

DRAFT
CITY OF ENCINITAS

Chapter 3: Housing Element

2013-2020

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3.1 INTRODUCTION

A. Purpose of the Housing Element

The Housing Element recognizes the need to provide housing for all economic segments of the community. The Housing Element also satisfies the legal requirements that housing policy be a part of the General Plan. This Encinitas Housing Element is prepared for the 2013-2020 update cycle for jurisdictions in the San Diego Association of Governments (SANDAG) region.

This Housing Element was initially prepared for the 2005-2012 planning period (extended by legislation from June 30, 2010). During this planning period, the City initiated a comprehensive update to the City's General Plan, including an evaluation of the City's land use and housing policies and affecting residential capacity in the community. Due to the timing and comprehensive nature of the General Plan Update process, as well as the status of the 2005-2012 Housing Element, this Housing Element has been revised to address the 2013-2020 planning period.

B. Scope and Organization

The Housing Element is an important planning tool for the City of Encinitas. The Element is concerned with specifically identifying ways in which the housing needs of existing and future resident residents can be met. This Housing Element covers the planning period of January 1, 2013 through June 30, 2020, and identifies strategies and programs that focus on:

- Conserving and improving existing affordable housing;
- Providing adequate sites and range of housing types;
- Assisting in the development of affordable housing;
- Removing governmental and other constraints to housing development; and
- Promoting equal housing opportunities.

An important goal of this element is to ensure that the City of Encinitas embraces the distinct identity and character of its five communities and becomes a place where one can live their entire life with housing for all ages, incomes and abilities. The City envisions itself as a sustainable community that embraces everyone's quality of life through environment, fiscal health, community health and equity. This Housing Element provides policies and programs to address these issues. The 2013-2020 Encinitas Housing Element consists of the following major components:

- **Introduction:** An overview of the purpose and contents of the Housing Element.
- **Goals and Policies:** A set of goals and policies to guide the City actions and decisions relating to the provision of housing.
- **Implementation Plan:** A strategy to address the identified housing needs given the City's constraints and resources.

- **Housing Needs Assessment:** An analysis of the demographic and housing characteristics and trends.
- **Housing Constraints:** A review of potential market, governmental, and environmental constraints to meeting the identified housing needs.
- **Housing Resources:** An evaluation of resources available to address housing goals.
- **Review of Past Accomplishments:** An evaluation of previous Housing Element-related accomplishments.

C. Community Context

Located along six miles of Pacific coastline in northern San Diego County, Encinitas is characterized by coastal beaches, bluffs and cliffs, flat-topped coastal areas, steep mesa bluffs, and rolling hills. The City, which has a population of about 60,000, includes the communities of New Encinitas, Old Encinitas, Cardiff-by-the-Sea, Olivenhain, and Leucadia. Incorporated in 1986, Encinitas is one of the newest cities in the San Diego region. The City covers over 19 square miles in the North County coastal area of the San Diego region.

Known historically as the “Flower Growing Capital of the World,” agriculture, specifically the growing of ornamental flowers, has been an important factor in the history and local economy of Encinitas. The poinsettia has been particularly important to the agricultural history of the City and the legacy of the horticultural industry. Encinitas also boasts the San Diego Botanic Gardens, a beautiful oasis with garden trails, restful vistas and the largest display of bamboo in the world

Downtown 101, the historic heart of Old Encinitas is a coastal business district that dates back 100 years featuring historic architecture, quaint shops, sidewalk cafes, and restaurants. New Encinitas centers on El Camino Real, which features several significant shopping areas, including the El Camino Shopping Corridor (from Leucadia Boulevard to Encinitas Boulevard). The community’s residential areas were predominately developed through Planned Residential Developments (PRDs) and are generally characterized by lower density single-family neighborhoods, with pockets of medium-density single-family and multifamily residential. Cardiff-by-the-Sea is generally made up of quaint homes dotting the hillsides overlooking the Pacific Ocean. Limited multi-family uses exist in the Cardiff-by-the-Sea community, with most located just west of Interstate 5. Leucadia is famous for its giant eucalyptus trees that line the main thoroughfare on the Coast Highway 101. The Community of Olivenhain is generally characterized by rural low density residential uses on large lots with a more “rural” way of life.

While the beaches in Encinitas are outstanding, the surfing also is world renown. The San Elijo Lagoon Reserve is the largest coastal wetland in San Diego County and is home to nearly 300 different bird species throughout the year. The natural beauty of its

communities, along with average winter low temperatures of about 49 degrees Fahrenheit (°F) and summer high temperatures average about 74°F (63°F annual average) make Encinitas a highly desirable place to live.

In January 2010, the City population was estimated to be 59,518, a total increase of about 2.6 percent in the ten years since the 2000 Census reporting the City population at 58,014. During this same period, the housing stock increased from 22,830 units to 24,877, or by approximately 8.9 percent.

Encinitas offers a mix of housing types. Single-family homes make up about 75 percent of the housing stock, the multi-family share is about 22 percent, and mobile homes comprise the remaining three percent.

D. Data Sources and Methodology

In preparing the Housing Element, various sources of information were consulted. The 2000 Census provides the basis for population and household characteristics. Unfortunately, 2010 Census data is not scheduled to be released in time for the preparation of this Housing Element. Although dated, no better source of information on demographics is widely accepted. However, several sources were used to provide reliable updates to the 2000 Census, including the following:

- 2005-09 American Community Survey by the Census Bureau
- Available 2010 Census data released by the Census Bureau on total population by race/ethnicity and total housing units
- Population and demographic data updated by the State Department of Finance
- Housing market information, such as home sales and rents, from Dataquick and Realtytrack, among other sources
- Lending patterns from the Home Mortgage Disclosure Act (HMDA) database
- Labor statistics from California Employment Development Department

E. General Plan Consistency and Related Goals and Policies

The City of Encinitas' General Plan contains goals and policies for urban development, community design, housing, natural hazards, economic development, and public services and facilities. The Land Use Element sets forth the amount and type of residential development permitted under the General Plan, thereby affecting housing opportunity in Encinitas. In addition, the Land Use Element contains policies directed at maintaining the existing housing stock, as well as ensuring the quality of new residential development. The Circulation Element contains policies to minimize roadway traffic into residential neighborhoods and addresses the accessibility and use of all roadway users. The Noise Element sets forth policies to minimize the level of noise in neighborhoods. The Resource Management Element establishes development standards to minimize the impact of residential development on sensitive resources, such as hillside areas, ecological habitat, and scenic view sheds. Finally, the Public Safety Element sets forth policies to ensure the safety of the City's housing stock through such measures as code enforcement, seismic safety and flood hazard management, and mitigation of environmental hazards as a condition to development.

This Housing Element was updated as part of the comprehensive update to the General Plan elements and therefore is entirely consistent with the policies and proposals set forth by the General Plan. The manner in which the update is being prepared ensures that the Plan complies with recent court cases and/or state guideline changes. Table 3-1 below identifies the other General Plan Elements that support the major goals addressed in the Housing Element. Through the City’s annual General Plan implementation review process, the City will ensure internal consistency among the various elements of the General Plan.

Table 3-1: Housing Policy Matrix

Issue Area	Land Use and Community Design	Circulation	Resource Management	Parks, Recreation, and Public Facilities	Public Safety	Public Health	Noise
Addressing Future Needs	X	X	X	X	X		
Enhancing Fair Housing Opportunities	X				X		
Ensuring Housing & Neighborhood Quality	X	X	X	X	X	X	X
Encouraging Affordable Housing Development	X	X				X	

F. Public Participation

Public participation by all economic segments is critical to the preparation of the Housing Element. Furthermore, the City values community input in policy development.

1. Housing Element Advisory Committee

As part of the initial 2005-2012 Housing Element preparation, the Encinitas City Council directed the City Manager to form an ad hoc advisory committee to help guide the Housing Element update. The Housing Element Advisory Committee (HEAC) – composed of 18 members representing a cross-section of community interests including social service providers, community and business groups, the real estate and building industries, policymakers, and affordable housing developers – conducted four public workshops to review the contents of the Housing Element and encourage participation in its revision. Each workshop was attended by an additional 12 to 20 members of the public. The workshops were designed to solicit input from the HEAC and public at key phases of the Housing Element’s development. The City posted public notices at City Hall and on the City’s website, advertised in the local newspaper, and held the meetings at City hall during the evening in order to use a thorough noticing process and to provide the opportunity for as many residents as possible to participate. Comments received at the workshops and public hearings have been considered and incorporated into the updated plan where appropriate.

