RHNA SUPPLEMENTAL REPORT

SBCAG
February 24,2020

Introduction

Since 1969, the State of California has required that all local governments adequately plan to meet the housing needs of everyone in the community. California's housing-element law acknowledges that, in order for the private market to adequately address the housing needs and demand of Californians, local governments must adopt plans and regulatory systems that provide opportunities for (and do not unduly constrain), housing development. As a result, housing policy (Government Code 65580 – 65589) in California rests largely on the effective implementation of local general plans and housing elements[1].

In order to create a housing element showing it could meet the local housing needs, a jurisdiction must first know how much housing it must plan at a variety of affordability levels in order to match the needs of the people who will live there. This is determined by the regional housing needs allocation, or RHNA.

California Housing and Community Development (HCD) is responsible for determining the regional housing needs total, segmented by income levels, for each of the state's Council of Governments (COGs). HCD starts with a population forecast from the California Department of Finance (DOF) and uses a formula to calculate a figure for each region. The formula includes converting the population forecast to household (housing) demand using household formation rates and includes upward adjustments of housing need for low vacancy rates, overcrowding, demolitions and housing cost burdens.

Once HCD and the COG have agreed to the region's countywide total housing need (the amount of housing that must be planned for), the COG is responsible for allocating the housing need amongst all of the jurisdictions within that region. The COG develops and adopts a Regional Housing Need Allocation Plan (RHNA Plan) that includes a methodology to distribute the housing units among the jurisdictions. This methodology should further five statutory factors, (Government Code 65584(d)), that include:

1. Increasing the housing supply and the mix of housing types, tenure, and affordability.
2. Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets.
3. Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.
4. Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category.
5. Affirmatively furthering fair housing.

Each jurisdiction then updates its Housing Element to accommodate the housing need which is ultimately approved by HCD. In some cases, funding from state/federal housing programs can only be accessed if the jurisdiction has a compliant housing element. In other cases, a compliant housing element is not a requirement for funding, however, they are more competitive.

The RHNA does not necessarily encourage or promote growth, but rather allows communities to anticipate growth, so that collectively the region can grow in ways that enhance quality of life,

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[1] California Housing and Community Development, Regional Housing Needs Allocation and Housing Elements.
https://www.hcd.ca.gov/community-development/housing-element/index.shtml

improve access to jobs, promote transportation mobility, and address fair share housing needs. RHNA is a projection of additional housing units needed to accommodate projected household growth of all income levels from the start until the end date of the projection period. RHNA is not a prediction of building permits, construction, or housing activity, nor is it limited due to existing land use capacity or growth controls (rezoning is often necessary). A community is not obligated to actually provide housing to all in need. RHNA is a distribution of housing development capacity that each city and county must zone for in a planning period. It is not a construction need allocation.

The process of creating the RHNA Plan promotes the state's interest in encouraging open markets and providing opportunities for the private sector to address the state's housing demand, while leaving the ultimate decision about how and where to plan for growth at the regional and local levels. While land-use planning is fundamentally a local issue, the availability of housing is a matter of statewide importance.

As a result of the passage of Senate Bill (SB) 375 (Steinberg, 2008), RHNA must be consistent with the development pattern included in the Sustainable Communities Strategy (SCS) of the Regional Transportation Plan (RTP). SB 375 requires that each region plan for future housing needs and complementary land uses, which in turn must be supported by a transportation investment strategy, with a goal of reducing greenhouse gas (GHG) emissions from cars and light-duty trucks. The adopted SCS achieves the state's GHG reduction targets for the region by shortening trip distances and reducing vehicle miles traveled by directly addressing regional jobs/housing imbalance—providing more housing on the jobs-rich South Coast and more economic opportunity in in the North County. Analysis in this report suggests that this is still a valid goal and ultimately consistent with the RHNA allocation methodology.

This RHNA Supplementary Report provides background information regarding the RHNA process and context for the upcoming 6th cycle update. In addition, this report provides a variety of metrics that underscore the need for addressing housing needs in the job rich jurisdictions of the South Coast.

Summary

RHNA Process and Context
- A comparison of the RHNA allocations for SBCAG's neighboring regions indicates SLOCOG's allocation increased 164% and SCAG's increased 229% between the 5th and 6th cycles.

- SLOCOG'S increase is due in part to the higher household forecast over a longer projection period as compared to the prior 5th cycle. The increase in the SCAG allocation is primarily the result of additional adjustments for overcrowding and cost burden.

- Santa Barbara County has met 35 percent of the overall housing need in its current cycle, which ends in 2022.

- In the most recent cycle, the South Coast and North County were allocated a housing need based on primarily on existing jobs and adjusted with job and household growth. The jurisdictions in these regions then allocated the housing need based on their land use capacity.

- The current RHNA cycle during the recession resulted in a downward adjustment by HCD due to high vacancy rates. This was the lowest SBCAG allocation of any cycle, amounting to 11,000 units. In contrast, the 1992 allocation was the highest with 18,970 units.

- The SBCAG 6th cycle projection period will start in 6/30/2022 and end 2/15/2031. The HCD consultation period (agreement on a countywide total housing need) occurs in December 2020 although SBCAG has requested an earlier consultation period beginning in July with an approximate date of a final determination by October.

Socioeconomic Metrics
- Looking forward to the RHNA 6th cycle timeframe the SBCAG RTP (not General Plan capacity) suggests an estimated future housing capacity of 51,000 units countywide. Capacity as reported by local jurisdictions (in the RHNA allocation methodology) suggests a significantly lower future housing capacity of 7,256 units countywide.

- Differences in housing costs helps explain the large number of people who choose to reside outside their workplaces on the South Coast, increasing the lengths of their work trips.

- In the 16-year timeframe from 2000 to 2016 the number of Ventura County residents commuting to the South Coast increased from 7,800 to 11,500 commuters, or 47 percent.

- A comparison of existing housing and jobs suggests a housing deficit (adjusted by workers per household) is most significant in the South Coast followed by the Santa Ynez Valley with 21,200 and 2,000 unit deficits, respectively. A similar comparison for the Lompoc and Santa Maria Valley regions suggests a surplus housing supply.

- South Coast jurisdictions have some of the highest jobs-housing ratios in the county, suggesting a higher concentration of jobs vs. available housing.

- The ratio of jobs-resident workers suggests that in the job-rich South Coast, ratios for the Cities of Santa Barbara and Goleta are significantly higher than jurisdictions in the North County and Ventura County to the South.

- The South Coast Cities of Santa Barbara and Goleta experience a net increase in population during work hours (daytime population) suggesting the need for workers to in-commute for jobs. In contrast the North County jurisdiction of Orcutt, and the Cities of Lompoc and Guadalupe experience a net decrease in daytime population suggesting the need for local workers to out-commute for jobs.

- Household size (persons per household) has been rising as individuals and families double-up to defray the cost and availability of housing.

- As the population of older people grows, many of them plan to "age in place." As a result, jobs will open up to younger workers, but housing will not. This tendency will limit housing opportunities for the new workers, especially on the South Coast with its already limited housing supply. The end result will be increased commuting into the job center of the South Coast from areas with more available housing.

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RHNA Process and Context

Housing-Element Update Cycles

To date, there have been five previous housing element update cycles. California is now in its sixth housing-element update cycle. The table below provides the RHNA allocations for the 5th cycle and for the 6th update cycle for regions that have received their RHNA determination from HCD. SBCAG has yet to be allocated its housing need for the 6th cycle. The RHNA change between cycles for our neighboring regions indicate SLOCOG's allocation increased 164 percent and SCAG's increased 229 percent between the 5th and 6th cycles.

RHNA Allocations for the 5th and 6th Cycles

Region	6th Cycle Allocation	5th Cycle Allocation	Difference	% Difference vs. 5th Cycle
SBCAG		11,030		
SACOG	153,512	104,970	48,542	46%
SANDAG	171,685	161,980	9,705	6%
SLOCOG	10,818	4,090	6,728	164%
SCAG	1,344,740	409,060	935,680	229%
Calaveras County	1,340	1,240	100	8%
Calusa County	1,235	1,160	75	6%
Humbolt County	3,390	2,060	1,330	65%
Lake County	1,905	2,070	(165)	-8%
Medicino	1,845	250	1,595	638%
Mono	240	120	120	100%
Shasta County	3,675	2,200	1,475	67%
Alpine County	2	30	(28)	-93%
Lassen County	135	70	65	93%
Mariposa County	195	995	(800)	-80%
Modoc County	20	15	5	33%
Plumas County	20	70	(50)	-71%
Tehama County	1,450	995	455	46%
Trinity County	2	10	(8)	-80%
Tuolumne County	640	550	90	16%
ABAG		187,990		
San Joaquin COG		40,360		
Kern COG		67,675		
Fresno COG		41,470		
Stanislaus COG		21,330		
Tulare CAG		26,910		
AMBAG		10,430		
Madera CTC		12,895		
Merced		15,850		
Butte CAG		10,320		
Kings CAG		10,220		
San Benito COG		2,194		
Sierra Planning Organization		1,845		
Colusa County		1,160		
Almador County		100		
Del Norte County		310		
Glenn County		260		
Inyo County		225		
Siskiyou County		530		

Region	6th Cycle Allocation	6thv Cycle Households	% of Households	5th Cycle Allocation	5th Cycle Households	% of Households
SBCAG				11,030	146,161	8%
SACOG	153,512	908,396	17%	104,970	891,770	12%
SANDAG	171,685	1,155,883	15%	161,980	1,103,320	15%
SLOCOG	10,818	107,480	10%	4,090	104,701	4%
SCAG	1,344,740	6,250,261	22%	409,060	6,044,940	7%
Calaveras County	1,340	18,389	7%	1,240	19,309	6%
Calusa County	1,235	7,355	17%	1,160	6,758	17%
Humbolt County	3,390	57,160	6%	2,060	57,417	4%
Lake County	1,905	26,955	7%	2,070	27,363	8%
Medicino	1,845	34,870	5%	250	35,106	1%
Mono	240	5,677	4%	120	5,843	2%
Shasta County	3,675	72,331	5%	2,200	72,536	3%
Alpine County	2	477	0%	30	503	6%
Lassen County	135	9,715	1%	70	10,335	1%
Mariposa County	195	7,811	2%	995	8,107	12%
Modoc County	20	3,866	1%	15	4,071	0%
Plumas County	20	8,580	0%	70	9,283	1%
Tehama County	1,450	24,725	6%	995	24,046	4%
Trinity County	2	5,998	0%	10	6,065	0%
Tuolumne County	640	22,222	3%	550	22,268	2%
ABAG				187,990	2,675,765	7%
San Joaquin COG				40,360	231,547	17%
Kern COG				67,675	270,170	25%
Fresno COG				41,470	304,842	14%
Stanislaus COG				21,330	175,784	12%
Tulare CAG				26,910	139,230	19%
AMBAG				10,430	227,346	5%
Medera CTC				12,895	44,947	29%
Merced				15,850	79,698	20%
Butte CAG				10,320	90,809	11%
Kings CAG				10,220	42,378	24%
San Benito COG				2,194	17,559	12%
Sierra Planning Organization				1,845	44,101	4%
Colusa County				1,160	6,758	17%
Almador County				100	14,642	1%
Del Norte County				310	9,865	3%
Glenn County				260	10,062	3%
Inyo County				225	8,111	3%
Siskiyou County				530	19,546	3%

Annual Housing Progress Reports

Annual Progress Reports, updated 06/25/2019, shows how well cities and counties are progressing toward meeting their housing goals. The current RHNA Plan addresses the 5th cycle of housing element updates, which covers an 8.75-year RHNA projection period (January 1, 2014 to September 30, 2022) and an eight-year planning period (February 15, 2015 to February 15, 2023). Each April, cities and counties must submit Annual Progress Reports to HCD for the prior year, showing whether they are on-track to meet their housing needs. Progress is measured by how many housing construction permits jurisdictions have issued at various income levels. Statewide, the majority of jurisdictions are not meeting their housing need. Santa Barbara County has met 35 percent of the overall need. The City of Guadalupe has the highest production with 71 percent of their 5th cycle overall need met compared to the City of Lompoc which has the lowest

with 10 percent. In the South Coast, the City of Carpinteria has the highest production with 62 percent of their overall need met followed by the City of Goleta with 50 percent. The percentage of very-low income housing production is highest for the Cities of Carpinteria, Solvang, and Guadalupe. Low income housing production is the highest for the unincorporated county and the City of Guadalupe. Moderate income housing production is highest for the unincorporated county and the City of Buellton and above-moderate income production is highest for the unincorporated county and the City of Guadalupe.

SBCAG Current 5th Cycle RHNA Housing Needs Allocation by Income Level.

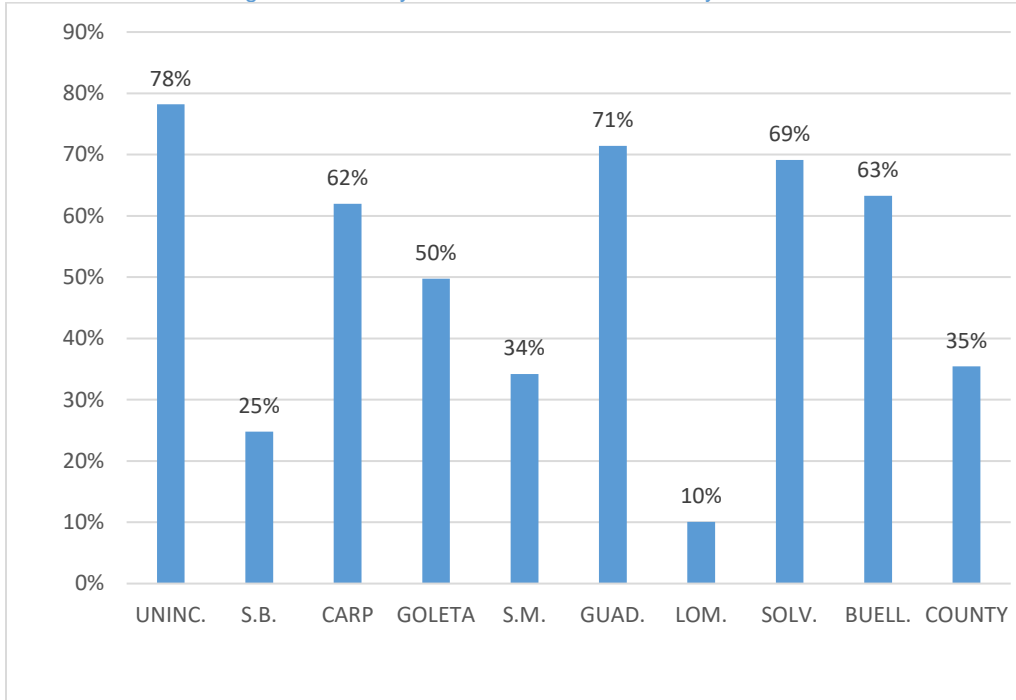| Jurisdiction	Very Low	Low	Moderate	Above Moderate	Total
South County	1,356	964	1,118	2,305	5,743
Carpinteria	39	26	34	64	163
Santa Barbara	962	701	820	1,617	4,099
Unincorporated	120	80	90	210	501
Goleta	235	157	174	413	979
Santa Ynez Valley	110	73	73	202	457
Solvang	42	28	30	75	175
Buellton	66	44	41	124	275
Unincorporated	2	1	1	3	7
Lompoc Valley	138	92	101	244	575
Lompoc	126	84	95	221	525
Unincorporated	12	8	7	24	50
Santa Maria Valley	1,021	681	758	1,795	4,255
Santa Maria	985	656	730	1,731	4,102
Guadalupe	12	8	13	16	50
Unincorporated	25	16	14	47	103
Unincorporated Total	159	106	112	284	661
County Total	2,625	1,810	2,049	4,545	11,030

Santa Barbara County 5th Cycle Progress (as of 6/25/2019)

Jurisdiction	RHNA Total	Total Permits	Remaining at all Income Levels	RHNA % Completed at all Income Levels
S.B. County Uninc.	661	954	144	78%
Santa Barbara	4,100	1,017	3,083	25%
Carpinteria	163	101	62	62%
Goleta	979	638	492	50%
Santa Maria	4,102	1,403	2,699	34%
Guadalupe	49	99	14	71%
Lompoc	526	53	473	10%
Solvang	175	127	54	69%
Buellton	275	195	101	63%
Countywide	11,030	4,587	7,122	35%

Source: HCD, Housing Element Implementation Tracker,
https://www.hcd.ca.gov/community-development/housing-element/index.shtml
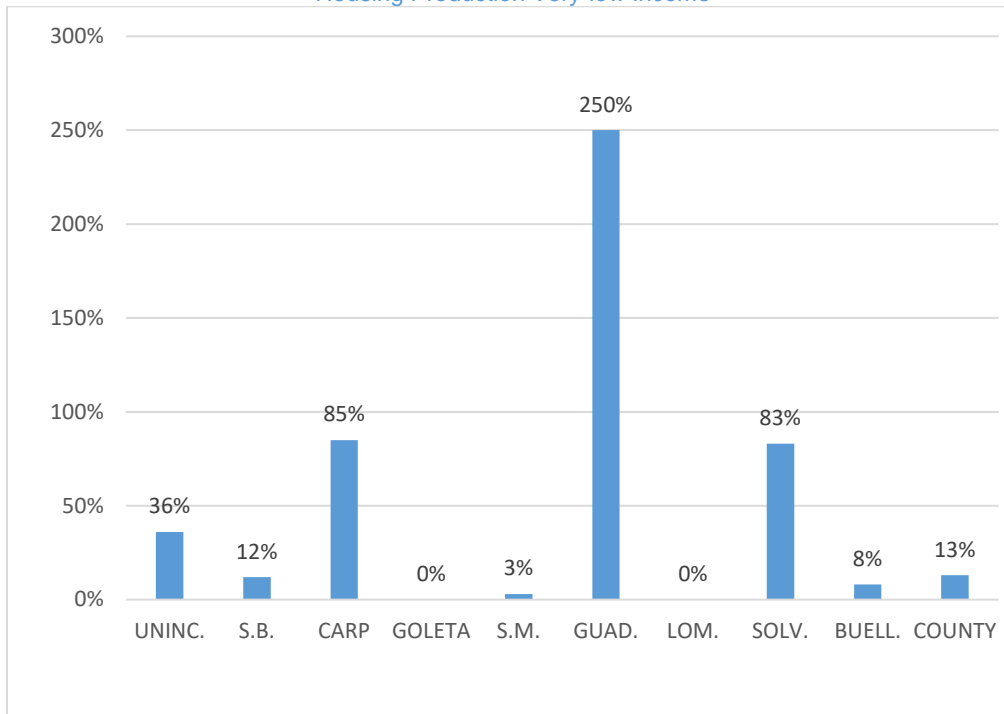Note: Permitted units in excess of their allocation by income level are not counted in the % completed.
Total permits may be in excess of RHNA allocation by income level.

