of the Housing Element Technical Appendix identifies 3,681 potential residential units that could be built. Construction of these units would enable the City to meet the total RHNA allocation of 2,388 units for the period from January 1, 2001, to June 30, 2009, as well as longer-term housing needs. Refer to Section 3.8.1.4, Regional Housing Needs and Available Land, for additional discussion of housing production and RHNA requirements. As noted in the response to the previous comment, the use of the ratio of jobs to employed residents is a superior measure of effects on commuting, since a ratio of 1.0 means that there is no net in-commute or out-commute.

Response to Comment B.4-36

The commentator has cited the State General Plan Guidelines. The comment is acknowledged. There is no requirement that the City use the State General Plan Guidelines for evaluating CEQA impacts, nor is it evident that the guidelines allow only one measure of the jobs-housing balance issue. See response to comments B.4-34 and B.4-35.

Response to Comment B.4-37

The commentator has requested that the EIR analyze the potential positive effects of the EIR on an alleged jobs-housing imbalance. As noted in response to comment B.4-34 above, there is not a jobs/housing imbalance when measured using the local jobs/ local employed resident ratio. The increase of commercial/industrial development and residential development allowed by the GP/CLUP would result in more housing relative to jobs than the existing condition. The GP/CLUP works to increase housing relative to jobs regardless of which jobs/housing measure is used.

Effects on employment and the housing market are not in themselves environmental impacts as defined by CEQA. Jobs/housing balance in the city and region is a matter of public concern and
is addressed in Section 3.8.1.2 and Section 3.8.3.3 of the EIR. See response to comments B.4-34 and B.4-35.

**Response to Comment B.4-38**

See response to comment B.4-37. The commentator has made a comment describing an existing condition and has not commented on the adequacy of the environmental analysis presented in the DEIR. No further response is necessary.

**Response to Comment B.4-39**

See response to comment B.4-34 and B.4-37. As noted in response to comment B.4-34 above, there is not a jobs/housing imbalance when measured using the jobs/employed resident ratio. The increase of commercial/industrial development and residential development allowed by the GP/CLUP would result in more housing relative to jobs than the existing condition. The GP/CLUP works to increase housing relative to jobs regardless of which jobs/housing measure is used.

**Response to Comment B.4-40**

See response to comment B.4-37. The City appreciates that the commentator notes that lack of housing affordability is an existing problem; however, implementation of the GP/CLUP does not cause the existing housing affordability problem. The intent of the EIR is to address environmental impacts caused by implementation of the GP/CLUP; therefore, the environmental effects from lack of affordable housing is not an environmental impact caused by the project and is not addressed in the EIR. Further, the GP/CLUP requires the inclusion of affordable housing units on “housing opportunity” sites in the same ratios as per the State HCD’s and RHNA allocation to the County and City.

**Response to Comment B.4-41**

The commentator has requested an analysis and relevant data for potential housing sites in Goleta. An in-depth, site-specific analysis of the potential development capacity of each housing site identified in Tables 10A-16 through 10A-20 of the Housing Element Technical Appendix is not required for this program-level analysis. The intent of a Program EIR is to analyze broad environmental effects of a policy or program with the acknowledgement that site-specific environmental review may be required for particular aspects of portions of the program when those aspects are proposed for implementation (refer to CEQA Section 15168). In addition, the City does not have responsibility or the authority to go into individual privately owned properties and conduct site investigations, such as wetland delineations, etc. as part of the GP/CLUP process. Such on-site investigations occur at the time of consideration of specific development proposals.

The development potential of the sites identified in Section III of the Housing Element Technical Appendix have been evaluated at a General Plan level for potential environmental, hazards, and infrastructure capacity constraints. All of the multifamily sites identified for development potential during the planning period of the Housing Element are within the existing city limits and can be served by nearby water, sewer, street, and storm-drainage infrastructure. Where appropriate, the development potential on these sites has been reduced to what is considered by City staff as a realistic development potential based upon assumptions and known information about constraints that may exist on sites. While there are a number of site-specific environmental,
hazards, and infrastructure capacity factors that must be considered in land use decision making in Goleta, none have been demonstrated to affect the City’s ability to meet its housing goals or the City’s RHNA. For additional discussion, refer to Section IV.A, Overview of the Constraints Analysis, in the Housing Element Technical Appendix.