2. General Plan Advisory Committee

To provide guidance for the General Plan update (including the 2013-2020 Housing Element), the City appointed a General Plan Advisory Committee (GPAC) consisting of 23 members and accounting for a board range of socioeconomic interests. Each stakeholder group appointed/selected their own representative to be dedicated to the General Plan Update throughout the two-year planning process. Each member was directly responsible to inform their respective group to ensure consistent, regular communication between all interested parties. Several stakeholder groups on the GPAC represent the housing industry and/or the housing needs of low and moderate income households and persons with special needs:

- Senior Citizen Commission
- Affordable housing advocates: San Diego Housing Federation
- Real estate industry: San Dieguito Association of Realtors
- Social services: Community Resource Center

Since January 2010, the City has conducted numerous meetings with the GPAC.

3. Outreach Tool Kit

An outreach tool kit was developed to be used by trained community volunteers to meet with a variety of community groups and associations to collect community input. These focus group meetings are designed to inform participants about the General Plan Update and to solicit community opinion about the desired future and vision for the City of Encinitas. GPAC members utilized the tool kit to outreach to various neighborhoods in the City. Overall, ten neighborhood meetings were conducted.

4. Public Workshops

The City conducted a series of community-specific workshops in each of the City's five communities in March 2010 (Olivenhain, New Encinitas, Cardiff, Leucadia, and Old Encinitas). In addition, a Vision Festival was held on May 1, 2010 and citywide workshops were held on November 16, 2010 and March 28, 2011.

In the first phase of the process, the community helped create the vision and physical framework for the General Plan Update. Key housing related visioning statements are summarized in Table 2. In the second phase of the process, the community developed policy issues and opportunities, as well as identified focus areas in the City where physical improvement or land use change is likely to occur over the next 20 years. There was substantial support to revitalize these commercial corridors and to evaluate mixed-use residential development in these areas.

On August 9, the City conducted a Housing Element Focus Group meeting to solicit input from housing professionals and service providers. Appendix A lists the agencies invited to the meeting. Representatives from the Community Resource Center and San Diego City Ventures, as well as a student from the University of California, San Diego attended the meeting. Comments from this meeting are also summarized in Table 3-2.

5. Outreach Methods

The City advertised all public workshops with citywide mailers to every resident, absentee owner, and boxholder. The City also distributed postcards/flyers to local businesses and groups at various times in the process. Press releases were also sent to media groups covering the sub-region. Detailed announcements on public meetings were also sent to subscribers of the City’s e-Alert system. GPAC members were also asked to electronically “blast” their memberships. Public workshops were also advertised on street banners. This comprehensive outreach approach ensured that all residents were afforded opportunities to offer their input.

6. Summary of Community Input and Housing Element Response

A range of comments were received during the General Plan/Housing Element update process. Table 3-2 below summarizes the input received and Housing Element responses.

Table 3-2: Summary of Community Input

Comments	Housing Element Response
<ul style="list-style-type: none"> ▪ Changing demographics and aging population. Need to consider improving housing affordability, increasing live/work opportunities, and providing support for “aging in place.” ▪ Expand housing types and sizes that meet the needs of diverse incomes, household types, and lifestyle needs. ▪ Respond appropriately to state laws related to land use density, maintaining appropriate scales between housing and retail uses. ▪ Maintain and enhance neighborhood character in all areas in Encinitas. 	<ul style="list-style-type: none"> ▪ The Housing Element encourages increased densities and mixed use developments at specific locations. This policy promotes affordable housing options for seniors and smaller households. ▪ The Housing Element encourages mixed use developments to expand the City’s housing options. In addition, the Housing Element addresses the provision of housing for persons with disabilities and housing options for extremely low income households. ▪ The Housing Element encourages mixed use developments and increased residential densities at specific locations. ▪ The Housing Element proposes to preserve the character of existing neighborhoods by concentrating growth along the major transportation corridors and in the downtown area. The Housing Element also includes programs to preserve and improve the existing housing conditions. ▪ The Housing Element also includes programs to preserve and improve the existing housing conditions, as well as to provide for second units. ▪ The Housing Element includes a discussion of the City’s development process, including estimates on development fees. The Housing Element includes a program to implement changes to the City’s Inclusionary Housing program. Specifically, the City will establish a methodology to calculate the in-lieu fee. As part of that effort, the City will also explore other options for fulfilling the inclusionary housing requirements.
<ul style="list-style-type: none"> ▪ Address blighted housing and non-conforming second units through code enforcement. ▪ Increase transparency in the development process, including costs of development. The plan checking timeline is lengthy and the affordable housing in-lieu fee is difficult to work into the project 	

Table 3-2: Summary of Community Input

Comments	Housing Element Response
<ul style="list-style-type: none">▪ State default density does not reflect market economics. Ownership housing is most appropriate to be developed at up to 22 units per acre, while rental housing has a breakpoint of 40 units per acre.▪ Underwriting parking is expensive.	<ul style="list-style-type: none">▪ The Downtown Encinitas Specific Plan has no density limit for mixed use development. Mixed use projects in the Downtown Encinitas Specific Plan area reach an average density of 38 units per acre.▪ The Housing Element includes a program to consider reduced parking standards for mixed use and affordable housing in the Downtown Encinitas Specific Plan and North 101 Corridor Specific Plan areas.

3.2 Goals and Policies

The City will:

- Implement housing policies that foster residential development and establish goals to meet a wide range of housing needs;
- Enhance housing opportunities for all residents;
- Ensure the quality and maintenance of existing housing units and protect the quality of life in neighborhoods; and,
- Encourage the development, construction, rehabilitation, and conservation of affordable housing for low and moderate income households.

Each issue area and the supporting goals and policies are identified and discussed in the following section.

A. Foster Residential Development to Address Future Needs

The City will encourage the construction of new rental and homeownership housing units to ensure that an adequate supply is available to meet existing and future needs. The maintenance of a balanced inventory of housing in terms of unit type (i.e. single-family, multi-family, congregate, and mobile homes), price level, and style will ensure that housing opportunities are available to meet a wide range of needs. Each of the five communities in Encinitas has a distinct character due in large part to the nature of their existing residential neighborhoods. New housing development generally should reflect the character of the community in which it is located and should be compatible with the surrounding neighborhood in particular.

Goal 1: Encourage the provision of a wide range of housing by location, tenure, type of unit, and price level to meet the current and future housing needs in the City.

Policy 1.1: Move towards establishing a balance of housing types in the City.

Policy 1.2: Provide the capacity for the development of a wide variety of housing sizes, incomes, and lifestyles to meet the varying needs of current and future residents.

Policy 1.3: Ensure that new residential units are compatible in design with the surrounding residential neighborhood as planned by the City, preserving the distinct character of each of the five communities.

Policy 1.4: Require that housing developed for low and moderate income households be dispersed throughout the City, and that such housing should be comparable quality in terms of design as the adjacent market-rate units.

Policy 1.5: Make reasonable efforts to preserve quality rental housing, encourage rehabilitation of older rental units to extend the useful life of the properties, and facilitate new rental housing construction.

In evaluating a proposed conversion of rental units to condominiums, the City will consider the following factors: 1) the effect conversion will have on the City's rental housing market to meet the needs of low and moderate income households; 2) the extent to which proposed improvements will significantly increase the useful life of the property; and 3) the extent to which a proposed conversion will provide homeownership opportunities for low and moderate income households (in accordance with the inclusionary program and coastal replacement requirement).

Policy 1.6: Preserve existing mobile home opportunities and encourage retention of all existing, mobile home parks that provide safe, decent, and low-cost housing opportunities through existing zoning regulations; various incentives such as residential rehabilitation, tenant rental assistance, etc.; and discourage the rezoning of mobile home park zones.

Policy 1.7: Encourage 'smart growth' and sustainable development practices in focused areas identified in the General Plan in order to facilitate the provision of increased density and/or mixed-use developments.

Policy 1.8: Create mixed-use activity centers that create a sense of place and combine residential, retail, office, and public spaces along transportation corridors to promote walkability and vibrant areas for living, working, and shopping.

Policy 1.9: Facilitate infill housing developments to ensure the efficient use of land and a sustainable development pattern, as well as where smaller lots sizes are appropriate.

B. Enhance Fair Housing Opportunities

Equal access to housing for all is a fundamental right protected by both State and Federal laws. Fair housing is a condition in which individuals of similar income levels in the same housing market have a comparable range of housing choices available to them, regardless of race, color, ancestry, national origin, religion, sex, disability, medical conditions, marital status, familial status, source of income, sexual orientation, or other arbitrary factors.

Goal 2: Housing opportunities shall be made available to all persons regardless of race, color, ancestry, national origin, religion, sex, disability, medical conditions, marital status, familial status, source of income, sexual orientation, or other arbitrary factors.

Policy 2.1: Affirmatively further fair housing policies by supporting outreach, education, counseling, and mediation, and by referring individuals who may be victims of discrimination to fair housing service providers.