**Housing Production by Income Levels vs. RHNA by Income Level**

UNINC.	S.B.	CARP	GOLETA	S.M.	GUAD.	LOM.	SOLV.	BUELL.	COUNTY
78%	25%	62%	50%	34%	71%	10%	69%	63%	35%

Source: https://www.hcd.ca.gov/community-development/housing-element/index.shtml

Housing Production Very-low Income

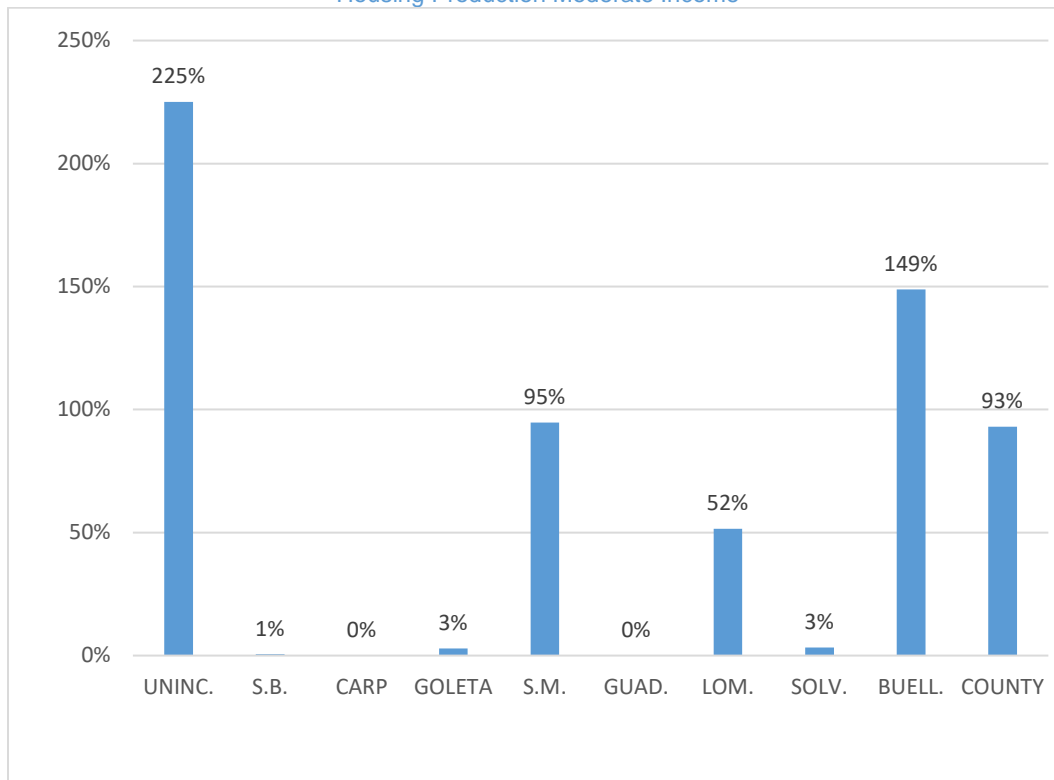|									
UNINC.	S.B.	CARP	GOLETA	S.M.	GUAD.	LOM.	SOLV.	BUELL.	COUNTY
36%	12%	85%	0%	3%	250%	0%	83%	8%	13%

Note: Very low-income limit reflects 0-50 percent of median family income (MFI), $86,000.
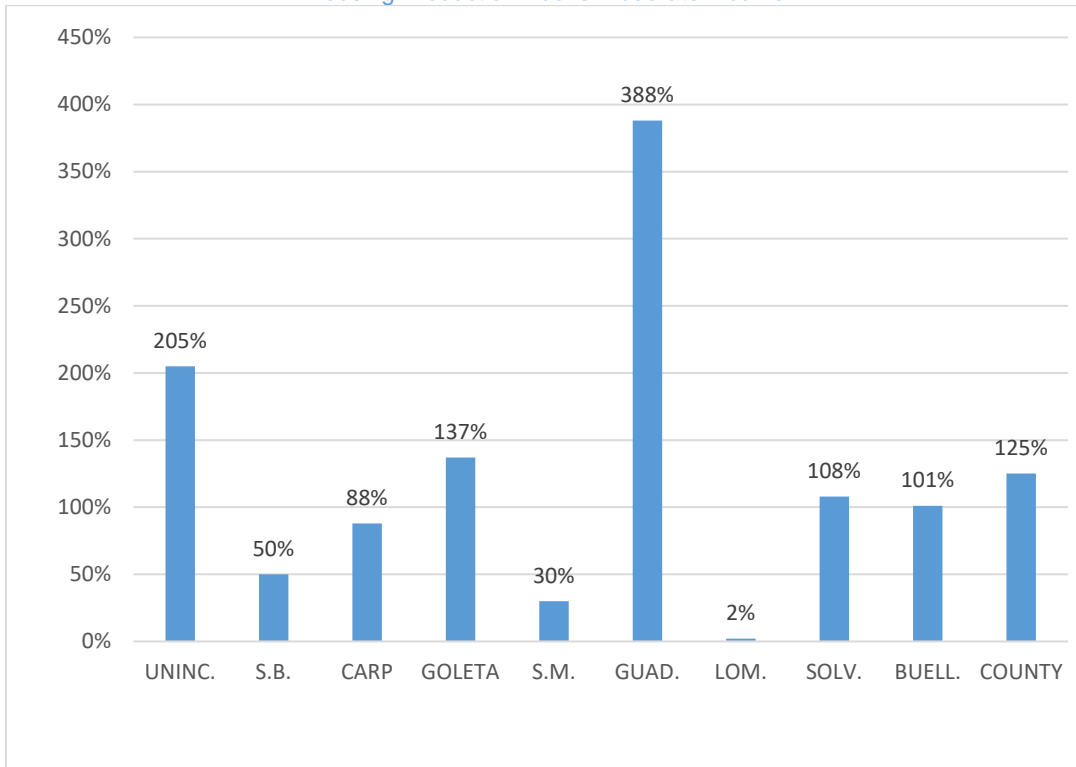
Housing Production Low Income
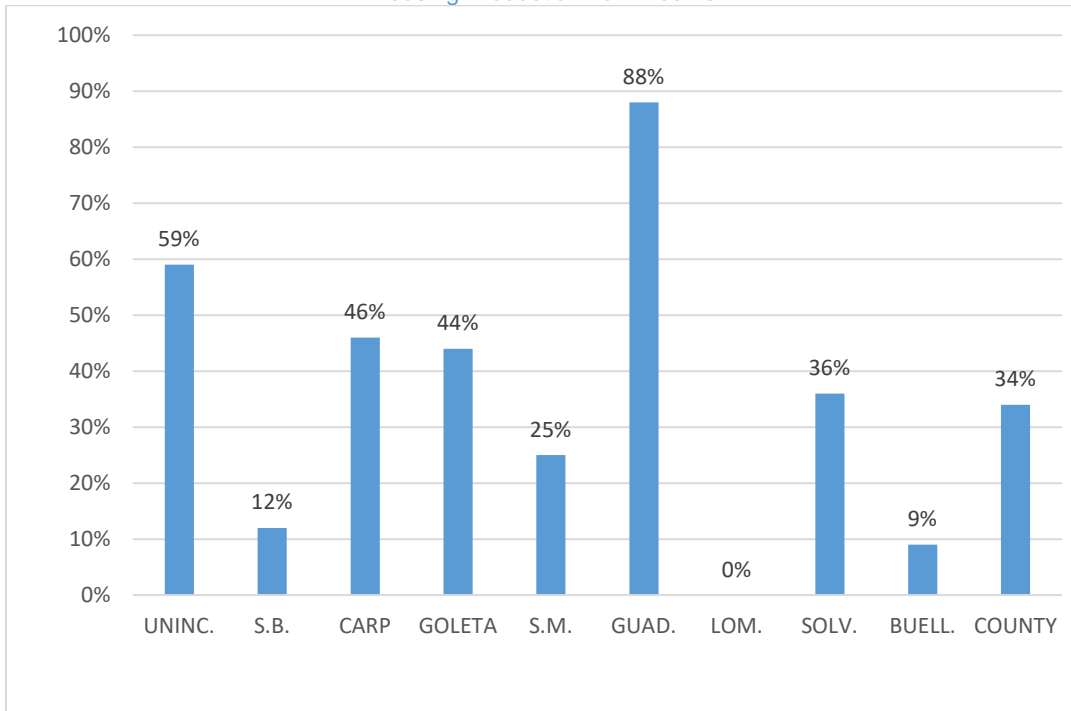
Low-income limits represent 50-80 percent of MFI.

Housing Production Moderate Income

Note: Moderate-income limit to equal 80-120 percent of MFI.

Housing Production Above-Moderate Income

Note: Above Moderate-income limit to equal 120+ percent of MFI.

Annual Progress Report Summary, Very-Low and Low Income Unit Production

JURISDICTION	VLI PERMITS	VLI REMAIN	VLI % COMPLETE	LI PERMITS	LI REMAIN	LI % COMPLETE
S.B. County Uninc.	58	101	36%	63	43	59%
Santa Barbara	118	844	12%	84	617	12%
Carpinteria	33	6	85%	25	1	46%
Goleta	0	235	0%	69	88	44%
Santa Maria	27	958	3%	167	489	25%
Guadalupe	30	0	250%	31	0	88%
Lompoc	0	126	0%	0	84	0%
Solvang	35	7	83%	24	4	36%
Buellton	5	61	8%	4	40	9%
Countywide	306	2,338	13%	467	1,366	34%

JURISDICTION	MOD PERMITS	MOD REMAIN	MOD % COMPLETE	ABOVE MOD PERMITS	ABOVE MOD REMAIN	ABOVE MOD % COMPLETE
S.B. County Uninc.	252	0	225%	581	0	205%
Santa Barbara	4	816	0%	811	806	50%
Carpinteria	0	34	0%	56	8	88%
Goleta	5	169	3%	564	0	137%
Santa Maria	691	39	95%	518	1,213	30%
Guadalupe	0	13	0%	62	0	388%
Lompoc	49	46	52%	4	217	2%
Solvang	1	29	3%	81	0	108%
Buellton	61	0	149%	125	0	101%
Countywide	1,063	1,146	93%	2,802	2,244	125%

Annual Progress Report Summary, Moderate and Above Moderate Unit Production

Source: https://www.hcd.ca.gov/community-development/housing-element/index.shtml

HCD RHNA Determination Methodology

HCD makes a regional determination based on several factors. The primary factor uses the DOF population projections and the associated household growth over the housing element projection period. The population forecast from DOF is adjusted to households using household formation rates. Formation rates are the propensity of persons, by age groups, to form households at different rates based on census trends. The following steps (adjustments) complete the determination:

- Vacancy Adjustment: HCD applies a vacancy adjustment (standard four percent maximum to total housing stock) and adjusts the percentage based on the county's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard four percent vacancy rate and county's current vacancy rate-based Census American Community Survey (ACS) data. In the 5th cycle the high vacancy rates were adjusted down to reflect the effects of the recession on the housing market vacancy.

- Overcrowding Adjustment: In counties where overcrowding is greater than the U.S. overcrowding rate of 3.34 percent, HCD applies an adjustment based on the amount the county's overcrowding rate exceeds the U.S. overcrowding rate. Data is from the 2012-2016 ACS.

- Replacement Adjustment: HCD applies a replacement adjustment of up to five percent total housing stock based on the current 10-year annual average percent of demolitions, applied to the length of the projection period. Data is from county local government housing survey reports of demolitions to the DOF. Demolitions that are reported to DOF regardless if they are the result of natural disasters would factor into the HCD adjustment.

- Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the January closest to the projection period start date, per DOF E-5 report. This estimate is then subtracted from the projected households.

- Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. New legislation makes this a requirement (SB 828). SLOCOG's determination was made prior to this adjustment so it was not included in its calculation.

A comparison of the 5th and 6th cycles for both SLOCOG and SCAG illustrates why the 6th cycles allocation is significantly higher for these regions. In SLOCOG's example, the increase is due in part to the higher household forecast. The projection period for the 6th cycle is almost twice as long as the 5th cycle 10 years vs. 5.5 years as noted in the table below (SLOCOG was on a 5-year housing element update cycle). While the household formation rates are similar in both cycles there is also a larger population cohort in the older age groups with higher formation rates resulting in a more pronounced household demand. In addition, there is a significant vacancy rate adjustment in the 6th cycle.

The increase in the SCAG allocation between the 5th and 6th cycle is primarily the result of an overcrowding factor that was included in the 6th cycle. This accounts for approximately 34 percent of the total. In addition, a cost burden adjustment is included in SCAG's allocation. SLOCOG did not have this adjustment as their 6th cycle determination was made prior to this new requirement.

The 6th cycle allocation for SBCAG will be based on a new set of population projections from the DOF which are currently in draft status and are due to be released in January. SBCAG's Growth Forecast projects a 29,000 person increase over the 2020-2030 period. In addition, a new release of the American Community Survey in December will be the source data for the component adjustments.

Components of the 5th and 6th RHNA Cycle Allocations for SBCAG, SLOCOG and SCAG

	SBCAG		SLOCOG		SCAG	
	5th Cycle	6th Cycle	5th Cycle	6th Cycle	5th Cycle	6th Cycle
Household Growth	10,740	N/A	4,071	7,335	468,595	551,499
Vacancy		N/A		2,575		178,896
Vacancy Adjust	-130	N/A	-130	N/A	-75,390	N/A
Replacement	57	N/A	21	630	2,410	34,010
Overcrowding	N/A	N/A	N/A	270	N/A	459,917
Cost Burden	N/A	N/A	N/A	N/A	N/A	120,418
Total	**11,034**	**N/A**	**4,093**	**10,810**	**409,060**	**1,344,740**
Projection period (years)	8.75		5.5	10	7.75	8.3

	HCD Determined Housing Need: January 1, 2014-September 30, 2022 (8.75 years)				
1	**Population: September 30, 2022**				**448,137**
2	*less: Group Quarters Population Census 2010 estimate*				**20,567**
3	**Household (HH) Population**				**427,570**
	Household Formation Groups	**HH Population**	*HH Formation or Headship Rate (ACS)*	**2021 Households**	
	All Age Groups (DOF)	427,561		156,903	
	Under 15	83,612	*0*	-	
	15 - 24 years	69,766	14.57%	10,165	
	25 - 34 years	53,228	41.62%	22,153	
	35 - 44 years	40,267	49.94%	20,109	
	45 - 54 years	51,394	54.01%	27,758	
	55 - 64 years	55,167	55.90%	30,838	
	65 - 74 years	41,982	59.56%	25,004	
	75 - 84 years	22,819	63.74%	14,545	
	85+ years	9,326	67.87%	6,330	
4	**Projected Households-September 30, 2022**				**156,903**
5	*less: Households at Beginning of Projection Period (January 2014, interpolated)*				146,162
6	**Household Growth: 8.75 Year Projection Period**				**10,741**
7	**Vacancy Allowance**	Owner	Renter	Total	367
	Tenure % per 2010 Census	52.70%	47.30%		
	HH Growth by Tenure	5,661	5,081	10,741	
	Healthy Vacancy Rate	2.00%	5.00%		
	Vacancy Allowance	113	254	367	
8	**Replacement Allowance (minimum)**	0.50%		11,108	56
					11,164
9	*less: Adjustment for Absorption of Existing Excess Vacant Units*				
	Estimate 80% Absorbed, 20% Not Absorbed by 2014	**Effective Vacant Units**	**Healthy Market Units**	**Differential**	
	(HH Growth, & Vacancy Rate)	(4,459)	5,102	~~643.1784493~~	0
	Total 2011 Housing Stock	153,214			
	Existing Vacant Unit Adjustment	1.52%	1.10%		
	Total Adjusted Existing Vacant Units	(2,330)	1,681	-648	
	Estimated Units Not Absorbed by 2014	20%		-130	-130
	REGIONAL HOUSING NEED DETERMINATION				**11,030**