The Housing Element identifies sites for residential development, which together have a total capacity of 3,681 units. The capacity is intended to provide an ample supply of land to meet the total RHNA of 2,388 units for the period from January 1, 2001 to June 30, 2009.

**Response to Comment B.4-42**

The commentator requests that the EIR be revised to include employment data provided in the City of Goleta Draft Fiscal Analysis Report prepared in July 2006. The report is considered to be in a draft stage, and the methodologies and assumptions used in the report have not been verified by the City. The employment data provided in both the Draft Fiscal Analysis Report and the EIR are estimates. The City has concluded that the estimates provided in the EIR are more precise in that they pertain specifically to the Goleta Census Defined Place and the territory within the City boundary, whereas the data in the Draft Fiscal Analysis Report appears to be based on census tracts, which do not coincide exactly with the City boundaries. These limitations are noted in the text of the Draft Fiscal Analysis Report.

**Response to Comment B.4-43**

The commentator requests that the EIR be revised to include the jobs/housing ratio provided in the City of Goleta Draft Fiscal Analysis Report prepared in July 2006. The report is considered to be in a draft stage, and the methodologies and assumptions used in the report have not been verified by the City. The City’s employment projections are more precise than those identified in the Draft Fiscal Analysis Report. The City’s projections are based upon the amount of new commercial and industrial floor area allowed by the GP/CLUP and an employee to 1,000 square foot ratio. This ratio is conservatively assumed to be higher for new commercial/industrial space than for the existing inventory of such space.

**Response to Comment B.4-44**

The commentator requests that the EIR be revised to include the job growth forecast provided in the City of Goleta Draft Fiscal Analysis Report prepared in July 2006. The report is considered to be in a draft stage, and the methodologies and assumptions used in the report have not been verified by the City. Refer to response to comments B.4-42 and B.4-43.

**Response to Comment B.4-45**

The commentator alleges that the EIR fails to provide analysis for the Housing Element 55 percent inclusionary policy. The commentator expresses an opinion that policy is economically infeasible, but does not provide documentation or evidence to support this opinion. In addition, providing an impact analysis of the future rezoning of land based on the commentator’s opinion that the inclusionary housing policy will be rejected by the HCD. This comment is beyond the scope of the plan and is too speculative for evaluation. CEQA does not require analysis of impacts that involve speculation about future activities (see CEQA Guidelines Section 15145).
Response to Comment B.4-46

The commentator requests that the EIR include an evaluation of the State Density Bonus Law and the results of potential housing density. This comment is too speculative for evaluation. CEQA does not require analysis of impacts that involve speculation about future activities (see CEQA Guidelines Section 15145).

Response to Comment B.4-47

The commentator requests an analysis of the effects of Policy HE 1.2 on the EIR. The text of the EIR has been amended to include a discussion of GP/CLUP Housing Element Policy 1.2.

Response to Comment B.4-49

See response to comment B.4-41. The commentator has made a general comment on the GP/CLUP and has not commented on the adequacy of the environmental analysis presented in the DEIR. No further response is necessary.

Response to Comment No. B.4-50

The commentator requests the City to examine the impacts of higher density, compact development as an alternative to lower density development as discussed within the GP/CLUP. A large portion of future housing development potential is on sites designated for 20 units/acre, which is high density for a suburban setting such as Goleta. The planned densities in the GP/CLUP have been established to be consistent with the density, intensity, and scale of existing development in order to reinforce the character of well-established areas. The Land Use Element seeks to ensure that new development be compatible with the character, scale, and design of the neighborhood. A higher density alternative would not be consistent with the goals and policies of the GP/CLUP.

Response to Comment No. B.4-51

The commentator alleges that the EIR contains “critical deficiencies” related to the noise analysis. Aircraft and train noise contours. Refer to Section 3.11.1.2 for details on the development of aircraft and train noise contours. Footnotes to Table 3.11-1, which summarizes predicted traffic noise levels, states that traffic noise contours were developed using the FHWA Traffic Noise Prediction Model (FHWA-RD-77-108) and traffic volume data provided by the project traffic engineer. Traffic data is provided in Section 3.13, Transportation, of the EIR and in Appendix C of the EIR. The data and information presented in the EIR are considered to be reasonable and adequate for the support of conclusions presented in the EIR.