Policy 2.2: Collaborate with the County and other cities in the region to reduce or remove impediments to fair housing.

Policy 2.3: Encourage residential developers to market housing opportunities in compliance with State and Federal fair housing laws.

C. Ensure the Quality of Housing and Protect Neighborhoods

Substandard and deteriorating housing units, in addition to the obvious problems of blight, can expose occupants to a wide range of hazards ranging from electrical fire to exposure to toxic substances used in construction. Many factors can determine the “life expectancy” of a dwelling unit including the quality of workmanship, age of building, type of construction, and deferred maintenance.

Goal 3: The City will promote the development of high quality housing, enforce the maintenance of safe and decent housing, and improve the quality of life in residential neighborhoods.

Policy 3.1: Facilitate the repair of substandard units determined to be dangerous to the public health and safety, and bring the units up to the applicable building, safety, and housing codes. Abate the substandard units when compliance through repair is not or cannot be achieved.

Policy 3.2: Enforce the building, safety and housing codes through vigorous code enforcement efforts, to bring substandard units into compliance with City codes and to improve overall housing quality and conditions.

Policy 3.3: Continue to support the existing housing rehabilitation programs for single-family homes and mobile home units. Increase marketing and outreach efforts, especially in lower-income neighborhoods and mobile home parks. Investigate and apply for any additional available funding.

Policy 3.4: Improve and maintain a high quality of life in residential neighborhoods by providing adequate infrastructure, public facilities, and neighborhood amenities for new and existing residents.

Policy 3.5: Continue to assess reasonable development fees on new residential units to finance necessary public improvements.

Policy 3.6: Encourage developers to provide street planting, landscaping, lighting, and underground utilities as part of any subdivision.

Policy 3.7: Continue to implement design review criteria that encourage high quality standards of design and materials in all residential developments.

Policy 3.8: Encourage cost effective energy efficient housing, including the use of passive systems, to decrease energy use.

D. Encourage New Affordable Housing Development and Protect Restricted Units

The City's existing housing stock includes several hundred units that are affordable to lower-income households. A significant part of the City's housing effort is to monitor these affordable units and ensure their continued affordability. The City is willing to commit its housing resources to maintaining and if possible extending the term of affordability on restricted units.

Goal 4: The City will facilitate the development of housing for lower income households, assist in creating ownership and rental opportunities for moderate-income households, and attempt to preserve the affordability of existing restricted units.

Policy 4.1: Enhance the feasibility of affordable housing development by providing incentives to developers proposing such projects, including reasonable reductions in development standards, streamlined permitting, gap financing, and/or reduced fees (to the extent that funds are available from dedicated revenue sources).

Policy 4.2: Whenever restricted units are at risk of converting to market-rate units, attempt to negotiate with rental property owners to extend the term of affordability.

Policy 4.3: Identify and develop dedicated revenue source(s) to fund an Affordable Housing Trust Fund.

Policy 4.4: Form public/private partnerships with private developers to facilitate the development of an adequate supply of restricted affordable housing. Utilize the Trust Fund to leverage other public and private financing for affordable housing development projects.

3.3 Implementation Plan

The programs contained in this section of the Housing Element describe specific actions the City of Encinitas will carry out over the 2013-2020 Housing Element cycle to satisfy the community's housing needs and meet the requirements of State law. The programs are organized into the several major issue areas:

- Zoning and Land Use Opportunities;
- Affordable Housing Opportunities;
- Housing for Special Needs Groups;
- Homeownership and Rental Assistance;
- Maintenance and Preservation; and
- Fair Housing.

The City's quantified objectives for the Housing Element planning period follow the program descriptions. An important concept underlying the Housing Element is that the provision of affordable housing is an important action that the City needs to encourage. The following programs cover a broad array of housing issues but specifically include a number of new actions designed to enable the City to meet its affordable housing goals.

A. Zoning and Land Use Opportunities

The relationship between housing goals and land use planning is direct. The Land Use Element of the Encinitas General Plan and its implementing zoning regulations is an important "housing program," by providing for the number and type of housing units needed. The Housing Needs, Housing Constraints and Housing Resources sections of the Housing Element establish the relationship between identified housing needs and the ability to meet those needs through the City's land use planning. The following existing provisions of the City's Zoning Code are designed to ensure that the City achieves its housing objectives as a result of zoning implementation.

Program 1A: Overall Land Use Plan Implementation

The City will continue to apply zones through the Zoning Code and Zoning Map to correspond with the Land Use Element's residential designations to provide a range of residential housing types and densities. These include the single-family residential categories, the multi-family categories (R-11 through R-30 zones) and the specialty category of Mobile Home Park (MHP). The City has capacity for a range of housing types and densities both in terms of vacant land suitable for residential development and potential for redevelopment.

Timeframe and Objectives:

- On-going implementation of the Zoning Code.
- Monitor development trends to ensure development standards are appropriate and adequate to facilitate a range of housing options.
- Eliminate the mid-point in residential density ranges and guarantee maximum.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1B: Mixed Use Zoning

The City will continue to encourage mixed-use developments in targeted areas as a means to promote sustainable development pattern and incentivize private revitalization of commercial centers.

The Encinitas Ranch, Downtown Encinitas, and North 101 Corridor Specific Plans include provisions for mixed-use development in commercial districts with densities from the residential portion at 15 to 25 dwelling units per acre, except in specific areas of the Downtown Encinitas Specific Plan where there is no density limit established for mixed use development.

In addition, as part of the Comprehensive General Plan Update process, the City created new focused areas where mixed use developments are encouraged through incentives. Those types of mixed use developments are addressed under three new proposed zoning designations. The three new proposed zoning includes Mixed Use with Commercial Emphasis (MU-C), Mixed Use with Visitor Serving Commercial, and Mixed Use with Residential Emphasis (MU-R). The MU-R classification would permit 30 units per acre, with a 25 units per acre minimum.

Timeframe and Objectives:

- Develop new MU-R zone standards. The new zone classification should strive to implement these housing policies.
- Work to increase developer awareness of the potential for mixed-use development in Encinitas:
 - Within the first year of Housing Element adoption, and on an on-going basis, coordinate with the main street associations of Downtown Encinitas and North Highway 101 to promote infill mixed-use development in these areas, as well as property owners in areas where the MU-R classification is being assigned.
 - Create an informational hand-out and distribute through the City's electronic development services newsletter, and make it available at the development services counter at City Hall as well as the City's website.
 - Continue to provide technical support to developers proposing mixed-use projects through weekly Staff Advisory Committee (SAC) meetings.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1C: Accessory Units

The City will continue to apply zoning code provisions that allow accessory units (also known as second units or granny flats) by right in all single-family residential zones, in accordance with State law. Implementation of the City's ordinance permitted the construction of at least 163 new units during the last review period.

Timeframe and Objectives:

- On-going implementation of the Second Unit Ordinance.
- Achieve an average ten accessory/second units annually.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 1D: Mobile Home/Trailer Parks

The City will continue to apply zoning provisions that allow the development of new mobile home/trailer parks, and that recognize and allow the expansion of existing parks. The City will continue to maintain the exclusive mobile home park zone (MHP) where appropriate, and will continue to provide for parks as an option under other zones. The City will also support efforts to preserve existing mobile home units.

Timeframe and Objectives:

- On-going implementation of the MHP zoning.
- On-going implementation of the Residential Rehabilitation Program and appropriation and expenditure of HOME and CDBG funds.
- On-going implementation of a mobile home park and resident resource center to serve as a central source of education resources and materials such as information on the Section 8 program, resident purchase of parks, right of refusal and unsolicited offers.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 1E: Coastal Housing Replacement

State law (G.C. 65590) requires replacement of low and moderate income housing lost due to conversion or demolition of housing in the Coastal Zone. The replacement requirement is applied to projects of three or more dwelling units (eleven or more if multiple structures) whose occupants are of low or moderate income, regardless of the dwellings' affordability.

Timeframe and Objectives:

- Continue to maintain records of affordable housing lost in the Coastal Zone and replacement housing provided.
- Identify potential resources to provide for replacement housing, including fees for condominium conversions, inclusionary housing in-lieu fees, or other replacement requirements.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 1F: Density Bonus

State law (SB 1818) requires that a jurisdiction grants a density bonus if requested by a developer, for providing affordable housing as part of a development proposal. Key provisions of the law include incremental density bonuses that correspond to the percentage of housing set aside as affordable units. State law caps the maximum

density bonus at 35 percent and requires that the jurisdictions grant up to three incentives or concessions. The law also provides for reduced parking requirements, if requested by a developer.

Although the City approves density bonus projects consistent with State law, the City's implementing ordinance of Density Bonus Law is inconsistent with the current State law. The City's adopted Local Coastal Program (LCP) restricts density bonuses to a maximum of 25 percent and allows only one concession or incentive due to the California Coastal Commission's interpretation of previous State Density Bonus Law.