	HCD Determined Population, Households, & New Housing Need: January 1, 2014-June 30, 2019 (5.5 years)				
1	**Population: June 30, 2019**				**284,099**
2	*less: Group Quarters Population Census 2010 estimate*				**17,006**
3	**Household (HH) Population**				**267,093**
	Household Formation Groups	**HH Population**	***HH Formation or Headship Rate (ACS)***	**2021 Households**	
	All Age Groups (DOF)	267,093		108,773	
	Under 15	47,573	*0*	-	
	15 - 24 years	34,682	18.22%	6,319	
	25 - 34 years	35,071	42.12%	14,772	
	35 - 44 years	28,910	51.00%	14,744	
	45 - 54 years	26,213	53.77%	14,095	
	55 - 64 years	39,533	58.56%	23,151	
	65 - 74 years	32,856	61.39%	20,170	
	75 - 84 years	15,892	68.34%	10,861	
	85+ years	6,363	73.26%	4,662	
4	**Projected Households-June 2019**				**108,773**
5	*less: Households at Beginning of Projection Period (January,2014, interpolated)*				104,701
6	**Household Growth: 5.5 Year Projection Period**				**4,072**
7	**Vacancy Allowance**	Owner	Renter	Total	131
	Tenure Percentage per 2010 Census	**0.597%**	**40.28%**		
	HH Growth by Tenure	2,431	1,640	4,071	
	Healthy Vacancy Rate	2.00%	5.00%	131	
	Vacancy Allowance	49	82		
8	**Replacement Allowance**	0.50%		4,202	21
					4,223
9	*less: Adjustment for Absorption of Existing Excess Vacant Units*				
	Estimate 80% Absorbed, 20% Not Absorbed by 2014	Effective Vacant Units	Healthy Market Units	Differential	
	(HH Growth, & Vacancy Rate)	(3,735)	3,444	~~-291~~	0
	Total 2011 Housing Stock	118,075			
	Existing Vacant Unit Adjustment	1.57%	1.27%		
	Adjusted Existing Vacant Units	(1,854)	1,500	-354	
	Units Not Absorbed by 2014	20%		-648	<u>-130</u>
	REGIONAL HOUSING NEED DETERMINATION				**4,090**

10

	HCD Determined Population, Households, & New Housing Need: December 31, 2018-December 31, 2028 (10 years)				
1	**Population: December 30, 2028**				**298,020**
2	*less: Group Quarters Population*				**22,345**
3	**Household (HH) Population**				**275,675**
	Household Formation Groups	**HH Population**	*HH Formation or Headship Rate (ACS)*	**2021 Households**	
	All Age Groups (DOF)	275,675		114,817	
	Under 15	38,690	*0*	-	
	15 - 24 years	39,690	14.41%	5,719	
	25 - 34 years	30,210	39.29%	11,870	
	35 - 44 years	28,140	46.94%	13,209	
	45 - 54 years	26,350	50.88%	13,407	
	55 - 64 years	29,015	57.54%	16,695	
	65 - 74 years	41,350	59.75%	24,707	
	75 - 84 years	31,825	67.02%	21,329	
	85+ years	10,405	75.75%	7,882	
5	**Projected Households**				**114,817**
6	**Vacancy Adjustment (2.55)**				2,575
7	**Overcrowding Adjustment (.41)**				270
8	**Replacement Allowance (.5%)**				630
9	*less: Households at Beginning of Projection Period*				-107,480
	REGIONAL HOUSING NEED DETERMINATION				**10,810**

	HCD Determined Population, Households, & New Housing Need: January 1, 2014-October 1, 2021 (7.5 years)				
1	**Population: October 1, 2021**				**19,730,980**
2	*less: Group Quarters Population*				**347,750**
3	**Household (HH) Population**				**19,383,230**
	Household Formation Groups	**HH Population**	***HH Formation or Headship Rate (ACS)***	**Households**	
	All Age Groups (DOF)	19,383,230		**6,516,282**	
	Under 15	4,103,915	*0*	-	
	15 - 24 years	2,625,930	8.31%	218,215	
	25 - 34 years	2,825,093	38.62%	1,091,051	
	35 - 44 years	2,494,520	49.16%	1,226,306	
	45 - 54 years	2,380,969	52.39%	1,247,390	
	55 - 64 years	2,236,911	53.97%	1,207,261	
	65 +	2,715,892	56.19%	1,526,060	
4	**Projected Households**				**6,516,282**
5	*less: Households at Beginning of Projection Period (January,2014, interpolated)*				6,044,940
	Less growth on Tribal Lands				2,810
6	**Household Growth: 7.75 Year Projection Period**				**468,595**
7	**Vacancy Allowance**	Owner	Renter	Total	
	Tenure Percentage per 2010 Census	**54.390%**	**45.61%**		13,441
	HH Growth by Tenure	254,869	213,726	468,595	
	Healthy Vacancy Rate	1.50%	4.50%	13,441	
	Vacancy Allowance	3,823	9,618		
8	**Replacement Allowance (minimum)**		0.50%	482,036	2,410
					484,446
9	*less: Adjustment for Absorption of Existing Excess Vacant Units*				
	Estimate 80% Absorbed, 20% Not Absorbed by 2014	Effective Vacant Units	Healthy Market Units	Differential	
	(2010 Census, HH Growth, & Vacancy Rate)	(252,023)	175,240	~~76783~~	0
	Total 2011 Housing Stock	6,348,741			
	Existing Vacant Unit (Others) Adjustment	1.39%	1.28%		
	Total Adjusted Existing Vacant Units (Others)	(88,247)	81,264	-6,984	
	Estimated Units (Others) Not Absorbed by 2014	90%		-83,766	-75,390
	REGIONAL HOUSING NEED DETERMINATION				**409,060**

	HCD Determined Housing Need: June 30, 2021-October 15, 2029 (8.3 years)				
1	**Population: June 30, 2029**				**20,455,355**
2	*less: Group Quarters*				**363,635**
3	**Household Population 10/2029**				**20,079,930**
	Household Formation Groups	**HH Population**	***HH Formation or Headship Rate (ACS)***	**Households**	
	All Age Groups (DOF)	20,079,930		6,802,024	
	Under 15	3,292,955	*0*	-	
	15 - 24 years	2,735,490	6.45%	176,439	
	25 - 34 years	2,526,620	32.54%	822,162	
	35 - 44 years	2,460,805	44.23%	1,088,414	
	45 - 54 years	2,502,190	47.16%	1,180,033	
	55 - 64 years	2,399,180	50.82%	1,219,263	
	65 - 74 years	2,238,605	52.54%	1,176,163	
	75 - 84 years	1,379,335	57.96%	799,463	
	85+ years	544,750	62.43%	340,087	
5	**Projected Households**				**6,801,760**
6	**Vacancy Adjustment (2.63)**				178,896
7	**Overcrowding Adjustment (6.76)**				459,917
8	**Replacement Allowance (.5%)**				34,010
9	*less: Households at Beginning of Projection Period*				-6,250,261
	Cost Burden Adjustment				120,418
	REGIONAL HOUSING NEED DETERMINATION				**1,344,740**

Sub-Regional Allocation Methodology Comparisons

The RHNA allocation methodologies used by COG's vary but are required to consider the following general factors per Gov. Code Section 65584.04(d)(e):

- Jobs-housing balance
- Opportunities and constraints (due to federal or state laws) to development
- Maximization of public transportation
- Loss of units in assisted housing
- Overpayment in rent
- Overcrowding, farmworker housing need
- University housing need
- Loss of units in state of emergency
- GHG emission targets

With input from local jurisdictions a range of approaches are developed to address these objectives from simplified allocations, using only the household or population growth in locally adopted growth forecasts, to incorporating existing or forecast jobs, transit inputs and adjustments for very low- and low-income levels. The COG's adopted growth forecasts are often used as a starting point in the RHNA sub-regional allocation, with additional adjustments made as necessary. The most recent SLOCOG approach uses 75 percent of existing jobs and 25 percent of existing population to allocate the county total housing need to local jurisdictions.

Methodology Comparisons

Allocation Criteria	San Diego SANDAG	So Cal SCAG	Sac. SACOG	Bay Area ABAG	San Luis SLOCOG	Fresno FCOG	Butte BCOG	Monterey AMBAG	Santa Barbara SBCAG
Existing Jobs	X	X		X					X
Forecast Jobs				X					
Forecast Households	X	X	X	X		X	X	X	X
Forecast Population					X				
Vacancy						X			
Household Growth near Transit	X			X					
Employment Growth near Transit				X					
Weighting Factors				X	X				
Adjustments (Spheres of Infl. etc)				X					

SBCAG has applied a variety of approaches to its sub-regional allocation over prior cycles. Existing jobs and household growth based on the adopted SBCAG growth forecast were primary inputs. In the most recent cycle, the South Coast and North County were allocated a housing need based on existing jobs (80 percent), jobs (10 percent) and household growth (10 percent). The jurisdictions in these regions then allocated the housing need based on their locally determined land use capacity.

Prior SBCAG RHNA Methodology Comparisons

Planning Period			HCD Consultation
2014-2022	Step 1 North County South Coast allocation- 80% existing jobs, 10% job growth, 10% household growth	Step 2 Local allocation- based on land use capacity Income level adjustments based on countywide average	Reduced initial allocation by 1,923 units
2007-2014	Step 1 50% Existing jobs 25% Job growth 25% Household growth	Step 2 Workforce housing (jobs/workers per HSLD) Averaged with Step 1 Income level adjustments based on countywide average	Reduced initial allocation by 1,522 units
2001-2008	70% household growth 30% Existing jobs	Income level adjustments based on countywide average	Reduced initial allocation by 2,249 units
1990-1997	85% household growth 15% Vacancy rate, demo. replacement units	Income level adjustments based on market area average	SBCAG submitted draft 20% less than HCD allocation and was rejected.
1985-1990	100% household growth	Income level adjustment: overpayment for rent, farmworker jobs and housing	N/A
1980-1985	100% local household growth projections, (no SBCAG projections)	Income level adjustment: overpayment for rent, farmworkers, existing subsidized units	N/A

SBCAG RHNA Allocations

The following figures show RHNA allocations from prior cycles. The most recent cycle in 2012 began during the recession and as a result HCD included a downward adjustment due to high vacancy rates. This was the lowest SBCAG allocation amounting to 11,000 units. In contrast the 1992 allocation was the highest with 18,970 units.

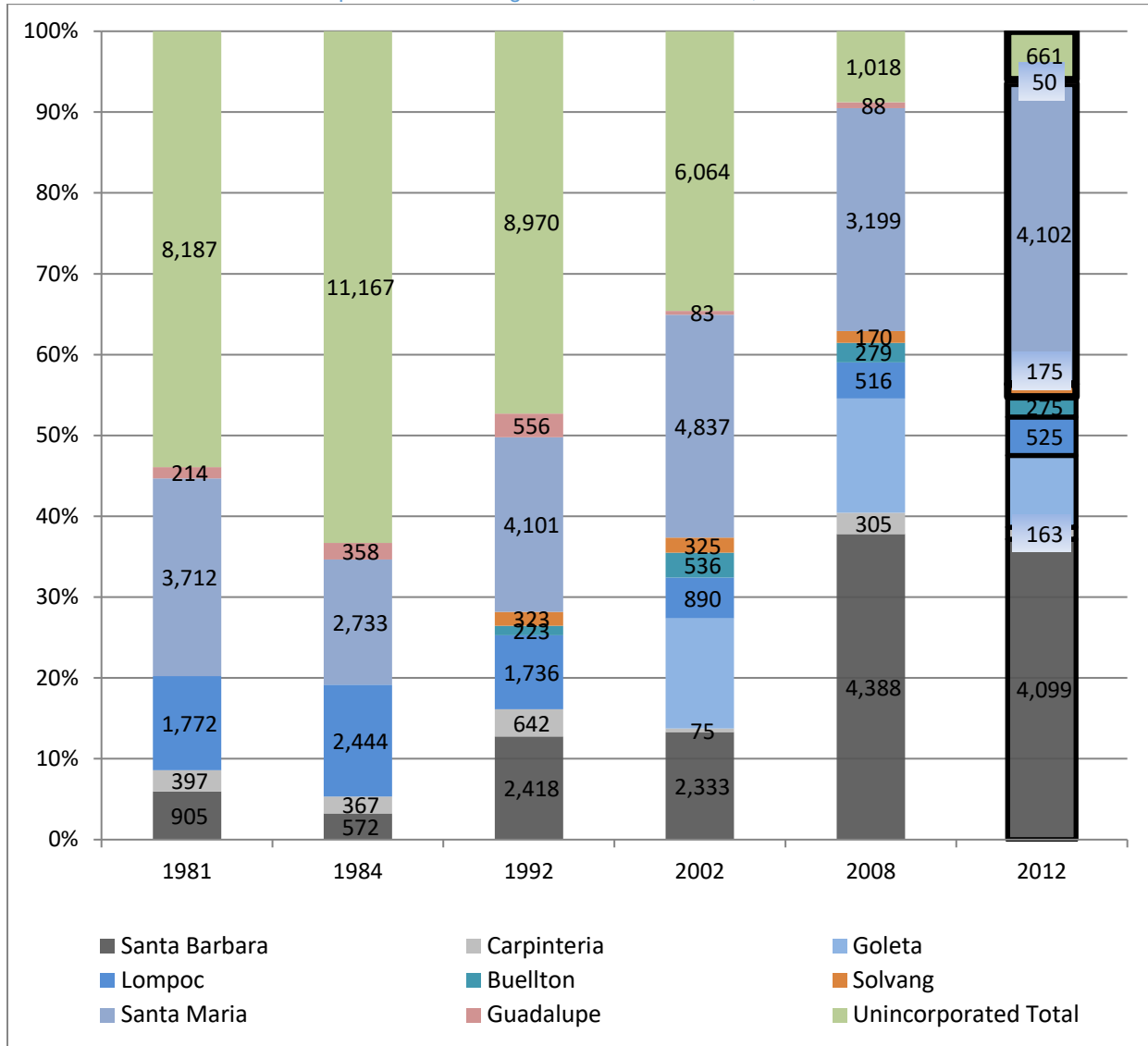### Santa Barbara Countywide RHNA Total Comparisons 1981-2012

Year	Allocation
1981	15,187
1984	17,641
1992	18,969
2002	17,531
2008	11,600
2012	11,030
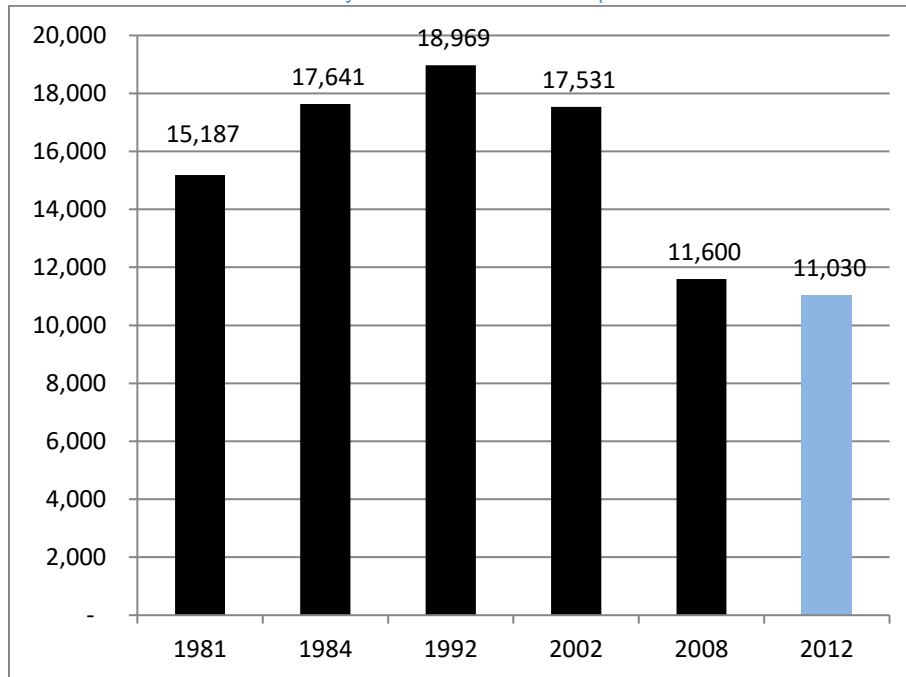
Santa Barbara County Annualized RHNA Comparisons 1981-2012

Year	Allocation
1981	2,025
1984	2,352
1992	2,529
2002	2,337
2008	1,547
2012	1,261
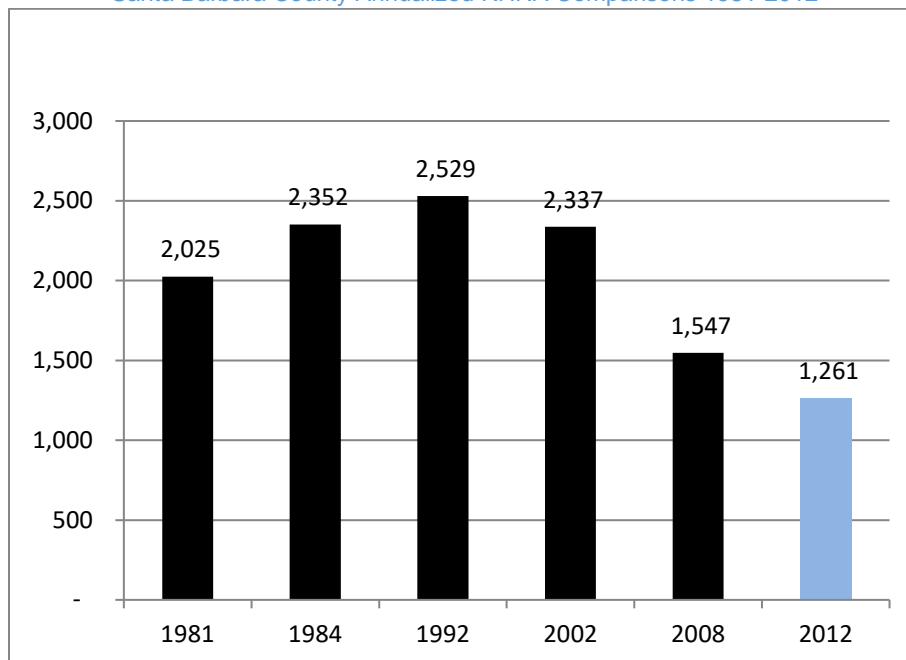
A comparison of RHNA sub-regional allocations over time suggests a decrease for the unincorporated area of the county and an increase for the cities of Santa Barbara and Santa Maria. This change in allocation reflects an increasing emphasis of the allocation to the location of existing jobs. Similarly, the South Coast allocation over time suggests an increase relative to the North County as the emphasis focused more on existing jobs.