The calculation of predicted traffic noise levels is based on a scientific method prescribed by the Federal Highway Administration (FHWA-RD-77-108). Prediction of train noise was based on a standard acoustically analysis method (refer to the Noise Background Report described above). Accordingly, the assertion that “no scientific evidence is provided” is incorrect. The EIR provides a discussion of how implementation of GP/CLUP Policies NE-2 and NE-7 will limit predicted increases in traffic noise (i.e., use of synchronized signals, use of alternative paving materials, and promotion of public transit and high occupancy vehicles). Other elements of these policies provide self-explanatory methods of traffic noise reduction (i.e., traffic calming to reduce speed, site design methods, and implementation of noise insulation standards). The noise control techniques described above are incorporated into the noise element policies. Accordingly, they do not need to be restated as mitigation. No alternative measured beyond those that are already
incorporated into the noise element policies have been identified. Refer to response to comment B.4-6 for more detail regarding use of mitigation in this programmatic EIR.

Response to Comment No. B.4-52

The commentator is of the opinion that there are discrepancies between the Noise Element and the Housing Element of the GP/CLUP. Policy subsection NE 1.2 states the City’s desire to discourage development in areas where noise levels exceed the noise compatibility standards adopted by the City. It does not necessarily prelude development in any given area. In fact, the policy states that residential development may be allowed in areas where noise exceeds the compatibility standard “if the project would provide substantial benefit to the City (including but not limited to provision of affordable housing units or as part of a redevelopment project.”

Response to Comment No. B.4-53

The commentator’s statement that “no analysis or scientific data is presented to support the conclusion that interior noise levels would exceed 45 CNEL or the findings of significant Class I impacts” is incorrect and ignores the facts and discussion presented in the EIR. The traffic noise prediction process is based on a scientific method prescribed by the Federal Highway Administration (FHWA-RD-108). In a program-level analysis, it is reasonable to assume a generalized nominal degree of exterior-to-interior noise reduction to disclose the potential for the City’s interior noise compatibility standard of 45 CNEL to be exceeded. The assumption of a nominal 20 dB noise reduction that has been applied to predicted exterior noise levels serves this purpose.

The statement in the EIR that it is “likely that projected increases in noise will remain in some cases that will preclude reducing noise increases to a less-than-significant level” is not an assumption but rather recognition by the City that implantation of City policies and application of the noise reduction methods specified in them may not be able to reduce noise levels to be in compliance with City compatibility standards in all cases. To state otherwise would be ignore the reality that there may be some instances where it would not be feasible to apply all possible noise reduction measures to reduce noise to be in compliance with the compatibility standards. City policies incorporate and apply the noise reduction methods suggested in this comment. Accordingly, specification of these methods as additional mitigation is not required. The same can be said for the comments related to rail noise. The statement that conclusions stated in the EIR are “arbitrary and unfounded” is not correct and ignores the analysis and facts presented in the EIR. For the reasons discussed above, the analysis and conclusions presented in the EIR are considered reasonable and adequate.

Response to Comment No. B.4-54

The commentator states the opinion that the addition of three new policies (TE 5.12, 5.13 and 5.14) during the Draft GP/CLUP revision process requires analysis in the DEIR and additional public review. See responses to comment B.4-2 and B.4-11.

Response to Comment No. B.4-55

The commentator requests that environmental impacts under the Transportation Element be correlated to the Housing Element. The commentator is directed to Section 3.13 of the EIR for detail regarding the results of traffic modeling. The model results demonstrate that the transportation system can indeed accommodate buildout with the exception of Storke-Hollister.
A specific policy addresses this intersection and allows for reduced LOS in order to accommodate buildout. As such, the commentator’s request is already accounted for in the EIR.

The commentator also requests that Section 3.13.3.2 of the EIR be revised to include a discussion of the interaction between the Transportation Element and Housing Element, including issues related to intersection capacity, roadway segment capacity, limits to physical improvements to the transportation system and other policies of the Transportation Element. The commentator is directed to EIR Section 3.14.3.4 for a discussion of the results of the traffic analysis. In addition, the text of EIR Section 3.13.3.2 is revised to include relevant Housing Element policies, as requested by the commentator.