Timeframe and Objectives:

- Amend the City's density bonus ordinance, within one year of the adoption of the Housing Element, to comply with State law and evaluate how the density bonus ordinance may be applied in conjunction with the City's Inclusionary Housing Program to maximize housing opportunities.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1G: Permit Streamlining

As required by State law, the City continues to improve the efficiency of the development review process. Recently, the City improved its permitting process, including reducing unnecessary paperwork; eliminating certain permit requirements; and establishing an interdepartmental team to quickly resolve problems as they arise.

Timeframe and Objectives:

- Continue the City's policy to expedite permitting procedures for affordable housing projects. Emphasize working with non-profit and for-profit housing developers to better utilize an expedited process, which would include priority plan review and inspection services.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1H: Reduced Parking Standards for Mixed Use and Affordable Housing in Specific Plan Areas

The Downtown Encinitas and the North 101 Corridor Specific Plans contain modified parking standards to encourage mixed-use and affordable housing development. In designated zones in the Specific Plan areas, the City requires no more than two off-street parking spaces for a residential unit in a mixed-use development. Mixed-use units that are guaranteed to be affordable to low or very low income households are allowed a reduced, one-space-per-unit parking requirement.

Timeframe and Objectives:

- Continue to apply reduced parking standards in the Downtown Encinitas and North 101 Corridor Specific plan areas for mixed use and affordable units.
- Consider reduced parking standards and/or requirements in other appropriate areas or zones.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1I: Separate Lot or Airspace Ownership Requirements in North Highway 101 Specific Plan

Section 3.1.1(A)(4) of the North 101 Corridor Specific Plan requires that “all [new] residential detached and attached dwelling units in residential-only developments must be constructed on a legally subdivided lot or must be subdivided to permit ownership of airspace in the form of a dwelling unit with an undivided share in common elements.” While this requirement is appropriate for single-family homeownership projects, it may pose a disincentive to the provision of duplex and multi-family housing by imposing additional cost, processing and development requirements.

Timeframe and Objectives:

- Amend the North 101 Corridor Specific Plan in 2015 to eliminate the airspace requirement for multi-family housing.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1J: Manufactured Housing

The City will continue to permit manufactured housing units by right in single family zones, as long as the units meet all zoning and building codes.

Timeframe and Objectives:

- On-going implementation of the Zoning Code to provide for the construction of manufactured housing.

Implementing Agency: Planning and Building Department/Planning Division
Funding Sources: Departmental budget

Program 1K: Design Review Findings for Residential Projects

The City requires design review approval for most proposed development. Unless exempt, residential projects need to be consistent with the City’s design guidelines and comply with certain regulatory findings before they may be constructed. Among these findings is the requirement that the project “would not tend to cause the surrounding neighborhood to depreciate materially in appearance or value (EMC 23.08.080).” In response to concerns that such a finding could pose a constraint to housing, the City will evaluate this design review finding for its potential to be subjectively applied in denying a residential development. As noted in the Constraints Analysis, there is no history that a residential project was denied solely on the basis of this finding. Its effectiveness in assuring high quality development is minimal as compared to meeting the other three findings, namely, that a project: 1) is consistent with the General Plan, a Specific Plan or the Municipal Code; 2) is substantially consistent with the Design Review Guidelines; and 3) would not adversely affect the health, safety, or general welfare of the community.

Timeframe and Objectives:

- Consider alternative language or eliminating this finding altogether for residential projects as part of the Zoning Code update in 2014.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

B. Affordable Housing Opportunities

The City recognizes the most cost-effective approach to providing affordable housing to its lower and moderate income households is to maintain a supply of permanent or long-term affordable housing units. The follow programs work to expand the City's affordable housing inventory.

Program 2A: Inclusionary Housing

The City's inclusionary housing program requires that subdivisions of 10 or more units to set aside at least 10 percent of the units for low income households. As a condition of approval of any tentative subdivision map for residential dwellings, community apartments, stock cooperatives or conversions of 10 units or more, the subdivider is required to reserve the unit(s) for rental to tenants at or below 50 percent of the median income. The units either have to be rented at or below the affordable rent level or sold at a price affordable to eligible households. All required affordable units must be phased in with market rate units to ensure completion.

Timeframe and Objectives:

- Implement changes to the Inclusionary Housing program by 2014 to more effectively meet the City's affordable housing goals and grant developers greater flexibility in how they fulfill their inclusionary housing requirement. Changes to be considered may include:
 - Establishing the methodology to calculate an in-lieu fee and/or linkage fee;
 - Modifying the project threshold size and/or minimum inclusionary housing set-aside;
 - Targeting a range of lower and moderate income units;
 - Allowing off-site affordable units;
 - Promoting "unit banking"; and
 - Accepting land donations.
- Evaluate, by 2014, how this program may be combined with the City's Density Bonus program (Program 1G above) to maximize affordable housing opportunities.
- Evaluate, by 2014, expanding the application of inclusionary housing to increase homeownership opportunities for moderate-income households.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 2B: Affordable Housing Development

The City will work with developers to facilitate affordable housing development. Specifically, as funding permits, the City will provide gap financing to leverage State, federal, and other public affordable funding sources. Gap financing will focus on rental housing units affordable to lower income households and households with special needs (such as seniors and disabled). The City will also ensure a portion of the affordable housing units created be available to extremely low income households.

Timeframe and Objectives:

- Assist in the development of housing units affordable to lower income and special needs households through:
 - Gap financing;
 - Provision of site information;
 - Technical support in the application for State, federal, and other funding programs;
 - Assistance in the entitlement process; and
 - Consideration of, on a case-by-case basis, fee waivers and concessions.

C. Housing for Special Needs Groups

Due to their unique circumstances, certain groups in the community require special assistance to attain decent and affordable housing. The following programs address the special housing needs of the elderly, disabled, homeless, agricultural workers, and persons of lower and moderate income households, especially those of extremely low incomes.

Program 3A: Agricultural Worker Housing

The City will amend its Zoning Code to be consistent with State law regarding agricultural worker housing. Pursuant to the State Employee Housing Act (Section 17000 of the Health and Safety Code), employee housing for agricultural workers consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household is permitted by right in an agricultural land use designation. Therefore, for properties that permit agricultural uses by right, a local jurisdiction may not treat employee housing that meets the above criteria any differently than an agricultural use.

Furthermore, any employee housing providing accommodations for six or fewer employees shall be deemed a single-family structure with a residential land use designation, according to the Employee Housing Act. Employee housing for six or fewer persons is permitted where a single-family residence is permitted. No conditional or special use permit or variance is required.

Due in large measure to high housing demand, high land prices, and fundamental economic shifts in the agriculture industry, greenhouse and agricultural operations are increasingly being converted to residential land uses in Encinitas. The General Plan's Resource Management Element recognizes the important contributions that the agriculture industry has made to Encinitas' history, and contains a number of policies to encourage its continued role in the community.

Timeframe and Objectives:

- Amend the Zoning Code to address housing for agricultural workers within one year of the Housing Element adoption.
- Support efforts of developers to pursue funding under HCD's Farm Worker Housing Program, which provides grant and loan funding for the construction, rehabilitation and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower income households.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget; Joe Serna Jr. Farm Worker Housing program

Program 3B: Care Facilities

In early 2005, the City revised its ordinance and definitions to be consistent with State standards. The City will continue to allow for the development of small-scale care facilities, community care facilities, congregate care facilities, and residential care facilities under zoning to meet the special housing needs of seniors and persons with disabilities.

Timeframe and Objectives:

- On-going implementation of the Zoning Code regarding residential care facilities.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 3C: Reasonable Accommodation Procedure in Zoning and Building Permit Processes for Persons with Disabilities

State law (SB 520 – Chesbro) requires jurisdictions to analyze potential and actual governmental constraints on the development, maintenance and improvement of housing for persons with disabilities and demonstrate local efforts to remove or mitigate those constraints. Housing elements must include programs that remove constraints or provide reasonable accommodation for housing designed for persons with disabilities.

Through its building permit authority, the City enforces State Title 24 accessibility regulations. As needed on a case-by-case basis, the City has made reasonable accommodations with respect to accessibility in its application of zoning/development standards. This program will develop a formal reasonable accommodation procedure for persons with disabilities as related to zoning/development and building permit processes. For example, to ensure full compliance with reasonable accommodation procedures of the Fair Housing Act, the City can adopt a Reasonable Accommodation Ordinance to establish procedures for the review and approval of requests to modify standards in order to improve accessibility for persons with disabilities.