Comparison of Sub-regional RHNA Allocations, 1981-2012

Legend:
- Santa Barbara
- Carpinteria
- Goleta
- Lompoc
- Buellton
- Solvang
- Santa Maria
- Guadalupe
- Unincorporated Total

Comparison of Regional RHNA Allocations, 1981-2012
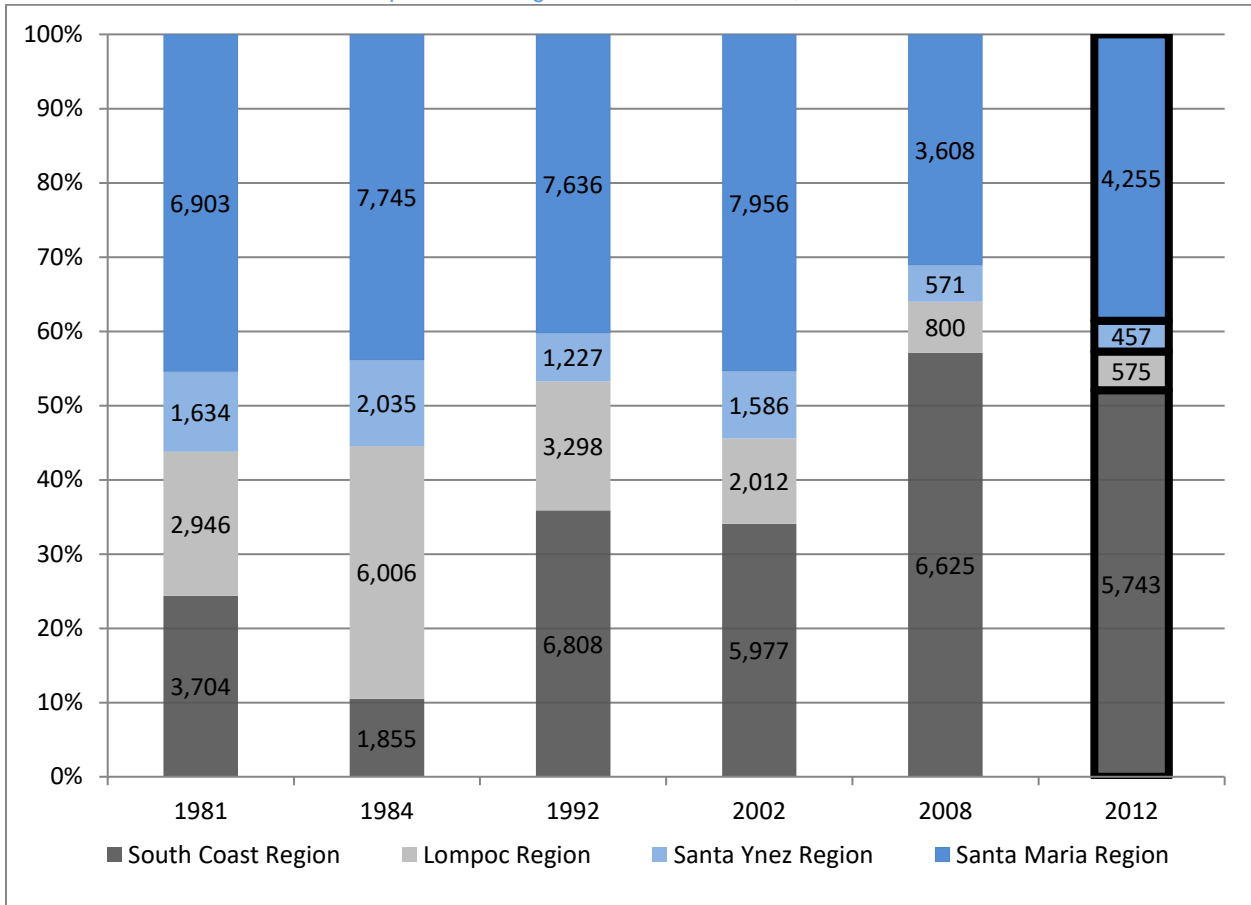
RHNA Timeline and Milestones

HCD provides a working draft calendar based on the RTP adoption date. Some of the milestone dates include a survey of jurisdictions regarding factors used in the development of an allocation methodology including jobs housing relationship, opportunities and constraints to development, household growth, overcrowding, farmworker housing needs, the regions greenhouse gas emissions targets. There is also an opportunity to designate subregions in which participating jurisdictions can allocate a regional total. A consultation period with HCD regarding the RHNA total and the input data used is also a component of the calendar. HCD will have a 60-day review period for the COG's allocation methodology. The COG and local jurisdiction have appeal periods allowing further consultation if necessary, regarding their allocations.

The SBCAG 6th cycle projection period Starts 6/30/2022 and ends 2/15/2031. The HCD consultation period occurs in December 2020 although SBCAG has requested an earlier consultation period beginning in July with an approximate date of a final determination by October.

WORKING DRAFT Statutory Calendar		
Statutory Task	**Timing**	**With proposed RTP Adoption Date**
Estimated RTP Adoption Date:		8/15/2021
MPO Notifies HCD & Caltrans of RTP Adoption Date (at least 12 mos. prior to estimated RTP adoption)	RTP minus 12 months	8/15/2020
Housing Element Due Date (within 18 mos. of RTP adoption)	RTP plus 18 months	2/15/2023
COG conducts a survey of member jurisdictions regarding the factors in 65584.04(d)	No more than 6 months prior to development of COG's RHNA methodology (~HE minus 30 months)	8/15/2020
Subregional delegation notice due to COG	HE minus 28 months	10/15/2020
Complete HCD-COG Consultation	HE minus 26 months	12/15/2020
After the consultation, HCD issues RHNA Determination to COG with explanation of methodology.	**At least HE minus 24 months**	**2/15/2021**
COG can file an objection to HCD's RHNA determination within 30 days of the notice of the RHNA determination.	Within 30 days of RHNA Determination, ~HE minus 23 months	
HCD makes a final-final determination with explanations	Within 45 days of objection, ~HE minus 21.5 months	
COG determines FINAL subregional RHNAs	At least HE minus 25 months	1/15/2021
Subregions must allocate to their member jurisdictions pursuant to RHNA law and if they don't allocate, the COG must allocate for them.	At least HE minus 12 months	2/15/2022
COG and subregions issues proposed RHNA methodology. COGs and subregions are not dependent on receiving the RHNA determination to develop their methodology; this process begins much earlier.	At least HE minus 24 months	2/15/2021
HCD 60 Day review of draft methodology		
COG and subregions adopt final RHNA Methodology	At least 60 days following proposed methodology, ~HE minus 22 months	4/15/2021
Optional HCD 90-day review of adopted methodology		

WORKING DRAFT Statutory Calendar		
COG and subregions issue DRAFT Allocation of RHNA	At least HE minus 18 months, but MUST BE in advance of RTP adoption	8/15/2021
COG/MPO releases Final RTP w/SCS accommodating RHNA	Exactly HE minus 18 months. HE due date is set by final RHNA	8/15/2021
Local jurisdictions may appeal Draft RHNA Allocations	Within 45 days of receiving Draft Allocation of RHNA	
Jurisdictions and Department may comment on appeals	Within 45 days of close of appeal period	
COG or subregion holds public hearing to consider appeals	Within 30 days of appeal comment period	
COG/Subregion makes final determination that accepts, rejects, or modifies appeals and issues a final proposed final allocation plan	Within 45 days of public hearing considering appeals	
COG/Subregion adopts final allocation plan	Within 45 days of issuance of proposed final allocation plan	
COG/Subregion submit final allocation plan to HCD for review (assumes submittal to HCD on the adoption date)	**Within 3 days of adoption of final allocation plan**	
5th Cycle Projection Period Ends		**9/30/2022**
6th Cycle Projection Period Starts	Gov Code 65588(f): new projection period begins either Dec 31 or June 30, whichever date most closely precedes end of previous projection period	**6/30/2022**
6th Cycle Projection Period Ends	Same as Planning Period End Date	**2/15/2031**
6th Cycle Planning Period Starts (Estimate)	Same as Housing Element Due Date	**2/15/2023**
6th Cycle Planning Period Ends (Estimate)	Housing Element Due Date Plus 8 Years	**2/15/2031**

Socioeconomic Metrics

In summary, commuting to the South Coast has increased from lower cost housing markets as the number of South Coast jobs has exceeded housing supply. Other indicators validate this ongoing trend such as jobs housing balance ratio's, employment to worker ratio's, daytime and nighttime population. The future South Coast housing market will be affected by the baby boomer population leaving the workforce while aging in place. There will be proportionately fewer younger workers with less affordable local housing options to both work in South Coast jobs and provide services to the aging baby boomers.

Land Use Capacity

A comparison of the 5th Cycle RHNA with theoretical land use capacity (from the SBCAG RTP) suggests that there is an excess capacity of approximately 51,000 units as shown in the following table (column 4). A comparison of the RHNA with land use capacity (as reported by jurisdictions for the RHNA allocation methodology) suggests that there is an excess capacity of 7,256 units as shown in column 6.

The SBCAG UPlan land use model is used in the development of the RTP to analyze future development scenarios. The UPlan land use model capacities represent the theoretical and aspirational maximum residential capacity available based on generalized UPlan land use categories. These land uses and capacities have been reviewed by local planning staff in the preparation of the most recent RTP. The capacities do not reflect actual available capacity in adopted local General Plans. Adopted General Plans, not the RTP determine allowable land uses and actual available land use capacity in each jurisdiction.

Land Use Capacity and Household Demand Comparison

Jurisdiction	RTP UPlan Land Use Capacity (as of 2017)	5th Cycle RHNA Allocation 1/2014- 9/2022	UPlan Land Use Capacity -5th Cycle Allocation	RHNA 5th Cycle Land Use Capacity (as applied in allocation)	RHNA Land Use Capacity – 5th Cycle Allocation
	Total Units	RHNA Units	Remaining Unit Capacity	Total Units (as reported by jurisdictions)	Remaining Unit Capacity
Carpinteria	410	163	247	202	39
Santa Barbara	14,953	4,099	10,854	5,074	975
Goleta	6,611	979	5,632	1,212	233
Solvang	1,363	175	1,188	448	273
Buellton	1,322	275	1,047	297	22
Lompoc	6,199	525	5,674	1,317	792
Santa Maria	16,500	4,102	12,398	8,673	4,571
Guadalupe	1,014	50	964	105	55
Unincorp. Total	13,932	661	13,271	958	297
County Total	62,302	11,030	51,275	18,286	7,256

Source: SBCAG. 2017 Regional Transportation Plan, Fast Forward 2040, UPlan Land Use Model

Commuting Trends

A primary influence on commuting is the relationship between where people live and where they work. This relationship has become an increasingly important issue regionally as the spatial mismatch between jobs and affordable housing is causing growing numbers of workers to reside further from their workplaces. This trend is evident with large numbers of commuters traveling daily from housing in Ventura, Santa Maria, Lompoc, and the Santa Ynez Valley to jobs on the South Coast. Commuting between San Luis Obispo County and Santa Maria continues despite a relative jobs-housing balance.

Differences in housing costs help to explain the large number of people who choose to reside far from their workplaces on the South Coast, increasing the lengths of their work trips. Median home prices on the South Coast are over 100 percent higher than those in Ventura County and are 200 percent higher than those in North County.

Median Housing Values for Santa Barbara County Jurisdictions and Ventura County
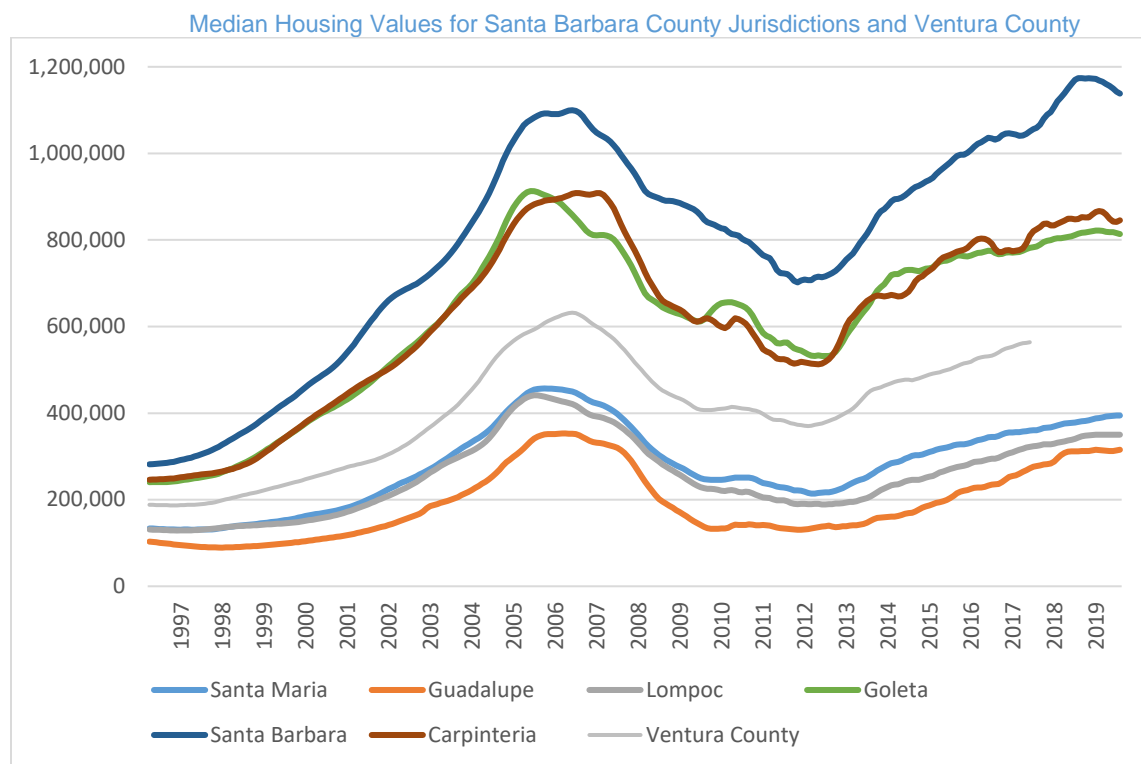
Source: Zillow Housing Data Metrics: https://www.zillow.com/research/data/

Commuting data suggests and increase in the number of commuters to the South Coast. In the 16-year timeframe from 2000 to 2016, the number of Ventura County residents working in the South Coast increased from 7,800 to 11,500 commuters, or by 47 percent. It is important to note that if it were not for the recession in the 2010 timeframe the commuting increase would likely be greater. The number of Ventura County residents working in South Coast jurisdictions has increased most significantly for the City of Santa Barbara with an increase of 2,150 commuters, or by 59 percent. The number of North County workers commuting to the South Coast has decreased by 2,000 workers from 11,200 to 9,100, or by 18 percent. Note that the commuters from Lompoc to Santa Barbara has decreased by 600 commuters or 30 percent from 2010 to 2016.

