

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, APRIL 23, 2025**

MINUTE ORDER NO. 3

SUBJECT: 2024 GENERAL PLAN AND HOUSING ELEMENT ANNUAL PROGRESS REPORT, APPLICATION FOR THE SANDAG SMART GROWTH INCENTIVE PROGRAM GRANT, AND RELATED CEQA EXEMPTION (DISTRICTS: ALL)

OVERVIEW

State law requires all local governments, including the County of San Diego (County), to adequately plan to meet the housing needs of everyone in its community at all income levels. The County meets this requirement by adopting a housing plan known as a Housing Element as part of the County's General Plan. The General Plan <<https://www.sandiegocounty.gov/content/sdc/pds/generalplan.html>> serves as the County's land use planning "blueprint" for how the County will grow and develop. The State also requires each local government to report housing units constructed under its General Plan. The annual report is known as the General Plan and Housing Element Annual Progress Report (GP APR) and reflects point-in-time information on housing for the calendar year 2024 (January 1 - December 31, 2024). Annual reporting on the County's General Plan and Housing Element implementation provides transparency and keeps the public informed about the impact of the County's programs and initiatives intended to help facilitate the production of housing by the private, public, and non-profit sectors, including affordable housing. All California counties and cities are required to provide a GP APR to the Governor's Office of Land Use and Climate Innovation (LCI) and the California Department of Housing and Community Development (HCD). LCI and HCD use GP APRs to identify statewide trends in land use decision-making and assess how local planning and development activities relate to statewide planning goals and policies.

Housing numbers and trends shift, with recent years showing a decline following a strong post-2008 recovery. The 2024 GP APR reports an 11% drop in permitted homes and a 24% decrease in completed homes compared to 2023. In unincorporated areas, discretionary housing projects have declined, while smaller housing developments, including Accessory Dwelling Units (ADUs), have increased due in part to legislative changes. Factors such as rising interest rates, supply chain issues, regulatory barriers, and litigation risk have further influenced development trends. For example, conforming with Senate Bill (SB) 743, which shifted transportation impact analysis from traffic congestion to Vehicle Miles Traveled (VMT), has added challenges for projects in the unincorporated area. While a recent policy change exempts certain General Plan-compliant projects from VMT analysis, ongoing uncertainty and litigation risks continue to impact housing development.

The 2024 GP APR was prepared by Planning & Development Services (PDS) in collaboration with several County departments including Housing & Community Development Services (HCDS) and the Department of General Services (DGS). Overall, the 2024 GP APR indicates the County is continuing to make progress on implementing the adopted Housing Element and continues to meet its overall State-assigned Regional Housing Needs Allocation (RHNA) goals in the unincorporated area ahead of schedule and is likely to far exceed those goals by the end of the RHNA cycle (2029) at the current pace. The County is currently at 84% of its overall RHNA goal, exceeding pace for all income categories except for the production of very low-income housing, which is lagging.

County staff have made progress on several programs designed to increase housing permit efficiency, such as guaranteed review timelines and evaluating for necessary zoning and code updates. To further advance Housing Element implementation efforts, the County is also pursuing external funding opportunities, such as the San Diego Association of Governments (SANDAG) Sustainable Communities Grant Program (SGIP) to support planning efforts focused on supporting housing opportunities. A resolution authorizing the County to apply for this grant and accept funds if awarded is included as part of today's action. The GP APR also provides data on the discretionary housing applications submitted or approved through the County, homes permitted, and homes that were completed and ready for move-in during 2024. Further details on the County's goals and progress can be found in the full GP APR Report in Attachment A, "General Plan and Housing Element Annual Progress Report."

The 2024 GP APR focuses on land use changes and housing production data based on specific State requirements. Project-specific information included in previous years' GP APRs, such as capital improvements, road projects, sustainability updates, and park projects, can be found in each department's respective annual reports or project webpages as the main source for up-to-date information. Government Code Section 65400 requires the GP APR be provided to the Board of Supervisors in a public hearing. Today's request is for the Board to accept the County of San Diego's 2024 GP APR and adopt the resolution authorizing the County to submit a grant application to further Housing Element implementation.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Planning & Development Services Recommends that the Board of Supervisors:

1. Find that the proposed project is not subject to the California Environmental Quality Act (CEQA) because it is not a project as defined in Section 15378(b)(5) of CEQA Guidelines.
2. Accept the 2024 General Plan and Housing Element Annual Progress Report (Attachment A).
3. Waive Board Policy B-29: Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery, which requires full cost recovery for grants.
4. Adopt the Resolution entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING THE FILING OF AN APPLICATION FOR GRANT FUNDS FROM THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT (Attachment B).

EQUITY IMPACT STATEMENT

Annual reporting on the County's implementation of the General Plan and Housing Element increases transparency about the impact of the County's programs and initiatives on providing equitable solutions to local issues. The General Plan and Housing Element Annual Progress Report (GP APR) provides information on the County's efforts to meet the housing needs of individuals and families from all economic segments of the unincorporated communities, including those with very low incomes (households with up to 50 percent of the Area Median Income (AMI) and low incomes (households with 51 percent to 80 percent of the AMI). These affordability levels are defined by the U.S. Department of Housing and Urban Development (HUD) based on surveys of local AMI and family size.

As published by HUD, the AMI in San Diego County in 2024 for a family of four was \$119,500. The GP APR is an aggregate of land use planning and key housing data for the unincorporated County that can be used to inform policies and programs that improve outcomes related to equity, including those that increase access to affordable housing and improve conditions for people experiencing homelessness, low-income communities, and communities of color.

SUSTAINABILITY IMPACT STATEMENT

The General Plan and Housing Element Annual Progress Report (GP APR) accounts for the County of San Diego's (County's) progress in implementing the goals, policies, and programs outlined in the General Plan and Housing Element. The GP APR is an aggregate of land use planning and key housing data for the unincorporated County that can be used to inform policies and programs that promote equity and environmental sustainability, as well as ensure the community's well-being. This effort supports the County's "Sustainability" strategic initiative to align the County's available resources with services that promote economic stability. The GP APR promotes economic stability by providing transparent data, equitable access to information, operational accountability, and enterprise-wide collaboration.

FISCAL IMPACT

There is no fiscal impact associated with today's action to accept the 2024 General Plan and Housing Element Annual Progress Report.

Funds for the proposed grant-funded projects are partially included as staff time in the Fiscal Year 2025-2026 CAO Recommend Operational Plan in the Department of Planning & Development Services. Total costs for the Buena Creek Specific Plan are estimated at \$993,000. If approved and awarded, the funding sources will be a grant from the San Diego Association of Governments (SANDAG) (\$751,500) and matching funds (\$241,500) in the form of County staff time supported by General Purpose Revenue. A waiver of Board Policy, B-29: Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery, is requested in the amount of \$241,000 for program costs not covered by the grant applications. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Anderson, the Board of Supervisors took action as recommended and adopted Resolution No. 25-021, entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING THE FILING OF AN APPLICATION FOR GRANT FUNDS FROM THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

State of California)
County of San Diego)

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

APRIL 23, 2025