Timeframe and Objectives:

- Amend the Zoning Code to establish a formal procedure for processing reasonable accommodation requests within one year of the adoption of the Housing Element.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

Program 3D: Emergency Shelter

Senate Bill 2 requires local governments to identify one or more zoning categories that allow emergency shelters (year-round shelters for the homeless) without discretionary review. The statute permits the City to apply limited conditions to the approval of ministerial permits for emergency shelters. Pursuant to State law, the City may establish standards such as:

- Maximum number of beds;
- Proximity to other shelters;
- Length of stay;
- Security and lighting;
- Counseling services; and
- Provision of on-site management.

Timeframe and Objectives:

- Amend the Zoning Code to permit emergency shelters by right without a discretionary review process in the Light Industrial (LI) and Business Park (BP) zones within one year of the adoption of the Housing Element.
- Continue to sponsor or assist emergency shelters facilities, inside City limits or outside within a reasonable proximity. Encourage or support facilities by providing grants, or low cost loans, to operating agencies.
- Continue to provide financial assistance nonprofit service agencies such as the Community Resource Center, YMCA-Oz North Coast, Fraternity House, and North County Solutions for Change to provide supportive services for the homeless.
- Continue to provide winter homeless assistance, either through motel voucher funding or a temporary winter shelter (for example, Interfaith Shelter network and the Scout Center).

Implementing Agency: Planning and Building Department/Planning and Housing Divisions

Funding Sources: Departmental budget; Community Development Block Grants; Affordable Housing Fund

Program 3E: Transitional and Supportive Housing

State Housing Element Law mandates that local jurisdictions must address the provision of transitional and supportive housing. Transitional housing is included in the Encinitas Zoning Code as a residential care facility. Supportive housing is not specifically addressed in the Zoning Code.

The City will amend its Zoning Code to differentiate transitional/supportive housing in the form of group quarters versus as regular housing developments. For transitional/supportive housing facilities that operate as regular housing developments, such uses will be permitted where housing is otherwise permitted. For transitional/supportive housing facilities that operate as group quarters, such facilities will be permitted as residential care facilities. Potential conditions for approval of large residential care facilities (for more than six persons) as transitional/supportive housing may include hours of operation, security, loading requirements, noise regulations, and restrictions on loitering. Conditions would be similar to those for other similar uses and would not serve to constrain the development of such facilities.

Timeframe and Objectives:

- Encourage or support transitional/supportive housing facilities by providing siting opportunities, grants, or low cost loans to operating agencies.

Implementing Agency: Planning and Building Department/Planning and Housing Divisions

Funding Sources: Departmental budget; Community Development Block Grants; HOME Investments Partnership Programs

Program 3F: Single-Room Occupancy (SRO) Housing

SRO units are typically one-room units intended for occupancy by a single individual. They are distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other and could be equivalent to an efficiency unit. The Encinitas Zoning Code does not contain specific provisions for SRO units; however, the Downtown Encinitas Specific Plan and North 101 Corridor Specific Plan conditionally permit single-room occupancy hotels. Consistent with AB 2634 enacted in 2006, the City will amend the specific plans to clarify that the specific plans conditionally permit SRO housing.

Timeframe and Objectives:

- Amend the specific plans to address the provision of SRO housing within one year of the adoption of the Housing Element.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Departmental budget

D. Homeownership and Rental Assistance

The City will continue to provide programs that offer assistance to lower and moderate income households, including those of extremely low incomes.

Program 4A: San Diego Regional Mortgage Credit Certificate Program (MCC)

The Mortgage Credit Certificate (MCC) program allows qualified first-time homebuyers to reduce their federal income tax by up to 20 percent of the annual interest paid on a mortgage loan. With less being paid in taxes, the homebuyer's net earnings increase, enabling him/her to more easily qualify for a mortgage loan.

Qualified applicants must be first-time homebuyers earning no greater than 120 percent of the area median income. An MCC may only be used to purchase single-family detached homes, condominiums, townhomes and manufactured homes on a permanent foundation.

The City will continue to participate in and promote the MCC program. However, the high home prices in Encinitas have rendered this program infeasible in most cases. One MCC has been issued over the past few years. Nevertheless, the program represents an additional opportunity for some lower and moderate income households to achieve affordable homeownership.

Timeframe and Objectives:

- Continue to participate in the MCC program and promote program through City website.

Implementing Agency: City of Encinitas Planning and Building
Department/Housing Division; County of San Diego
Housing and Community Development;

Funding Sources: California Debt Limit Allocation Committee (CDLAC)

Program 4B: Section 8 Housing Choice Voucher Program

This program provides rental assistance to eligible very low income households (with incomes not exceeding 50 percent of the area median). The subsidy represents the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged. The U.S. Department of Housing and Urban Development (HUD) has not issued any new vouchers to the City of Encinitas for the past five years. In January 2004 and January 2005, HUD capped the Section 8 budget, which required the City to reduce program operating costs. The City responded in part by increasing the payment standards and enhancing occupancy standards which provides for more rental unit opportunity. Although the City will continue to administer its 136 housing vouchers, the City's ability to expand or even maintain this program at its current level is derived from the annual Federal budget process. Recent indications from HUD are that Federal support for Section 8 will not be expanded.

Timeframe and Objectives:

- Continue to administer the Housing Choice Voucher program, assisting up to 136 very low income households.

Implementing Agency: City of Encinitas Housing Authority

Funding Sources: HUD Section 8 allocations

Program 4C: HOME Housing Vouchers Program

This HOME-funded Tenant-Based Rental Assistance (TBRA) program mirrors the Housing Choice Voucher program and provides a maximum 24 months of rental assistance to very low income households (50 percent of area median income). During this time period eligible participants may be transferred to the Section 8 Housing Choice Voucher program for on-going assistance.

Timeframe and Objectives:

- Continue to fund this program by using vouchers to target very low and extremely low income households.
- Assist an average of nine households annually.

Implementing Agency: City of Encinitas Housing Authority

Funding Sources: HOME Investment Partnership Program funds

E. Maintenance and Preservation

Ensure that the residents are living in a decent, safe and sanitary environment is a key community goal. The City will continue to assist lower income households in making the necessary improvements.

Program 5A: Residential Rehabilitation Program

The Residential Rehabilitation Program provides grants and/or low-interest, deferred, and/or forgivable loans for building code violations, health and safety issues, essential repairs and upgrades of major component systems (for example, electrical, plumbing, roofing, heating), and general improvements (for example, exterior finishes). The assistance is available to low-income homeowners and to owners of rental units that will rent to low income households.

Timeframe and Objectives:

- Assist an average of 20 households annually (ranging from single-family, multi-family, and mobile homes).

Implementing Agency: Planning and Building Department/Housing Division

Funding Sources: Community Development Block Grants Program; HOME Investment Partnership Programs

Program 5B: Conversion of Illegal Units

The City has a number of second dwelling units that were constructed or converted illegally (without required permits) prior to the City's incorporation and might not meet City codes. Many of these units provide affordable housing opportunities that might not otherwise be available. In response to this issue, the City developed a program for illegal unit conversion. This program allows homeowners with illegally established second dwelling units on their property to apply for legalization. It allows the illegal units to exist in perpetuity provided that the units:

- Were placed into service prior to City incorporation in 1986 and have been used as rentals since;
- Comply with the current Uniform Building Code and meet City zoning and development standards to the maximum extent feasible;
- Meet the minimum dwelling unit size standards; and
- Are rented to only very low or low income households.

Timeframe and Objectives:

- Market the program to homeowners via City newsletter, website, and flyers at public counters.
- Facilitate the conversion of one unit annually.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Department budget

F. Fair Housing

Fair housing is a right provided by both State and Federal housing laws. The City of Encinitas is committed to actively furthering fair housing choices for all.

Program 6A: Affirmative Marketing

The City will continue to require that, as a condition of approval of any new subdivision map, that the units be marketed and sold in accordance with professional practices that promote equal housing opportunities.

Timeframe and Objectives:

- Continue to implement the affirmative marketing policy.

Implementing Agency: Planning and Building Department/Planning Division

Funding Sources: Department budget

Program 6B: Fair Housing

The City of Encinitas receives Community Development Block Grants (CDBG) and HOME Investment Partnership (HOME) program funds from HUD. As a recipient of these funds, the City certifies that it will engage in fair housing planning and work to mitigate impediments to fair housing choice.

The goal of the City's Fair Housing Plan is to affirmatively further fair housing through specific education outreach and monitoring activities. The City currently contracts with the North County Lifeline (NCL) to provide fair housing and landlord/tenant services to residents and landlords in Encinitas. NCL will help mediate and/or assist with filing fair housing complaints. As needed, NCL can arrange testing when unfair practices are suspected.

In 2010, the City partnered with all jurisdictions in the County to conduct a Regional Analysis (AI) of Impediments to Fair Housing Choice. The AI identifies specific improvements to the City's Zoning Code to expand fair housing choices for all. These improvements have been incorporated into this Implementation Plan.