Ventura County Commuters to the South Coast
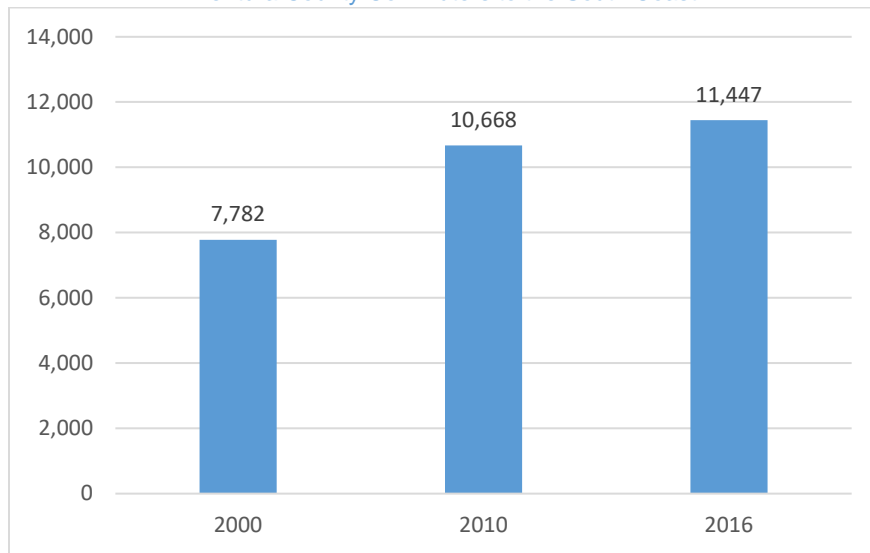
Source: Census Transportation Planning Package, (CTPP), https://ctpp.transportation.org/

Ventura County Commuters to South Coast Jurisdictions

North County Commuters to the South Coast
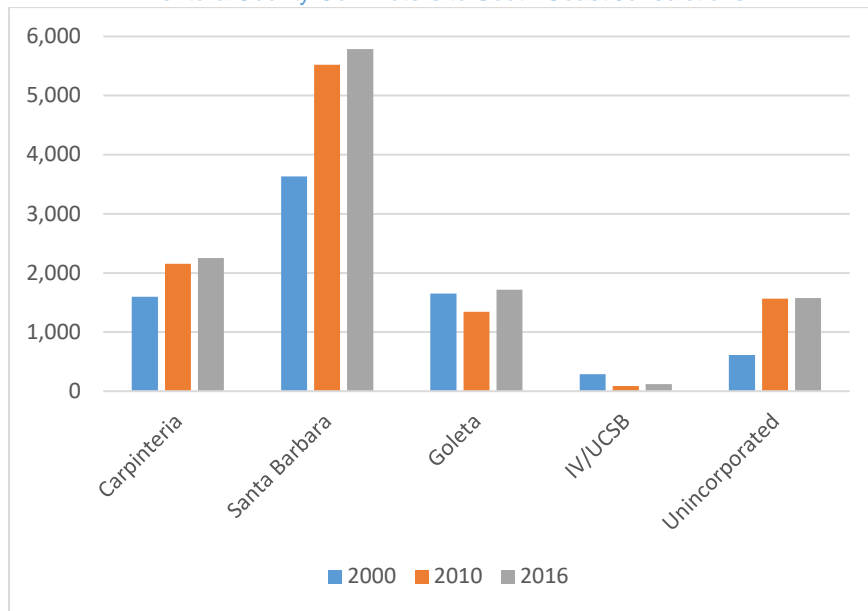
Year	Commuters
2000	11,207
2010	10,766
2016	9,162
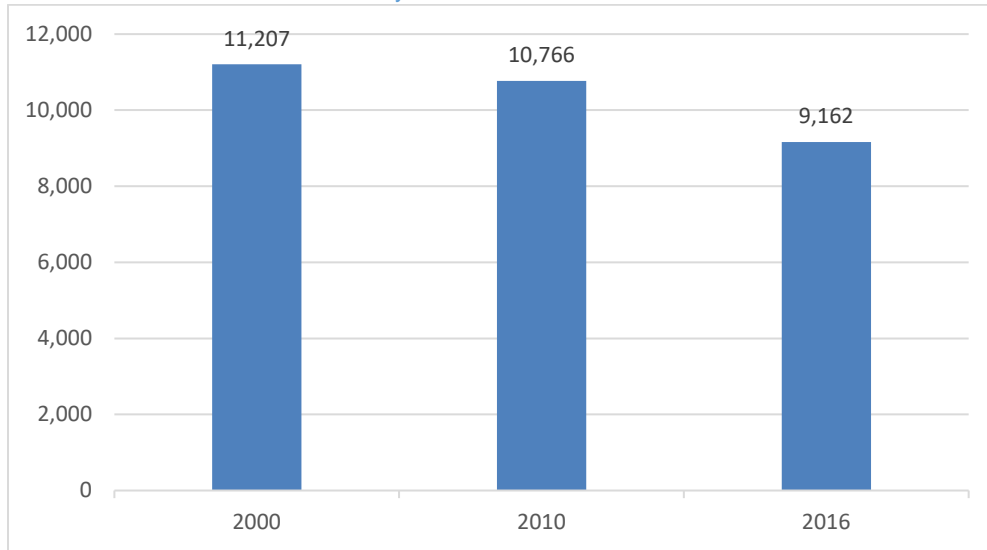
North County Commuters by Region to South Coast

Legend: ■ 2000 ■ 2010 ■ 2016

Regions: Lompoc Valley, Santa Maria Valley, Santa Ynez Valley
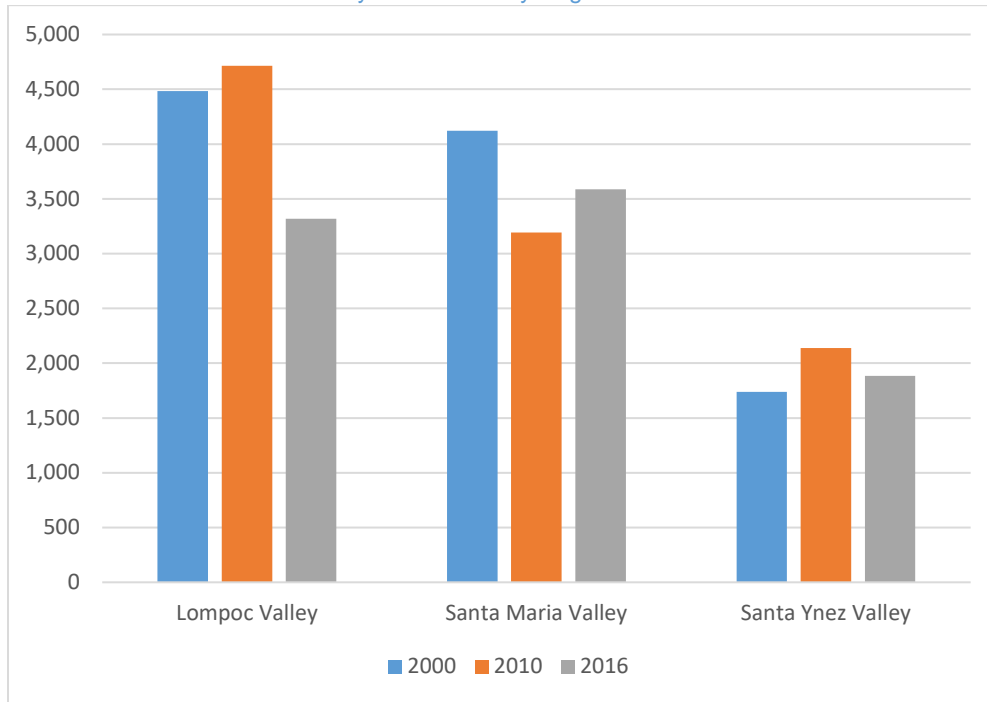
Lompoc Commuters to Goleta and Santa Barbara
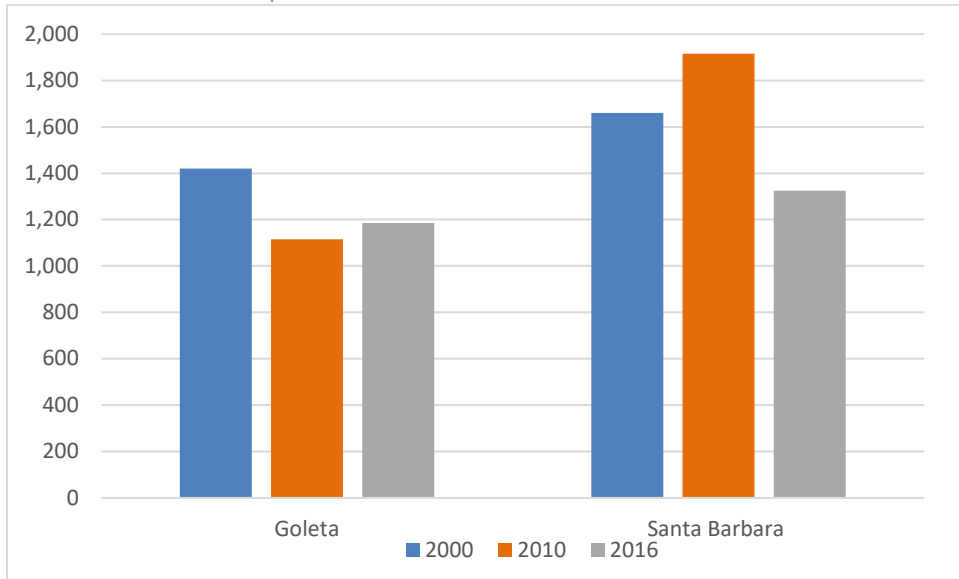
South Coast Work Locations for Ventura County Workers, 2017

Legend:
- 1 - 3 Jobs
- 4 - 22 Jobs
- 23 - 74 Jobs
- 75 - 174 Jobs
- 175 - 340 Jobs
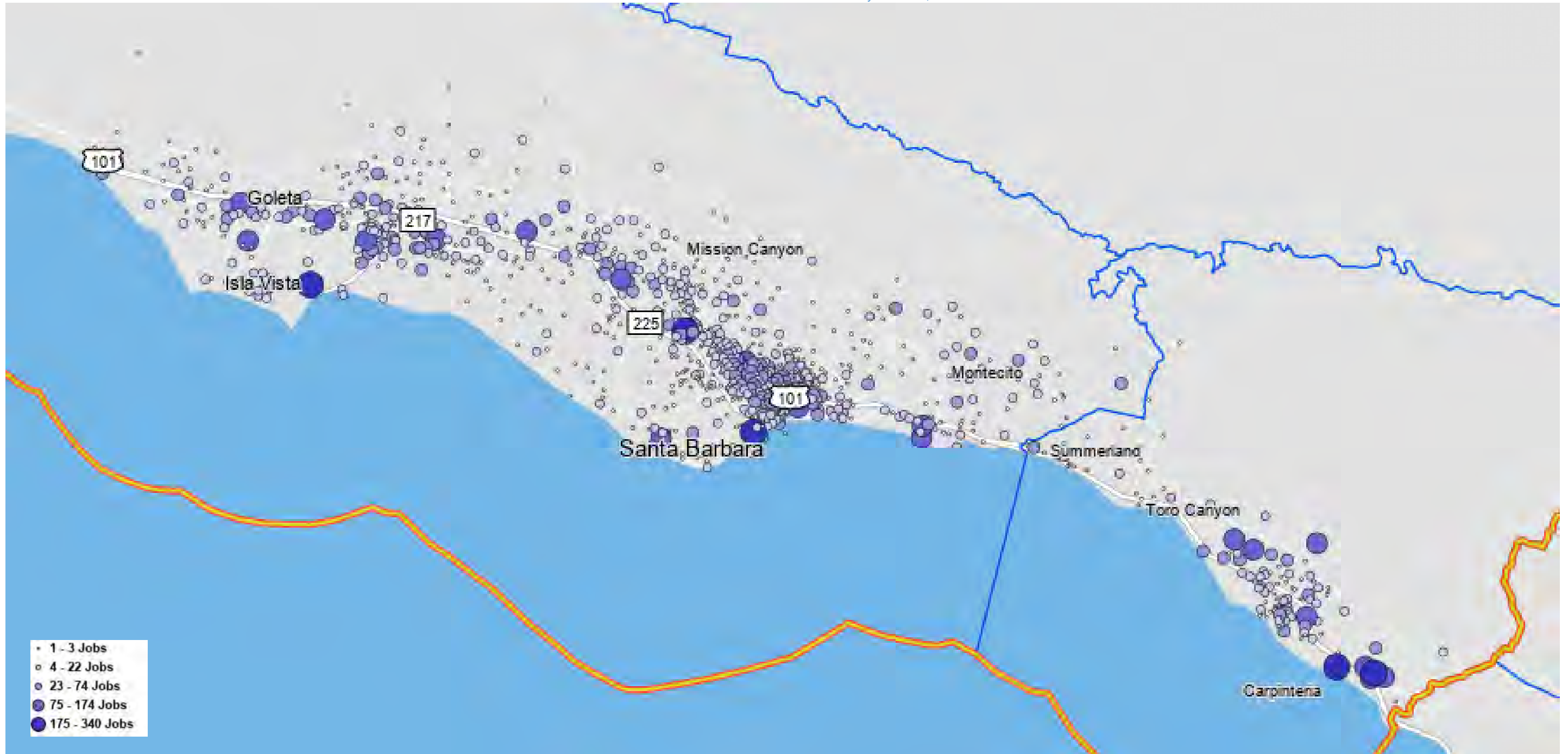
South Coast Work Locations for North County Commuters, 2017

Legend:
- · 1 - 2 Jobs
- ○ 3 - 22 Jobs
- ◎ 23 - 111 Jobs
- ● 112 - 350 Jobs
- ● 351 - 854 Jobs
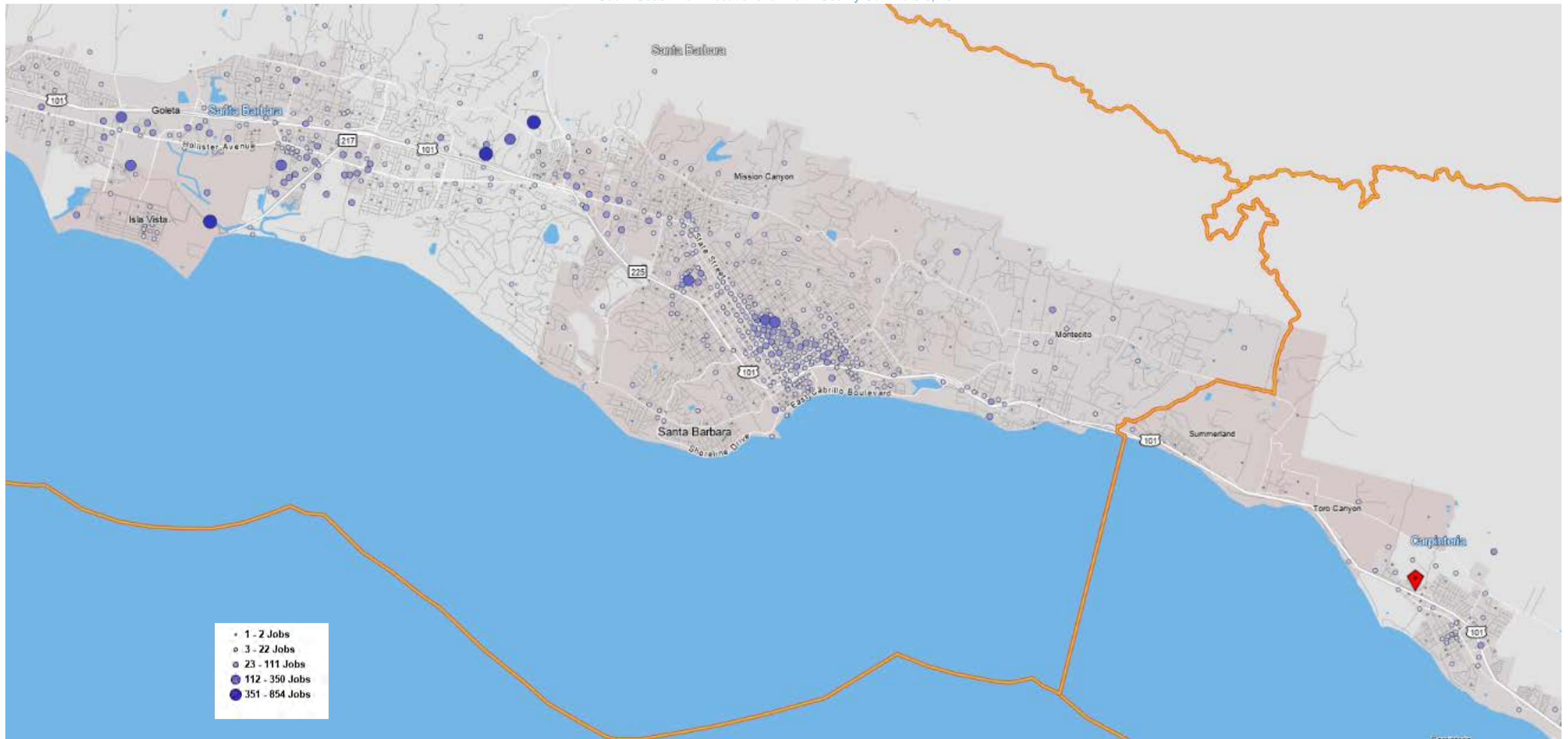
Job and Housing Growth

Data shows that an increasing share of Santa Barbara County jobs are being filled by people commuting from outside the county. For example, the number of jobs from 1990 to 2017 has increased faster than the number of employed residents in the county.