The commentator continues that the Transportation Element is supposed to reasonably facilitate the goals of the Land Use and Housing Element and states the opinion that the opposite is in effect. The commentator is again referred to EIR Section 3.13 for details regarding the results of traffic modeling. The purpose of the model was to project the buildout allowed under the GP/CLUP and test the transportation system for its ability to accommodate growth. The commentator’s request is already accounted for in the EIR.

Response to Comment No. B.4-56

Response to Lack of Environmental Impact Analysis Comment: The commentator alleges that the DEIR does not provide an analysis of the environmental impacts associated with the construction of the proposed freeway crossings. A Program EIR is more conceptual in nature than a Project EIR and contains a more general discussion of impacts, alternatives, and mitigation measures. Once a Program EIR has been prepared, subsequent activities within the program (such as a freeway crossing) will be evaluated at the Project level to determine whether an additional CEQA document needs to be prepared. City staff note that the proposed freeway crossings were specifically evaluated as part of the EIR transportation, air quality, and noise modeling effort, consistent with the level of detail required for a program EIR.

Response to Timeframe and Class I Impacts Comment: The commentator states the opinion that GP/CLUP build-out may trigger Class I impacts until traffic congestion relief is secured through construction of new freeway crossings, and that the DEIR fails to account for timing of these improvements. In addition, the commentator requests that the City prepare a new traffic model scenario without the proposed freeway crossings, and develop a reasonable range of alternatives based on this new scenario.

Build-out will be phased and therefore it is reasonable to assume that transportation improvement projects will also be phased. As such, a 10 to 15 year timeline is an acceptable timeframe in which to consider mitigation. GP/CLUP policies allow for alternative mitigation strategies, not just the freeway crossings. A new traffic model scenario excluding the freeway crossings is not warranted because the crossings are not the only mitigation strategy allowed under the plan.

Response to No Funding Analysis Comment: The commentator states the opinion that there are no funding mechanisms in place for constructing the freeway crossings and therefore, without funding feasibility, the improvements are not viable mitigation for traffic impacts. City staff directs the commentator to General Plan Table 7-3 and EIR Table 3.13-11 for a list of funding sources by improvement type. The freeway crossings have also been included in the latest Regional Transportation Plan (RTP) update and the Measure D renewal list of proposed projects. Because the RTP is a financially constrained document (federal requirement), funding
for this project is consistent with the projected revenue funding streams for Santa Barbara County.

**Response to Lack of Nexus Study Comment:** The commentator notes that the City has not performed a nexus study to determine the portion of the construction costs of the freeway crossings that would be required to be paid for by new residential development. This comment is not on the adequacy of the EIR, however, the commentator is directed to GP/CLUP Implementation Action TE-IA-1 which states that upon GP/CLUP adoption, the City will prepare a citywide traffic impact fee study and adopt a traffic impact fee ordinance in accordance with the requirements of Assembly Bill 1600.

**Response to Timeliness in Meeting RHNA Cycle:** The commentator asserts that the GP/CLUP project objectives are identified in Section 2.3 of the DEIR and do not include achievement of the City’s RHNA housing allocation. As discussed in DEIR Section 1.0, Introduction, the DEIR is intended to evaluate the potential environmental impacts of implementing the GP/CLUP, and to evaluate the level of impact (of increased traffic etc) based on city-adopted thresholds and thresholds established in the CEQA Guidelines. Accordingly, the DEIR need not demonstrate how its proposed transportation improvements will support the City’s unrelated pursuit of its RHNA housing allocation. GP/CLUP policies allow for alternative mitigation strategies, not just freeway crossings. The crossings are not the only mitigation strategy allowed under the plan.

**Response to Comment No. B.4-57**

The commentator requests that the EIR be revised to evaluate the proposed major freeway interchange intersection improvements in context of cost effectiveness and timeliness. In response, the GP/CLUP includes a list of proposed intersection improvements, which are addressed in EIR Table 3.13-2. If particular intersections do not need planned improvements, it is because all development allowed by the GP/CLUP, including residential and non-residential, can be accommodated within the target LOS without any further improvements.

**Response to Comment No. B.4-58**

The commentator restates that the draft EIR does not contain any discussion of the “interface” between the Transportation and Housing Elements.

See responses to comments B.4-55.