Timeframe and Objectives:

- Continue to contract with a fair housing agency to provide outreach, education and assistance to residents of Encinitas.
- Continue to disseminate information on fair housing in the City's housing brochure and on the City website. Brochures are also distributed at libraries, grocery stores, community centers, and other public places.

- Update the Analysis of Impediments to Fair Housing Choice in 2014 for the 2015-2020 period.

Implementing Agency: Planning and Building Department/Housing Division

Funding Sources: Community Development Block Grants

Table 3-3: Quantified Objectives (2013-2020)

	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Totals
New Construction (RHNA)	275	312	446	413	907	2,353
Rehabilitation						
Residential Rehab	40	60	60	---	---	160
Conservation						
Section 8	68	68	---	---	---	136
TBRA	36	36	---	---	---	72
"At Risk" Units	---	---	---	---	---	---

3.4 Needs Assessment

The City strives to achieve a balanced housing stock that meets the varied needs of all income segments of the community. To understand the City’s housing needs, the nature of the existing housing stock and the housing market are comprehensively evaluated. This section of the Housing Element discusses the major components of housing needs in Encinitas, including population, household, economic and housing stock characteristics. Each of these components is presented in a regional context, and, where relevant, in the context of other nearby communities. This assessment serves as the basis for identifying the appropriate goals, policies, and programs for the City to implement during the 2013-2020 Housing Element cycle.

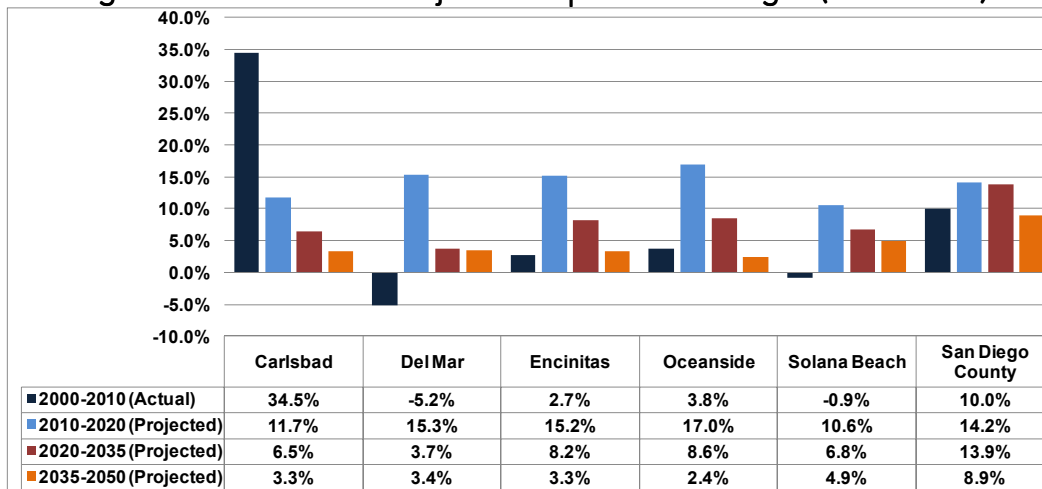
A. Population Characteristics

Understanding the characteristics of a population is vital in the process of planning for the future needs of a community. Population characteristics affect the type and amount of housing need in a community. Issues such as population growth, race/ethnicity, age, and employment trends are factors that combine to influence the type of housing needed and the ability to afford housing. The following section describes and analyzes the various population characteristics and trends that affect housing need.

1. Population Growth

The population in the region has grown rapidly. In 2000, the population of the San Diego region was 994,677, according to the Census. The California Department of Finance estimates for 2010 show that the population has increased 224 percent to 3,224,432. During this same time period, Encinitas’ population grew at a rate similar to the region as a whole, increasing 2.6 percent, from 58,014 in 2000 to 59,518 in 2010. Figure 3-1 shows the actual changes in population for North San Diego County coastal cities and the County, as well as projected population growth.

Figure 3-1: Actual and Projected Population Changes (2000–2030)



Source: Bureau of the Census (2000 and 2010) and SANDAG Regional Growth Forecast Update (2010).

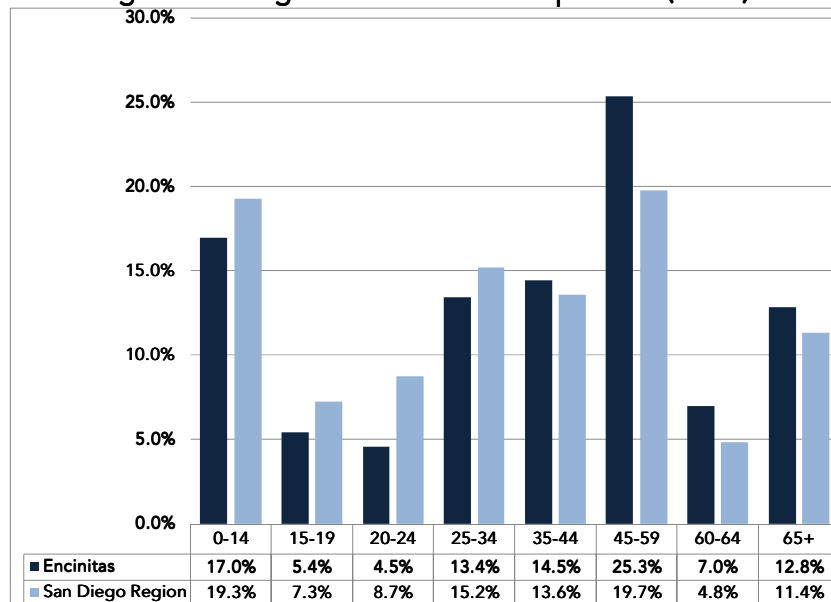
SANDAG updated its 2050 Regional Growth Forecast in 2010 using Department of Finance data, and predicts modest increases in population from 2010 to 2050. The San Diego region is expected to increase by an additional 36 percent while Encinitas is expected to increase by 18 percent. However, the 2010 Census data (released in part in July 2011) report much smaller population growth within the San Diego region compared to previous estimates by the State Department of Finance. In some communities, the population actually decreased between the 2000 Census and the 2010 Census. Therefore, it is very likely the growth projections by SANDAG are inflated.

2. Age Characteristics

Housing demand within the market is often determined by the preferences of certain age groups. Traditionally, both the young adult population (20 to 34 years of age) and the elderly population tend to favor apartments, low- to moderate-cost condominiums, and smaller single family units. Persons between 35- and 65-years old often provide the major market for moderate to high-cost apartments and condominiums and larger single family units because they tend to have higher incomes and larger sized households.

In 2000, the median age in Encinitas was 37.8, approximately four years older than the regional median age of 33.2. By 2010, the median age in Encinitas increased to 41.5, 6.9 years above the regional average of 34.6 years. Figure 3-2 shows that in 2010, the largest proportion of the population in the City was aged 45 to 59 years, accounting for 25 percent of the population, and followed by those aged zero to 14 and 35 to 44. Figure 3-2 also compares resident age in Encinitas to that of the region. San Diego County’s age distribution shows a younger population. According to the 2010 Census, 21 percent of the population was under 18 years of age, similar to the 2000 Census profile.

Figure 3-2: Age Distribution Comparison (2010)

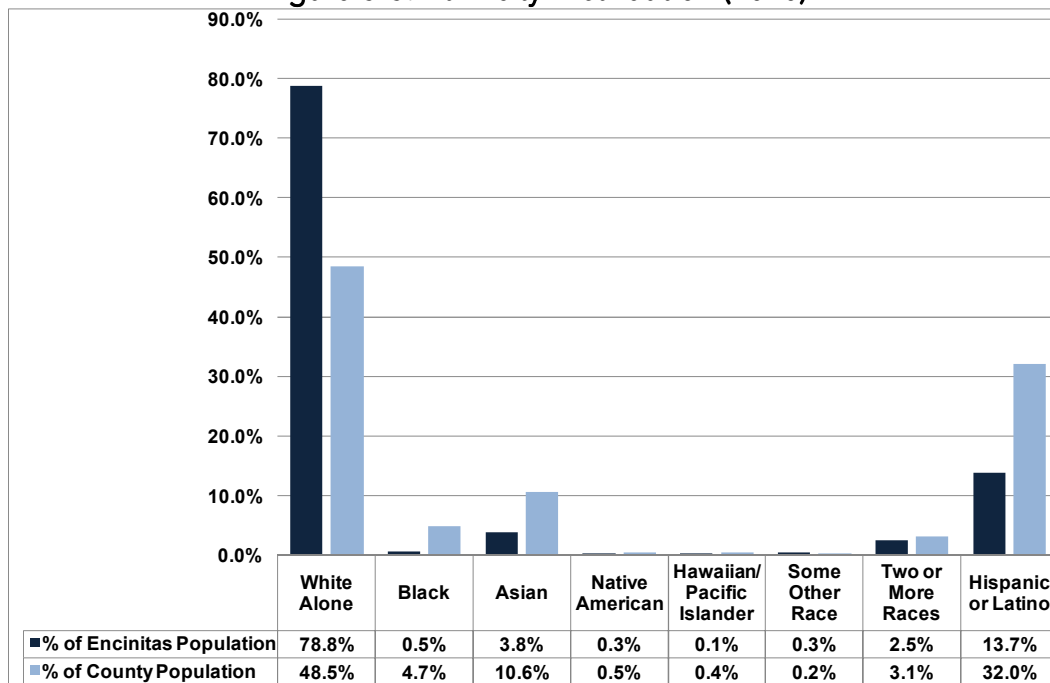


Source: Bureau of the Census (2010)