S.B. County Jobs vs. Employed Residents
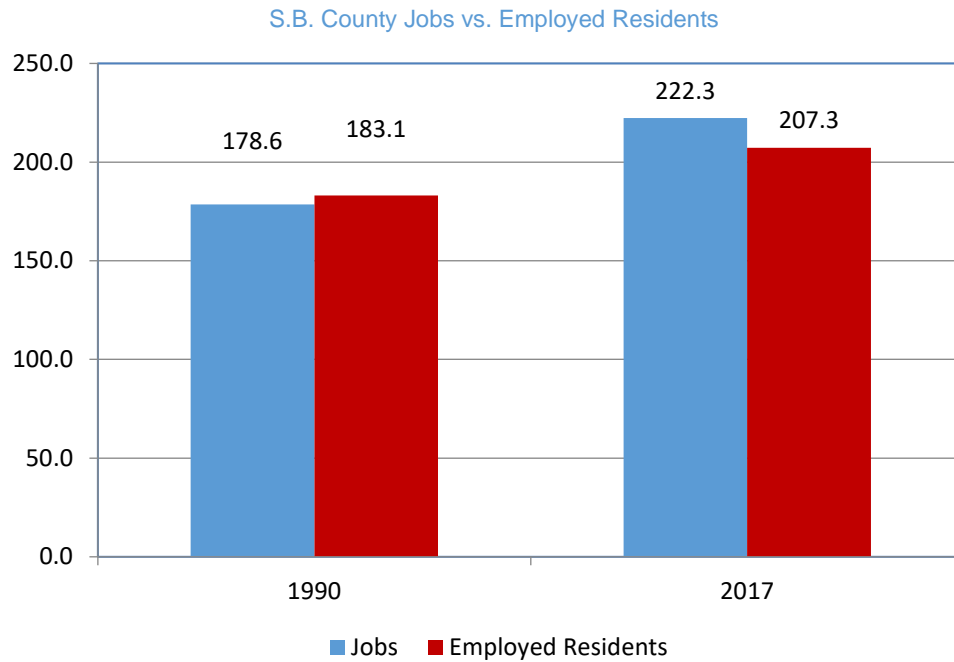
Source: Jobs and Employed Residents-Californa Employment Development Department. Data avaialble only on countywide basis.

Santa Barbara County Growth in Jobs and Employed Residents

28
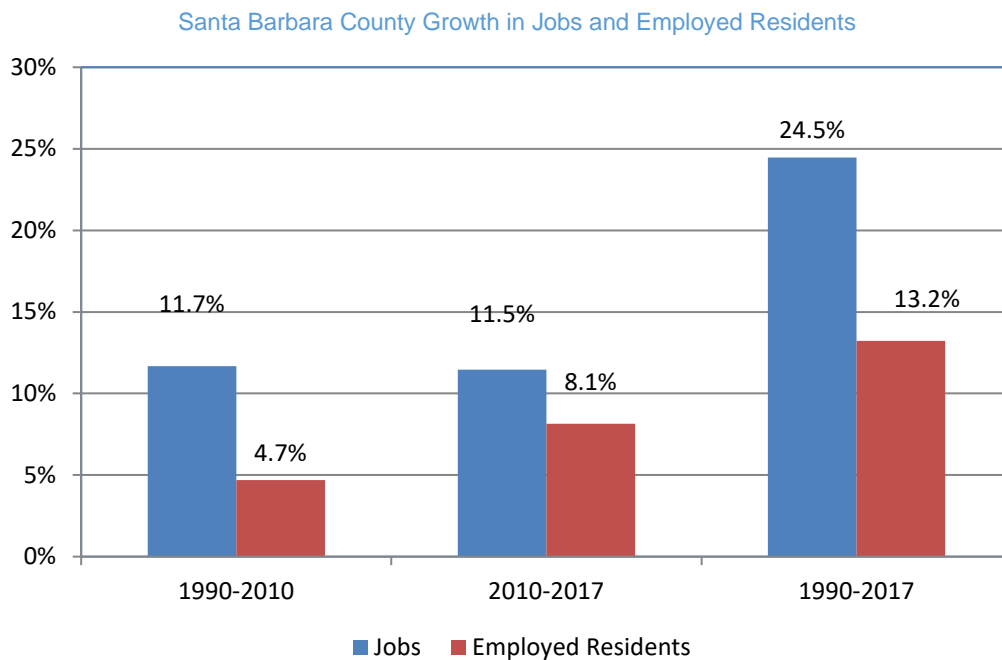
On a subcounty level the majority of jurisdictions have experienced an increase in jobs that exceeds the increase in housing supply over the 2000-2017 period. Exceptions are found in the Cities of Goleta, Santa Maria, Guadalupe and Buellton where housing exceeds job growth. Growth in jobs and housing is not a one to one comparison. Workers/household should also be considered to more clearly understand the imbalance. This accounts for the density of workers and reduces the overall housing demand. For example, using an average 1.26 workers/household factor, a countywide increase of 25,700 jobs in theory would require 20,500 housing units to accommodate the new workers (25,700/1.26 = 20,500). The actual increase is 12,500 units leaving a deficit of 8,000 units. This imbalance is most pronounced for the City of Santa Barbara in which the City experienced an increase of 7,000 jobs vs. an increase of 1,300 housing units resulting in a deficit of 4,300 housing units. Note the 1,100 housing unit decrease for the Lompoc unincorporated/VAFB area. This is due to the removal of off-base military housing adjacent to Highway 1.

2000-2017 Job and Housing Growth vs Housing Demand

| Jurisdiction	Job Change	H.U. Change	Housing Demand	Housing Deficit or Surplus
South Coast	12,194	4,726	9,678	(4,952)
Carpinteria	(238)	131	(189)	320
Santa Barbara	7,106	1,332	5,640	(4,308)
Goleta	562	824	446	378
Unincorp./UCSB	4,764	2,439	3,781	(1,342)
Lompoc Valley	3,545	(60)	2,813	(2,873)
Lompoc	2,035	1,049	1,615	(566)
Unincorp./VAFB	1,510	(1,109)	1,198	(2,307)
Santa Maria Valley	5,744	7,141	4,559	2,582
Santa Maria	4,342	6,685	3,446	3,239
Guadalupe	(588)	448	(467)	915
Unincorp.	1,990	8	1,579	(1,571)
Santa Ynez Valley	4,307	631	3,418	(2,787)
Solvang	586	313	465	(152)
Buellton	513	438	407	31
Unincorp./Reservation	3,208	(120)	2,546	(2,666)
County Total	25,790	12,438	20,468	(8,030)
Total Unincorp./Other	11,472	1,218	9,105	(7,887)
Total Incorp.	14,318	11,220	11,363	(143)
North County	13,596	7,712	10,790	(3,078)
South Coast	12,194	4,726	9,678	(4,952)

Source: InfoUSA/Infogroup Jobs Database, 2017. DOF H.U. city estimates.
Census ACS H.U. estimates for uninc. Census Divisions

A comparison of existing (2017) housing and jobs suggests housing demand (adjusted by workers per household) is most significant in the South Coast followed by the Santa Ynez Valley with a 21,200 and 2,000 housing unit deficit respectively. A similar comparison for the Lompoc and Santa Maria Valley regions suggests a housing surplus.

2017 Jobs and Housing Demand

| Jurisdiction	Jobs	Housing Units	Housing Demand	Housing Deficit or Surplus
South Coast	129,899	81,829	103,094	(21,265)
Carpinteria	6,960	5,604	5,524	80
Santa Barbara	70,528	38,509	55,975	(17,466)
Goleta	24,011	11,979	19,056	(7,077)
Unincorp./UCSB	28,400	25,737	22,540	3,197
Lompoc Valley	21,776	19,862	17,283	2,579
Lompoc	12,427	14,674	9,863	4,811
Unincorp./VAFB	9,349	5,188	7,420	(2,232)
Santa Maria Valley	50,781	44,142	40,302	3,840
Santa Maria	40,617	29,498	32,236	(2,738)
Guadalupe	1,320	1,916	1,048	868
Unincorp.	8,844	12,728	7,019	5,709
Santa Ynez Valley	14,498	9,506	11,506	(2,000)
Solvang	3,950	2,669	3,135	(466)
Buellton	2,847	1,926	2,260	(334)
Unincorp./Reservation	7,701	4,911	6,112	(1,201)
County Total	216,954	155,339	172,186	(16,847)
Total Unincorp./Other	54,294	48,564	43,090	5,474
Total Incorp.	162,660	106,775	129,095	(22,320)
North County	87,055	73510	69,091	4,419
South Coast	129,899	81829	103,094	(21,265)

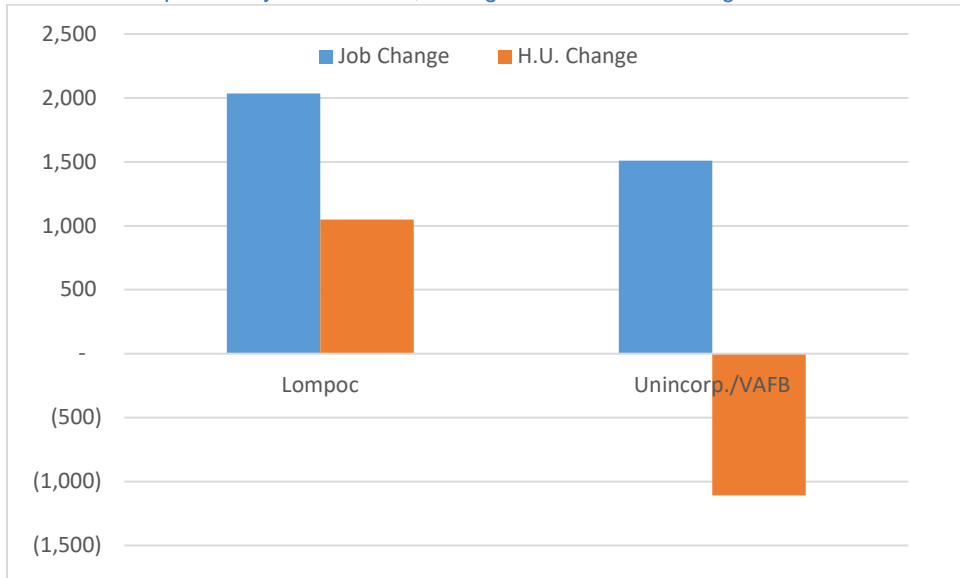## County, Unincorporated and Incorporated, Change in Jobs and Housing 2000-2017
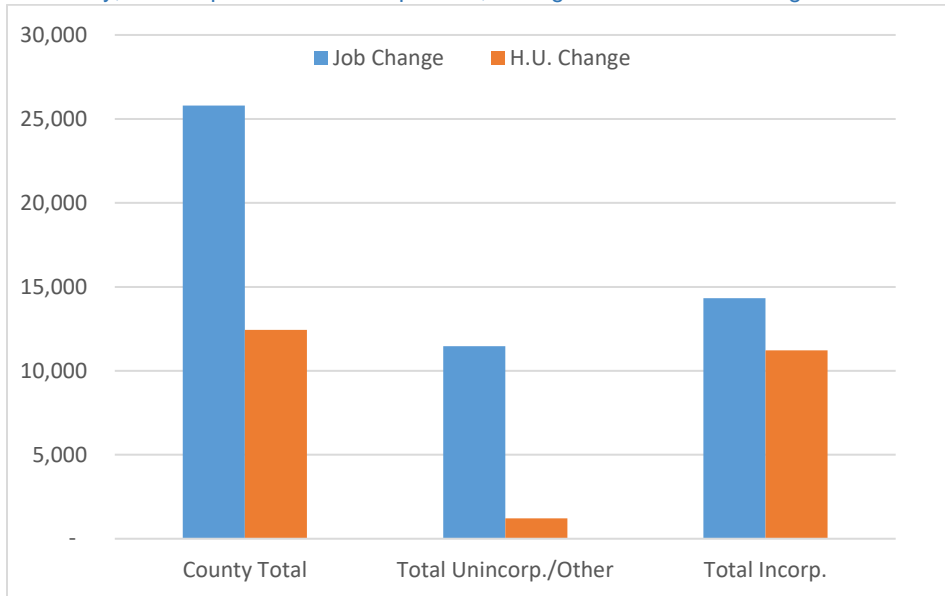
North County, South Coast Change in Jobs and Housing 2000-2017
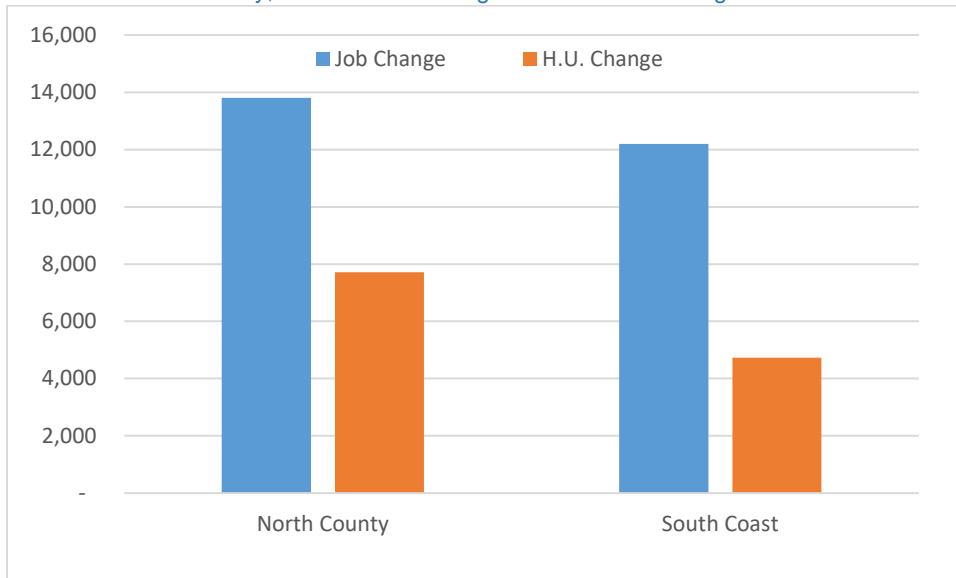
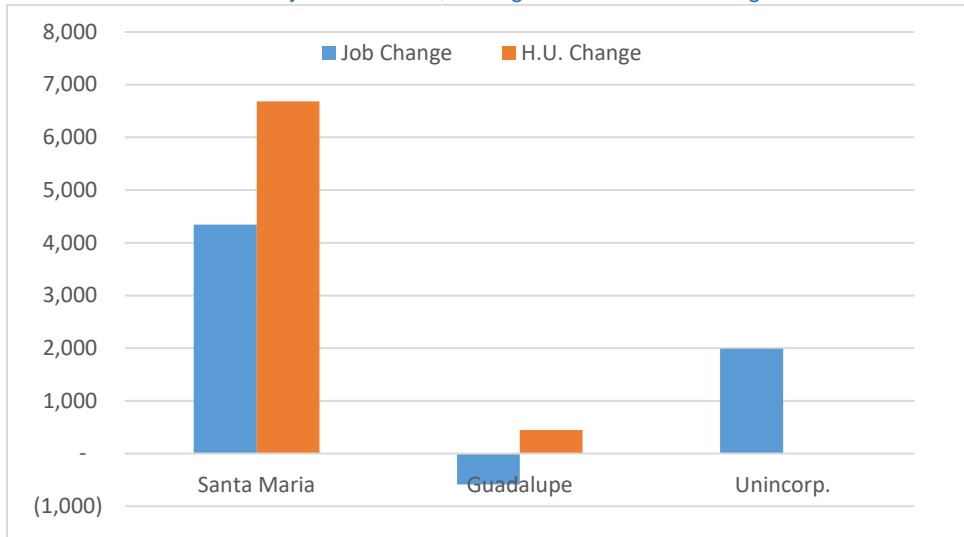**South Coast Jurisdictions, Change in Jobs and Housing 2000-2017**
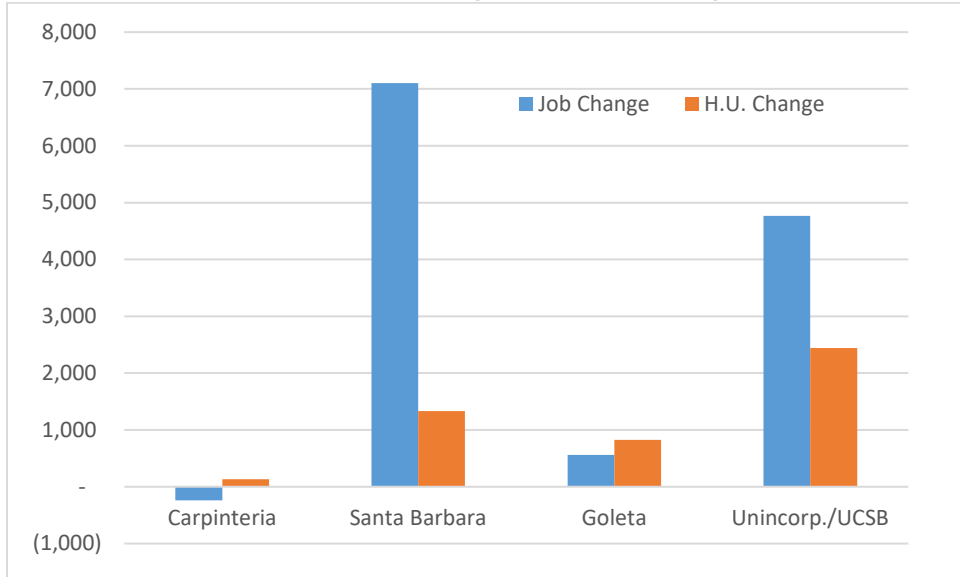
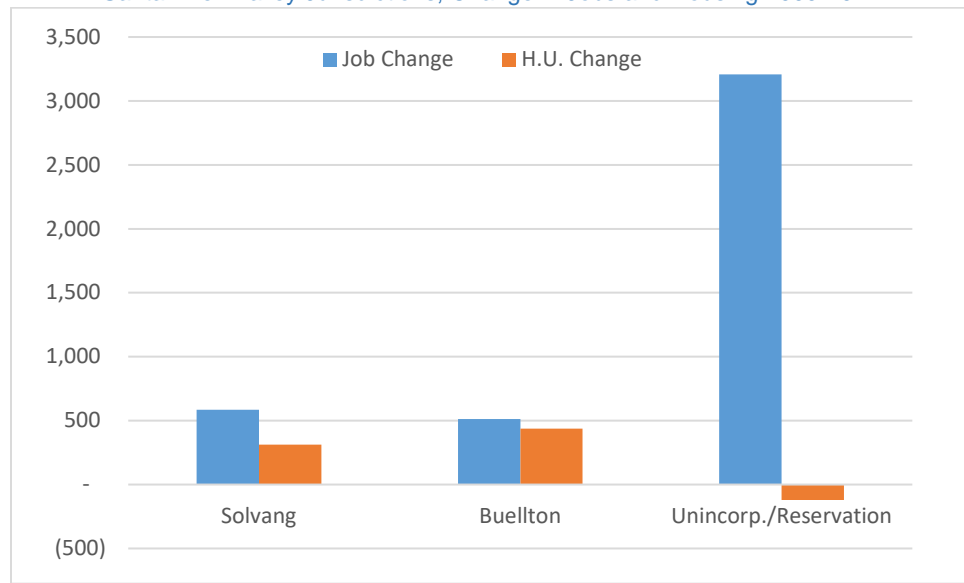**Lompoc Valley Jurisdictions, Change in Jobs and Housing 2000-2017**

Note: The loss of 1,100 Uninc./VAFB units is due to demolition of off-base military family housing adjacent to VAFB.