**Response to Comment No. B.4-59**

The commentator states that a deficiency plan should be prepared for the Storke/Hollister intersection. Analysis presented in the EIR shows that Hollister/Storke is operating at LOS C under existing conditions. Policy TE 4.3 has been amended to state that a deficiency plan will be prepared for any intersection or arterial link that falls below the City-adopted LOS standard. In the case of Storke/Hollister, a policy in the GP/CLUP allows it to operate at LOS D, which is the projected LOS under future mitigated conditions. According to these guidelines, a deficiency plan will not be needed.
Response to Comment No. B.4-60

The commentator states that the EIR needs to present a financial plan for the proposed transportation improvements. Under CEQA, commitment to a future project is considered sufficient if public record exists of that commitment. The City is in the process of securing incorporation of the projects specified in the Transportation Element into the Regional Transportation Plan (RTP). By definition, projects in the RTP are financially constrained, indicating the City’s commitment to completing them. See also “Response to No Funding Analysis Comment” under response to comment B.4-56.

Response to Comment No. B.4-61

The commentator states that the transportation analysis should be alternatively run, evaluating the City’s intersections against the less restrictive CMP standard of LOS D. The comment is noted; however, traffic operations must be evaluated with respect to the City’s adopted LOS standards, and the alternative analysis would only be appropriate if the City were considering lowering its adopted LOS standard. The City’s LOS standard is consistent with standards of other similar jurisdictions. While lower standards were considered and evaluated at specific locations (defined in Policy TE-4.2) there are currently no plans to lower the LOS standard citywide.

Response to Comment No. B.4-62

The commentator notes that alternative transportation options should be more strongly reflected in the transportation analysis. The GP/CLUP contains numerous transportation policies that strongly encourage and support the use of alternative transportation modes. However, for the purposes of traffic analysis, it is standard practice to use conservative assumptions regarding reductions caused by alternative modes. Otherwise, the analyst runs the risk of being overly optimistic about the effect of alternative transportation on traffic volumes, and underestimating the traffic levels that could occur. Thus, traffic modeling was completed assuming that a mode split between automobiles and other modes such as transit, bicycling and walking would not change significantly enough to affect traffic volumes. This results in a conservative estimate of the impacts of proposed land uses on roadway operations.

Response to Comment No. B.4-63

See response to comment B.4-7.

Response to Comment No. B.4-64

See response to comment B.4-7.

Response to Comment No. B.4-65

See response to comment A.7-26.

Response to Comment No. B.4-66

See response to comment B.4-7.
Response to Comment No. B.4-67

The commentator suggests that if the City of Goleta were to reduce density on vacant parcels to below 20 units per acre under Alternative 2, then the City could not prove that it has adequate land zoned in its Housing Element Land Inventory at densities high enough to qualify for lower-income RHNA housing production. The commentator also suggests that the EIR should address environmental impacts of rezoning lands for housing production for lower income households. As stated in Section 3.8.1.4 of the DEIR:

“State law classifies sites at densities of 20 units or more per acre as being appropriate to accommodate housing for lower income households in suburban jurisdictions. In other words, these are sites that are designated at densities sufficient to make affordable housing feasible (according to state law). By including existing vacant residentially zoned sites, sites proposed to be rezoned to residential use, and sites designated for mixed use, there is an adequate capacity of sites at densities of more than 20 units per acre to achieve Goleta’s housing needs for very low and low-income housing (848 units) between 2006 and 2009.”

The City has no intention of reducing density on those identified vacant parcels to below 20 units per acre and is in compliance with California law. In addition, providing an impact analysis of the future rezoning of land based on the commentator’s opinion is beyond the scope of the GP/CLUP and is too speculative for evaluation in the EIR. CEQA does not require analysis of impacts that involve speculation about future activities (see CEQA Guidelines Section 15145).

Response to Comment No. B.4-68

The commentator states the opinion that the DEIR should include economic and fiscal analysis. It is not the EIR’s purpose to discuss environmental or fiscal effects of the GP/CLUP. The purpose of the EIR is to identify and, when possible, mitigate potentially significant environmental effects, which generally relate to physical changes to the environment. Section 15131(a) of the CEQA Guidelines states:

“(a) Economic or social effects of a project shall not be treated as significant effects on the environment….The focus of the analysis shall be on the physical changes.”

The GP/CLUP proposes no physical change in the environment whose economic and/or social effects would cause that physical change to be considered significantly adverse.

Response to Comment No. B.4-69

See response to comment B.2-4.