3. Race/Ethnicity Characteristics

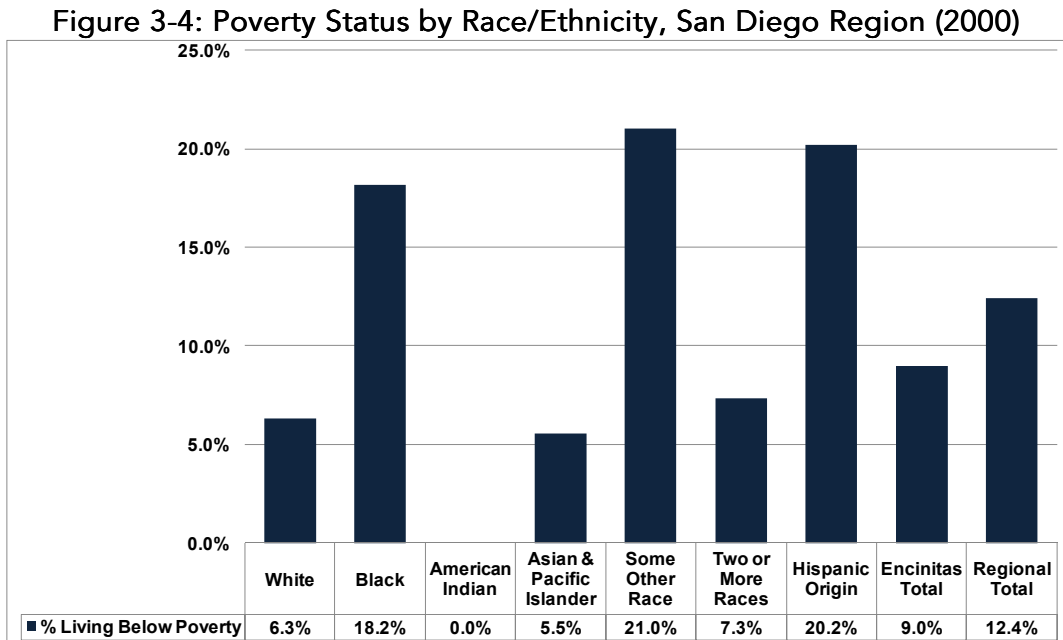
Figure 3-3 shows that according to the 2010 Census, the Encinitas population was predominantly White (79 percent). Approximately 14 percent of the Encinitas population was Hispanic and four percent were Asian. San Diego County was more diverse with 49 percent of the population being White, 32 percent Hispanic and 11 percent Asian. The race/ethnic composition of city residents has remained stable in Encinitas compared to the 2000 Census, with the proportion of Asian residents increasing slightly and the proportion of Hispanic residents decreasing slightly. Countywide, the Hispanic population increased from 27 percent to 32 percent and the White population decreased from 55 percent to 49 percent.

Figure 3-3: Ethnicity Distribution (2010)



Source: Bureau of the Census (2010).

The racial and ethnic composition of a population may affect housing needs because of cultural preferences associated with different racial/ethnic groups. Cultural influences may reflect preference for a specific type of housing. Research has shown that some cultures (e.g. Hispanic and Asian) tend to maintain extended families within a single household. This tendency can lead to overcrowding or an increased demand for larger housing units. Ethnicity also tends to correlate with other characteristics such as location choices, mobility, and income, as shown in Figure 3-4. In Encinitas, residents of Hispanic origin, "Some Other Race" and Black residents have the highest levels of poverty. However, the overall Encinitas poverty level of nine percent is lower than the San Diego regional total of 12 percent.



Source: Bureau of the Census (2000).

B. Employment Market

Employment has an important impact on housing needs. Incomes associated with different jobs and the number of workers in a household determines the type and size of housing a household can afford. In some cases, the types of jobs themselves can affect housing needs and demand (such as in communities with military installations, college campuses, and large amounts of seasonal agriculture). Employment growth typically leads to strong housing demand, while the reverse is true when employment contracts.

1. Employment

To achieve a better balance between jobs and housing, it is important to consider the employment characteristics of a region. In the San Diego region, employment growth out-paced population growth between 1990 and 2000. The decade recorded a gain of

more than 188,865 jobs, an increase of 16 percent, while population increased by 315,817 people, a growth rate of 13 percent.¹

Table 3-4 shows that in 2000 over 1.38 million San Diego region residents were employed. Regionwide, this figure represents an increase (16 percent) from 1990. During the same time period, Encinitas' employment increased by three percent, from 22,867 residents employed to 24,240.

Table 3-4: Employment Levels (1990 -2000)

Jurisdiction	1990	2000	1990-2000 Percent Change
Carlsbad	34,207	50,787	+48.5%
Del Mar	2,900	3,842	+32.5%
Encinitas	22,867	24,240	+3.0%
Oceanside	31,968	39,610	+23.9%
Solana Beach	8,040	8,870	+10.3%
San Diego Region	1,195,811	1,384,676	+15.8%

Source: SANDAG Employment Inventories (1990 and 2000).

Table 3-5 shows that between 2000 and 2030, Encinitas is projected to gain approximately 5,496 new employment opportunities, an increase of 23 percent. This represents the third highest percentage increase in employment in the North County coastal cities. Regionwide, approximately 439,354 new employment opportunities will be generated, representing an increase of 32 percent.

Table 3-5: Projected Change in Employment (2000-2030)

Jurisdiction	Total Employment				Number Change 2000-2030	Percent Change 2000-2030
	2000	2010	2020	2030		
Carlsbad	50,787	57,324	65,656	79,188	+28,401	+56%
Del Mar	3,842	3,940	4,071	4,232	+390	+10%
Encinitas	24,240	26,061	28,337	29,736	+5,496	+23%
Oceanside	39,610	44,540	51,381	62,409	+22,799	+58%
Solana Beach	8,870	9,569	9,913	10,314	+1,444	+16%

Source: SANDAG Regionwide Forecast (2030).

¹ Source: SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update, page 56.

Table 3-6 shows that the largest numerical gains in employment in Encinitas between 2000 and 2030 will occur in the services, retail trade, and government sectors.

Table 3-6: Projected Change in Civilian Employment by Industry (2000-2030)

Industry	2000	2010	2020	2030	2000-2030 Change	
					Number	Percent
Manufacturing	349	352	352	354	+5	+1%
Transp., Comm. & Utilities	180	201	220	237	+57	+32%
Wholesale Trade	416	426	480	514	+98	+24%
Retail Trade	6,168	6,547	7,133	7,533	+1,365	+22%
Finance, Ins. & Real Estate	753	858	999	1,075	+322	+43%
Services	9,008	9,929	11,176	11,927	+2,919	+32%
Government	2,289	2,637	2,841	2,927	+638	+28%
Other ¹	5,077	5,111	5,136	5,169	+92	+2%
Total Civilian Employment	24,240	26,061	28,337	29,736	5,496	+23%

Notes:

1. Employment in agriculture, mining, and construction industries, and self-employed and domestic workers.

Source: SANDAG Regionwide Forecast (2030).

Table 3-7 shows the industries that Encinitas residents were employed in compared to San Diego County residents in 2006-2008, as well as the mean annual wage in the first quarter of 2010. Encinitas residents were employed by a variety of industries with 19 percent working in education services, health care and social assistance and 18 percent in professional, scientific, management and waste management services. Approximately ten percent also worked in the arts, entertainment, recreation, accommodations and food service industries, as well as ten percent in retail trade and finance. Together these industries account for 67 percent of the employment of Encinitas residents. Those working in the professional industries were earning between \$72,840 and \$113,870 and those in the education services category were earning between \$30,480 and \$86,425. These industries employed 38 percent of the labor pool. The industries that employed San Diego County residents were similarly distributed.