**Santa Maria Valley Jurisdictions, Change in Jobs and Housing 2000-2017**

Santa Ynez Valley Jurisdictions, Change in Jobs and Housing 2000-2017

Job Distribution

A common approach in the subregional allocation of the countywide housing need is the use of existing jobs. The majority of existing jobs are located in the South Coast, with 133,000 jobs or 60 percent of the total. North County has 89,000 jobs, or 40 percent of the countywide total. The Santa Maria region has 52,000 jobs, or 23 percent; the Lompoc region 22,300 jobs, or 10 percent; and the Santa Ynez region has 14,800 jobs, or 7 percent of countywide jobs.

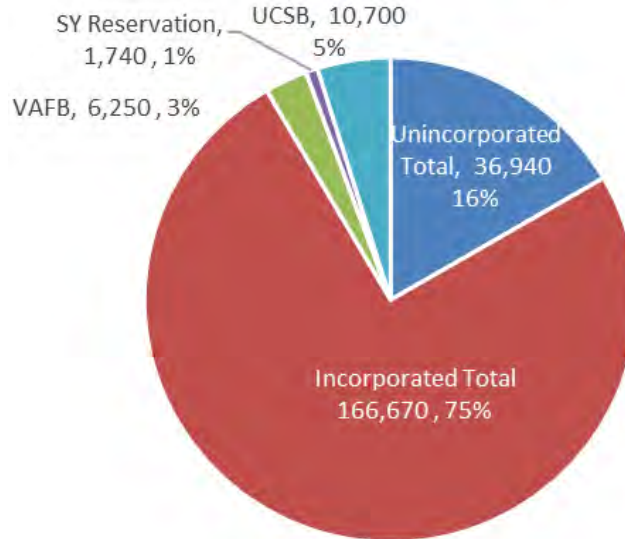Job Distribution, North County vs. South Coast, 2017, (222,000 total)
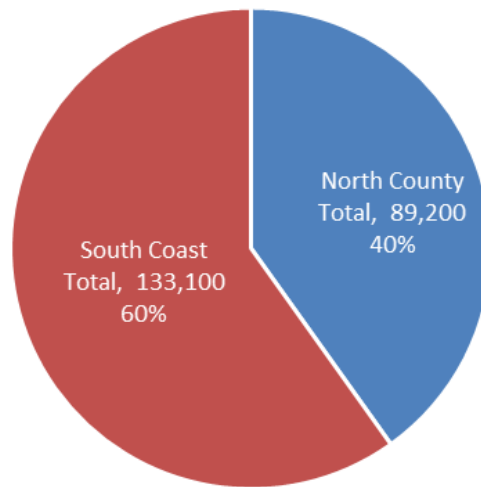
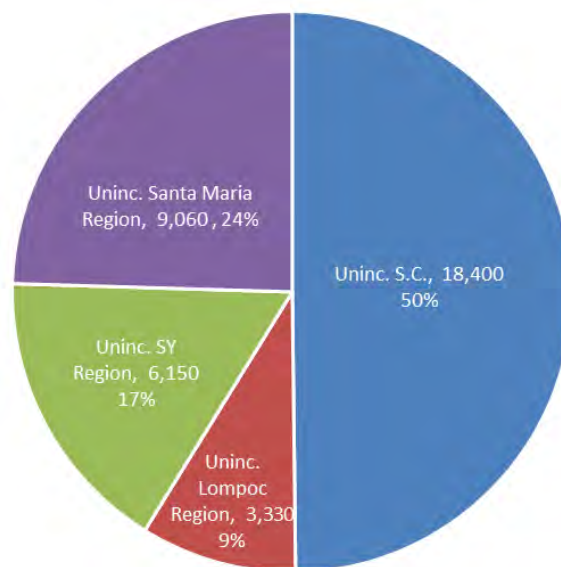Job Distribution for Regions, 2017, (222,000 total)
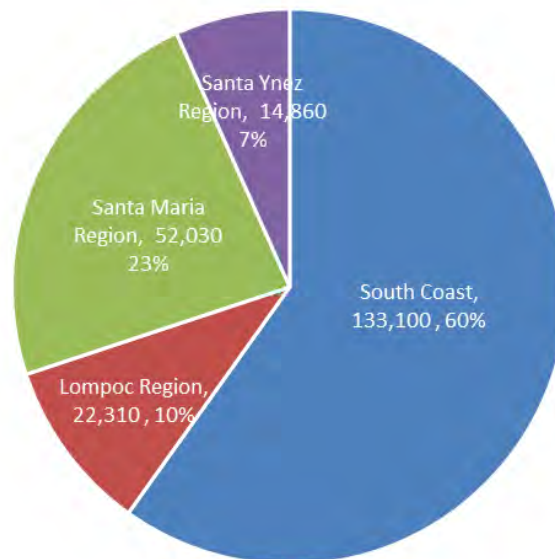
Incorporated jurisdictions have 166,700 jobs, or 75 percent of the total. The unincorporated jurisdictions have 36,900 jobs, or 16 percent of the total. Other areas such as UCSB have 10,700 jobs or 5 percent, Vandenberg AFB has 6,200 jobs or 3 percent and the Santa Ynez Reservation has 1,700 jobs or 1 percent of the total jobs. These other areas represent approximately 8.5 percent of all jobs in the county and 37 percent of the unincorporated/other areas combined. The unincorporated jurisdictions have 36,900 jobs with the unincorporated South Coast having 18,400 jobs, or 50 percent of the unincorporated total.

The City of Santa Barbara has the majority of countywide jobs with 72,300 jobs, or 32 percent of the total, followed by the City of Santa Maria with 41,600 jobs, or 19 percent of the total. The City of Guadalupe has the lowest proportion with 1,150 jobs, just one percent of the total.
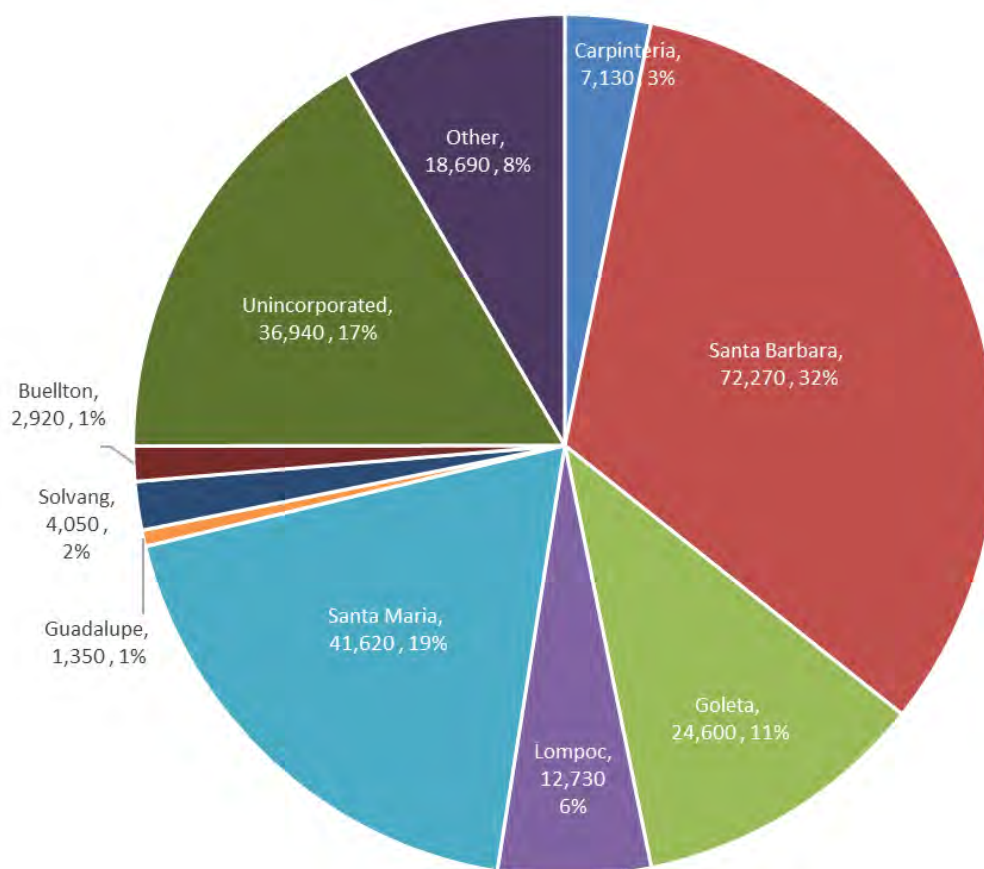
Job Distribution, Incorporated, Unincorporated, Other, 2017, (222,000 total)

SY Reservation, 1,740, 1%
UCSB, 10,700 5%
VAFB, 6,250, 3%
Unincorporated Total, 36,940 16%
Incorporated Total 166,670, 75%

Job Distribution, Unincorporated, 2017, (36,900 total)

Uninc. Santa Maria Region, 9,060, 24%
Uninc. SY Region, 6,150 17%
Uninc. Lompoc Region, 3,330 9%
Uninc. S.C., 18,400 50%

Job Distribution City and Unincorporated/Other, 2017, (222,000 total)

Carpinteria, 7,130, 3%
Other, 18,690, 8%
Unincorporated, 36,940, 17%
Buellton, 2,920, 1%
Solvang, 4,050, 2%
Guadalupe, 1,350, 1%
Santa Maria, 41,620, 19%
Lompoc, 12,730, 6%
Goleta, 24,600, 11%
Santa Barbara, 72,270, 32%

Jobs/Housing Balance

South Coast jurisdictions have some of the highest jobs/housing ratios in the county, suggesting a higher concentration of jobs vs. available housing.

The jobs/housing ratio is a ratio between a measure of employment and a measure of housing in a given area of analysis. Research suggests[2] that the ideal jobs-to-housing unit ratio is .75 to 1.5. Ratios higher than 1.5 suggest that there may be more workers commuting into the area because of a surplus of jobs. Meeting the ideal ratio (where every jurisdiction provides one local job for every worker) does not in practice ensure that people will choose to live near their jobs or have shorter commutes. The recommended target standard and ranges for jobs/housing unit ratios are based on the assumption that the average number of workers per household is approximately 1.5. This number can vary from community to community. Some households have two or more workers, while others have none. If possible, the standard should be based on an analysis of local data on workers per household.

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[2] Jobs/Housing Balance; Planning Advisory Service Report Number 516, Weitz, Jerry. http://www.planning.org/pas/reports/subscribers/pdf/PAS516.pdf, March 2013.

The jobs available in a community should also match the labor force skills and housing should be available at prices, sizes, and locations suited to workers who wish to live in the area. An imbalance in low-wage jobs and affordable housing is of concern not only for those low-wage workers who face challenges in finding affordable housing near work, but for regions since it makes it more difficult to reduce overall vehicle miles travelled. Ensuring an appropriate jobs-housing fit is especially of concern for people employed in low-wage jobs since they are in greater need of finding affordable homes and are more constrained in their ability to travel long-distances (whether by public transit or private vehicle) to work.

Jobs Housing Balance Ratio, 2000 and 2017

Jurisdiction	2000 Jobs/Housing	2017 Jobs/Housing	2000-2017 Change
South Coast	1.57	1.63	0.06
Carpinteria	1.35	1.27	-0.07
Santa Barbara	1.75	1.88	0.12
Goleta	2.15	2.05	-0.10
Unincorp./UCSB	1.04	1.13	0.09
Lompoc Valley	1.31	1.44	0.13
Lompoc	0.78	0.87	0.08
Unincorp./VAFB	1.28	1.85	0.57
Santa Maria Valley	1.25	1.18	-0.07
Santa Maria	1.63	1.41	-0.22
Guadalupe	1.32	0.71	-0.62
Unincorp.	0.56	0.71	0.16
Santa Ynez Valley	1.24	1.75	0.51
Solvang	1.47	1.52	0.05
Buellton	1.62	1.52	-0.10
Unincorp./Reservation	0.93	1.61	0.68
County Total	1.43	1.48	0.05
Total Unincorp./Other	0.56	0.75	0.20
Total Incorp. Places	1.59	1.56	-0.03
North County	1.27	1.32	0.05
South Coast	1.57	1.63	0.06

Jobs-to-Worker Ratio

The ratio of jobs vs. resident workers (16 years and over) can indicate the likelihood of workers in job-poor jurisdictions commuting to job-rich jurisdictions.[3] In the job-rich South Coast, ratios for the Cities of Santa Barbara and Goleta are 1.44 and 1.51 jobs per worker, respectively, significantly higher than jurisdictions in the North County. The Cities of Santa Barbara and Goleta have a combined 29,500 surplus jobs.

The City of Lompoc with 0.72 jobs per resident worker has a 4,700-job deficit. Similarly, the Santa Maria Valley with a .80 jobs per resident worker has a 12,600-job deficit. As a result of these job deficits commuting to the South Coast from both these areas is each over 3,000 workers daily to employment opportunities on the South Coast.

Overall, Ventura County has a deficit of jobs compared to its resident workers. The South Coast, with its job surplus, is a viable alternative commute destination for workers not able to find employment in Ventura County.

Jobs to Workers Ratios, 2017

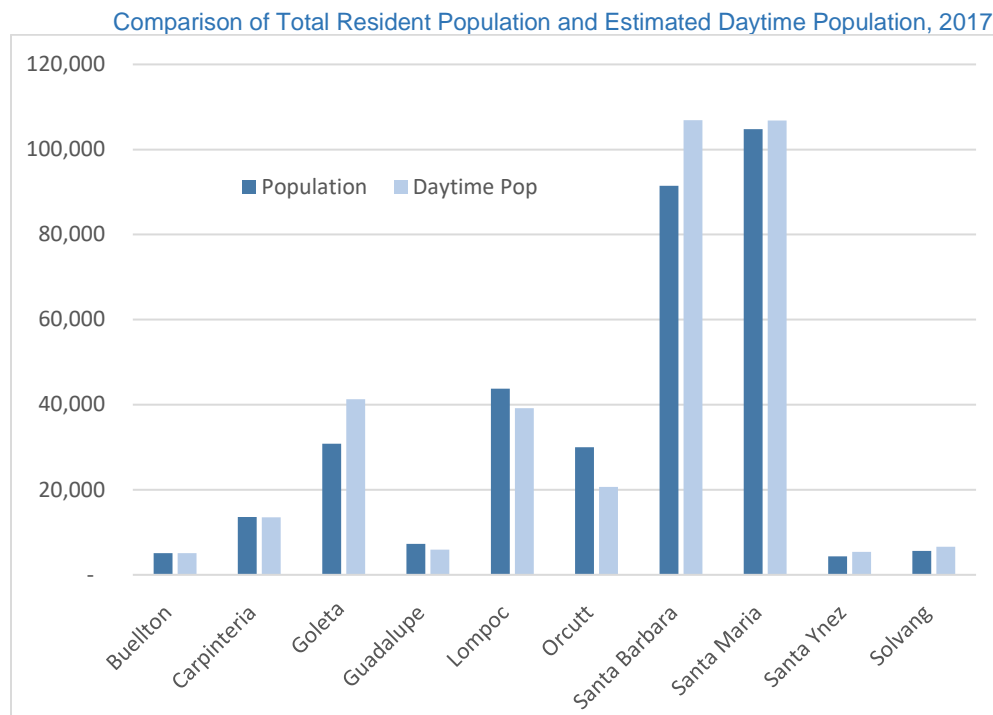| Jurisdiction	Jobs	Resident Workers	Jobs Worker Ratio	Job Deficit/Surplus
South Coast	129,899	89,155	1.46	40,744
Carpinteria	6,960	6,947	1.00	13
Santa Barbara	70,528	49,093	1.44	21,435
Goleta	24,011	15,949	1.51	8,062
Unincorp./UCSB	28,400	17,166	1.65	11,234
Lompoc Valley	21,776	24,273	0.90	(2,497)
Lompoc	12,427	17,162	0.72	(4,735)
Unincorp./VAFB	9,349	7,111	1.31	2,238
Santa Maria Valley	50,781	63,402	0.80	(12,621)
Santa Maria	40,617	45,867	0.89	(5,250)
Guadalupe	1,320	3,089	0.43	(1,769)
Unincorp.	8,844	14,446	0.61	(5,602)
Santa Ynez Valley	14,498	9,030	1.61	5,468
Solvang	3,950	2,995	1.32	955
Buellton	2,847	2,549	1.12	298
Unincorp./Reservation	7,701	3,486	2.21	4,215
County Total	216,954	185,860	1.17	31,094
Total Unincorp./Other	54,294	42,209	1.29	12,085
Total Incorp.	162,660	143,651	1.13	19,009
North County	87,055	96,705	0.90	(9,650)
South Coast	129,899	89,155	1.46	40,744

Source: 2017 InfoUSA (Jobs), 2017 Census ACS, Table B08008, (Resident Workers by Place of Work)

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[3] According to Paul Ashworth, chief North American economist for Capital Economics, the employment population ratio is the best measure of labor conditions. In general, a high ratio is considered to be above 70 percent of the working-age population whereas a ratio below 50 percent is considered to be low. Source: Organization for Economic Co-operation and Development.

Commuter Adjusted Daytime Population

The concept of the daytime population refers to the number of people who are present in an area during normal business hours, including workers[4]. This is in contrast to the "resident" population, which refers to people who reside in a given area and are typically present during the evening hours. The difference being the net change between in and out-commuters during business hours. In summary, in the South Coast overall the cities of Santa Barbara and Goleta experience a net increase in population during work hours in contrast to the North County jurisdictions of Orcutt, and the cities of Lompoc and Guadalupe that experience a net decrease.

- The City of Santa Barbara has the highest number of net work-related in-commuters with 15,400 commuters, a 14 percent increase in its daytime population.
- The City of Goleta has a similarly large increase of net work-related in-commuters with 10,457 commuters, a 25 percent increase in its daytime population.
- The community of Orcutt has the highest number of net work-related out-commuters with -9,348 out-commuters, a -45 percent decrease in its daytime population.
- The City of Lompoc has a similarly large number of net work-related out-commuters with -4,566 out-commuters, a -12 percent decrease in its daytime population.
- The City of Guadalupe has a similarly large number of net work-related out-commuters with -1,400 out-commuters a -24 percent decrease in its daytime population.

Comparison of Total Resident Population and Estimated Daytime Population, 2017

Source: ACS 2013-2017, https://www.census.gov/topics/employment/commuting/guidance/calculations.html

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[4] Commuter-Adjusted Population Estimates: ACS 2006-2010, and ACS 2013-2017 Journey to Work and Migration Statistics Branch, U.S. Census Bureau, McKenzie Brian, Working Paper.
http://www.census.gov/hhes/commuting/files/ACS/Commuter%20Adjusted%20Population%20Paper.pdf

A comparison of 2010 and 2017 data shows that the daytime population has increased over the 10-year period for the City of Goleta and decreased for the City of Santa Barbara. Fewer workers are commuting into the City of Santa Barbara from the North County, specifically from the City of Lompoc which saw commuters decrease from 1,900 in 2010 to 1,325 in 2017. The daytime population for the Cities of Lompoc and Guadalupe, while still negative, are less so suggesting more workers are working locally. Orcutt has experienced a decrease in the daytime population suggesting more local workers are working outside the area.

Daytime Population Change Due to Commuting, 2010 vs. 2017
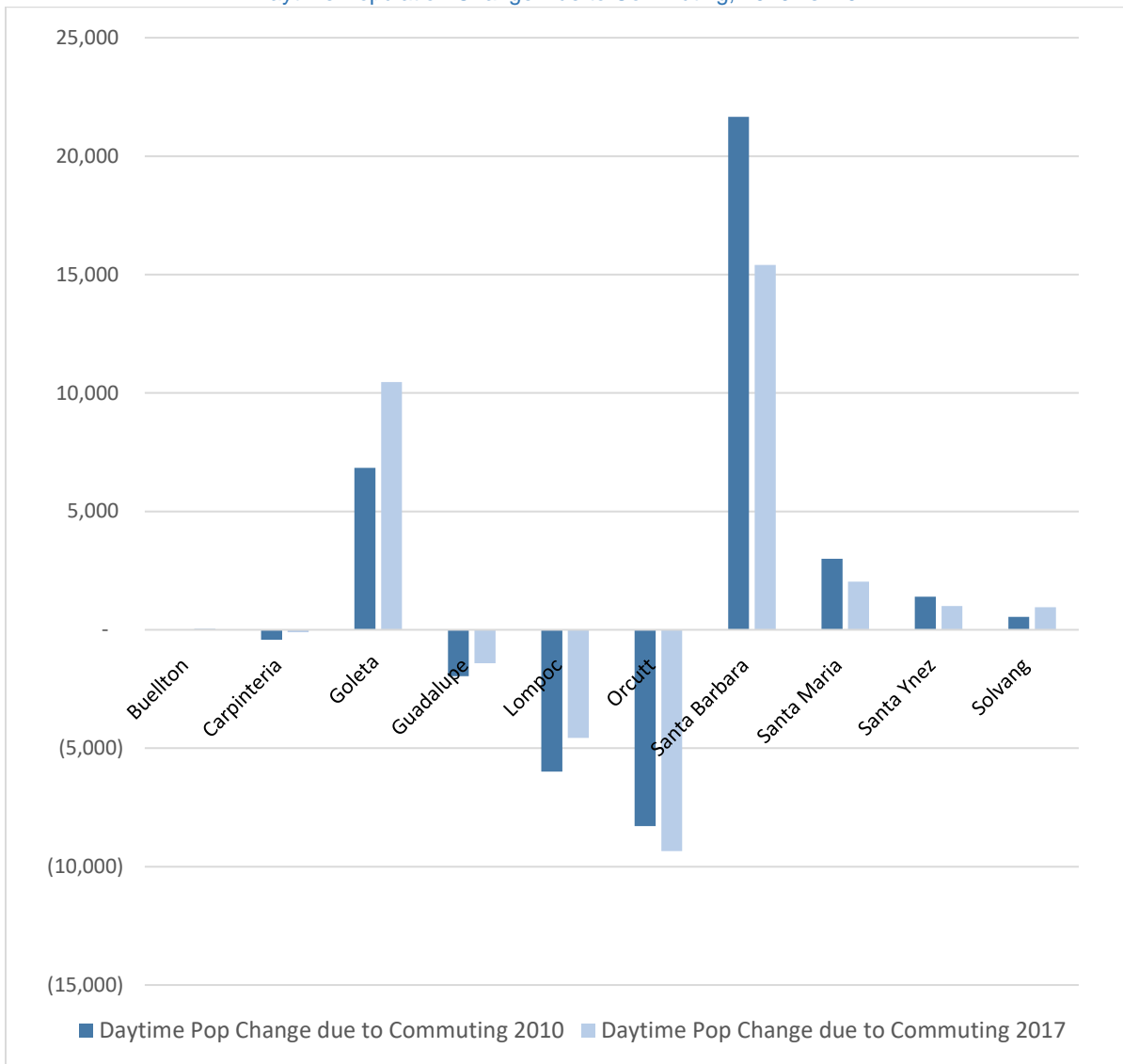
Household Size

Rising household sizes (persons per household) can increase population capacity without additional housing units. Household size has been increasing as individuals and families double up to defray the cost and availability of housing. Over the 2010-2018 period population growth countywide increased by 29 percent due to an increase in household size in existing housing units versus 71 percent from additional housing units. Population for the Cities of Carpinteria and Lompoc increased by over 37 percent due to higher household sizes.
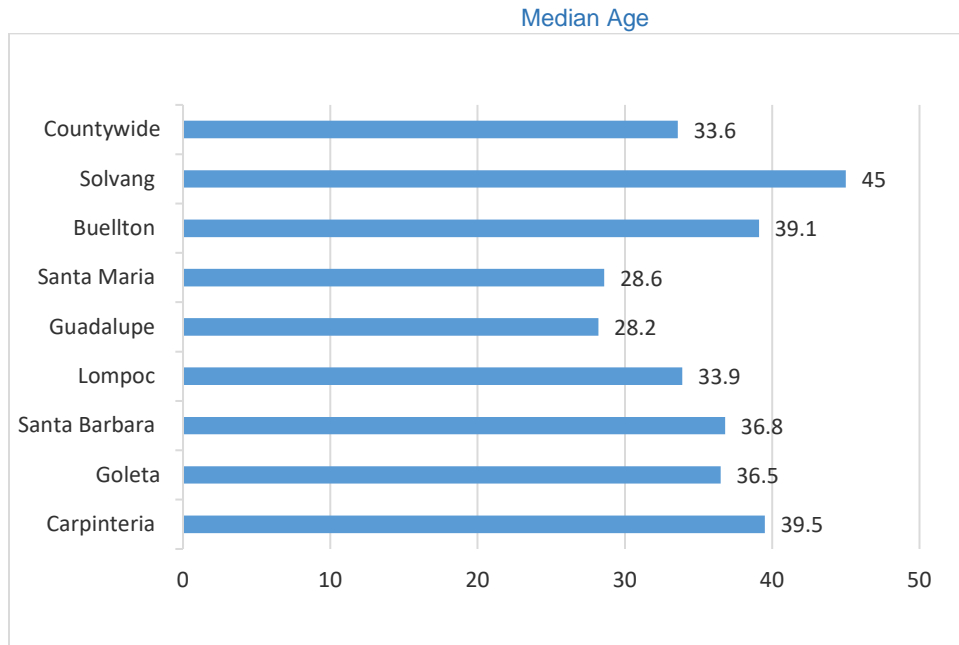
Population Growth, New Households vs Household Size

Jurisdiction	Population Change 2010-2018	% Pop. Growth from Hsld. Size	% Pop. Growth from New Hslds.
Buellton	463	20%	80%
Carpinteria	660	38%	62%
Goleta	1,977	29%	71%
Guadalupe	524	26%	74%
Lompoc	1,986	37%	63%
Santa Barbara	6,397	26%	74%
Santa Maria	8,915	21%	79%
Solvang	526	18%	82%
Unincorporated	6,100	32%	68%
Incorporated	21,448	27%	73%
County Total	27,548	29%	71%

Source: Department of Finance (household size estimates)

Labor Force and Age Characteristics

The North County cities of Santa Maria and Lompoc have the lowest median age and the majority of pre-school and school age population compared to the South Coast jurisdictions, that have a higher median age and the majority of retirees. As the North County pre-school and school-age population ages into the workforce and the South Coast workforce-aged population continues to retire, all other things being equal, future South Coast workers are likely to come more from the North County than from the South Coast. As a result, the North County-to-South Coast job commute will continue to be significant. Many of the South Coast's college graduates will migrate out of the county in search of professional-level employment, if not found locally.

Median Age

| Jurisdiction	Median Age
Countywide	33.6
Solvang	45
Buellton	39.1
Santa Maria	28.6
Guadalupe	28.2
Lompoc	33.9
Santa Barbara	36.8
Goleta	36.5
Carpinteria	39.5

Housing Impacts of Aging Population

The increasing number of retirees can impact future housing opportunities. According to a study by the AARP, 89 percent of homeowners prefer to remain in their homes through retirement.[5] As the population of older people grows, many of them plan to "age in place." In many cases, Baby Boomers are not selling and moving, even when they retire. If they did, they could face higher property and capital gains taxes, with nothing comparable to their current home to buy. As a result, jobs will open up to younger workers, but housing will not. This tendency will limit housing opportunities for the new workers, especially on the South Coast with its already limited housing supply. The end result will be increased commuting into the job center of the South Coast from areas with more available housing, such as Ventura County and northern Santa Barbara County.

The labor force participation rate for the older population begins to drop from 84 percent for ages 45 to 54 to 75 percent for ages 55 to 59 and continues to decline more dramatically for the population aged over 60. Assuming that all these workers will stay on the South Coast through retirement age, a rough estimate can be made of older workers exiting the labor force. Aging the 2010 Census population over a 5-year period and applying the successively lower labor participation rates indicates that an annual average of approximately 1,670 workers dropped out of the South Coast labor force. Applying an average 1.3 workers per household amounts to approximately 1,100 housing units. This represents approximately 1.4 percent of the existing 76,700 housing units in the South Coast. This is as approximation, as some former local workers will leave the area or pass freeing up housing.

An additional consideration is the tendency for the number of persons per household to decline with the increasing age of householders. As children move out of the family household to seek housing of their own, the remaining elderly occupants are often over-housed. The availability of smaller, more efficient senior housing can facilitate downsizing, opening up larger housing for families.

Labor Force Participation Rate by Age for the South Coast

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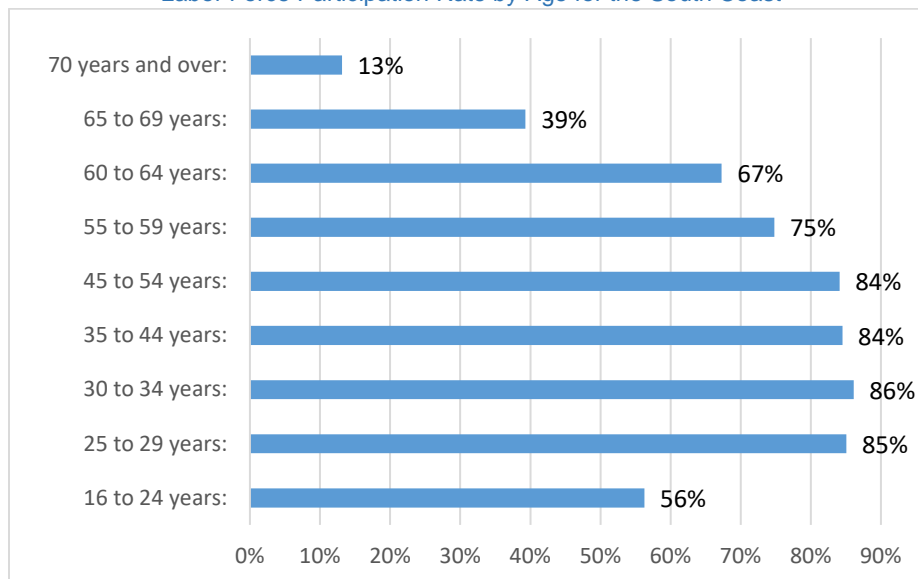
[5] Gold, Margo Rudman. "Aging in Pace and Multi-Generational Households." Realty Times. June 28, 2005.

Senior Dependency Ratio

A sizeable share of seniors aged over 65 and youth younger than age 18 are likely to be socially and/or economically dependent on the working-age population, and they may put additional demands on healthcare and other services. The increasing senior dependency ratio and a relatively consistent youth dependency ratio mean that more workers are moving out of the working-age range than into it. This trend has implications for increased inter-county commuting as there may be relatively fewer local workers to support dependent population groups.

The dependency ratio is based on age rather than employment status. The senior dependency ratio is the ratio of seniors (aged over 65) per 100 working-age (ages 18-64) population and the youth dependency ratio is the ratio of youths (ages 0-17) per 100 working-age population.

- The relatively consistent youth dependency ratio and the increasing senior dependency ratio show that more people are moving out of the working-age range than into it. This trend has implications for increased inter-county commuting as there are fewer potential future workers in the county as more retirees leave the workforce.

- In 2010, the youth dependency ratio was 36.0 youth for every 100 working-age people. There are projected to be 32.4 youth for every 100 working-age persons by 2060.

- The opposite trend is evident for seniors. In 2010, there were approximately 20.0 seniors for every 100 working-age people. By 2060, it is projected that the ratio will more than double to 44.6 seniors for every 100 working-age persons.

S.B. County Dependency Ratios of Seniors over 65 and Youth 0-17 per 100 Working-ages 18 to 64
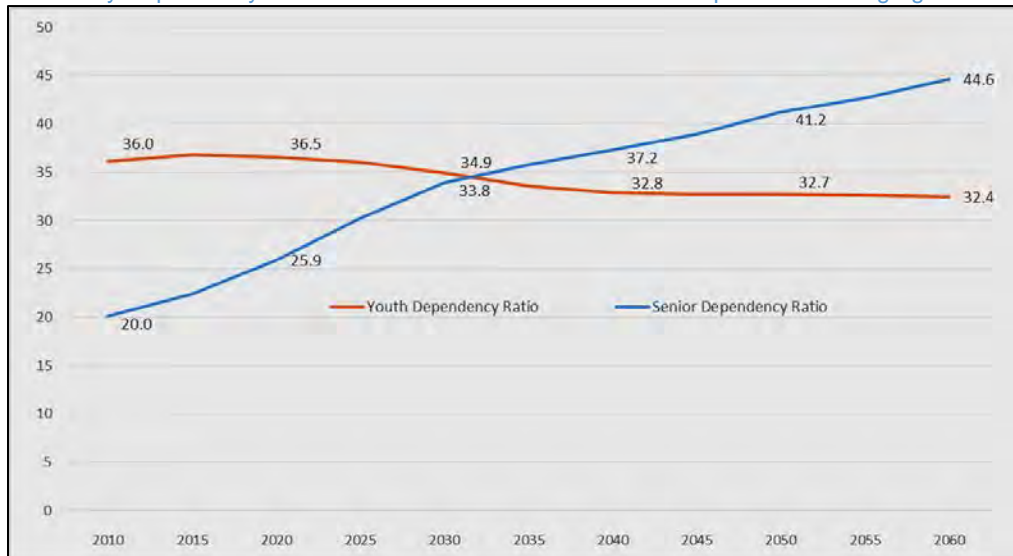
Source: Report P-2, Department of Finance State and County Population Projections by Race/Ethnicity and Age (5-year groups), Jan. 2017, Department of Finance Population Projections by Age, 2010 to 2060