Table 3-7: Employment by Industry (2000-2010)

Industry	Encinitas	San Diego County	Mean Annual Wage in the San Diego MSA
Agriculture, Forestry, Fishing, Hunting and Mining	0.3%	0.6%	\$27,777
Construction	7.2%	7.8%	\$50,274
Manufacturing	8.4%	9.1%	\$33,600
Wholesale Trade	3.5%	2.9%	\$65,599
Retail Trade	9.5%	10.9%	\$37,650
Transportation, Warehousing and Utilities	2.3%	3.7%	\$31,976
Information	2.8%	2.7%	\$79,899
Finance and Insurance, Real Estate, Rental and Leasing	9.5%	7.8%	\$70,103
Professional, Scientific, Management and Waste Management Services	18.3%	14.1%	\$72,840-\$113,870
Education Services, Health Care and Social Assistance	19.3%	19.1%	\$30,481-\$86,425
Arts, Entertainment and Recreation, Accommodations and Food Service	10.5%	10.7%	\$22,211-\$55,851
Other Services, Except Public Administration	5.3%	5.3%	\$26,030-\$47,927
Public Administration	3.1%	5.3%	\$94,926
Total Mean Annual Wage	100%	100%	\$49,439

Source: American Community Survey (2005-2009) and California Employment Development Department (2010).

2. Commuting Patterns

Commuting patterns demonstrate the relation of housing to employment opportunities and are a component in the allocation of growth to localities. As a result of the increase in the economic base, employment levels, and physical separation of housing and employment sites, the number of people commuting to work has increased.

Table 3-8 shows that in 2000, 77 percent of Encinitas residents drove alone to work, three percent more than regionwide. Approximately nine percent of Encinitas residents carpooled, two percent walked, and three percent used a form of public transportation. Eight percent of Encinitas residents worked from home.

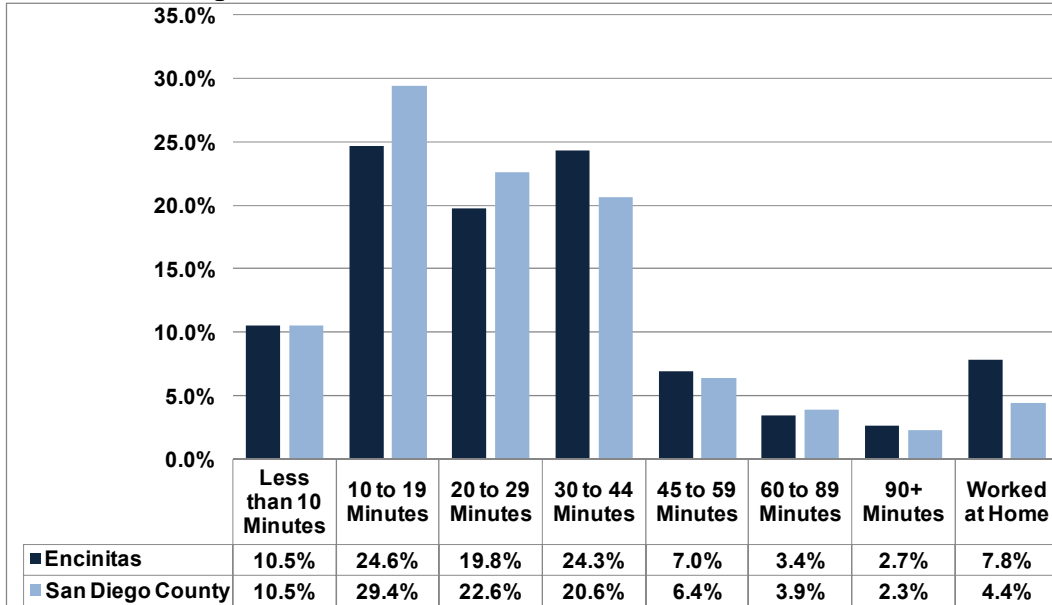
Table 3-8: Means Of Transportation To Work (2000)

Means of Transportation	Encinitas		San Diego Region	
	#of Workers 16+	% of Total	#of Workers 16+	% of Total
Car, Truck, or Van – Drove Alone	24,152	77%	977,286	74%
Car, Truck, or Van – Carpooled	2,689	9%	173,069	13%
Public Transportation	917	3%	44,871	3%
Motorcycle	56	0%	4,443	0%
Bicycle	207	1%	7,591	1%
Walked	621	2%	45,197	3%
Other means	287	1%	13,558	1%
Worked at home	2,445	8%	58,122	4%
Total	31,374	100%	1,324,137	100%

Source: SANDAG (constructed from 2000 Census).

Figure 3-5 shows the average travel time for workers age 16 and over in Encinitas and the San Diego region in 2000. Average travel times for Encinitas residents did not vary greatly from those in the region as a whole. Approximately 35 percent of Encinitas residents had travel times to work under 20 minutes while 40 percent of San Diego residents faced the same travel time.

Figure 3-5: Travel Time to Work in Minutes (2000)



Source: Bureau of the Census (2000).

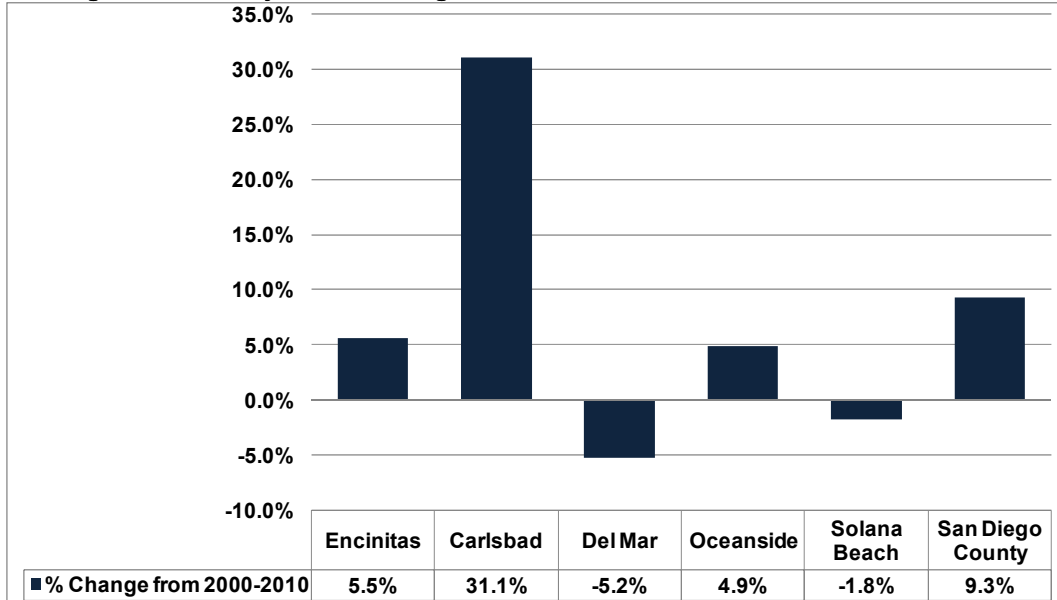
C. Household Characteristics

The Census defines a household as all persons who occupy a housing unit, which may include single persons living alone, families related through marriage or blood and unrelated individuals living together. Persons living in retirement or convalescent homes, dormitories or other group living situations are not considered households. Information on household characteristics is important to understand the growth and changing needs of a community.

Many household characteristics may contribute to the diverse need for housing, some of which are described in this section: projected households, household type, household size, and household income. According to the 2010 Census, there were 1,086,865 households (also known as occupied housing units) in San Diego County. Of these, 24,062 households, or approximately two percent, were located in Encinitas.

Figure 3-6 shows that between 2000 and 2010, the number of households in the San Diego region will grow by 92,188, a gain of approximately nine percent. During this time period, the number of households in Encinitas grew by about six percent. The City will continue to account for approximately two percent of the region's households.

Figure 3-6: Projected Change in Number of Households (2000-2010)



Source: Bureau of the Census (2000 and 2010).

1. Household Type and Size

Different household types generally have different housing needs. Seniors or young adults usually comprise the majority of the single-person households and tend to reside in apartments, condominiums or smaller single-family homes. Families with children often prefer single-family homes.

Household size is a significant factor in housing demand. Often, household size can be used to predict the unit size that a household will select. For example, small households (one and two persons per household) traditionally can find suitable housing in units with zero to two bedrooms while larger households (three or more persons per household) can usually find suitable housing in units with three to four bedrooms. People's choices, however, also reflect preference and economics. Thus, many small households prefer, and obtain, large units. Household size also is related to choice of locations.

Table 3-9 shows that Encinitas households mostly consist of families (63 percent). Approximately one-third of the City’s family-households had children, according to the 2010 Census. The greatest change from 2000 to 2010 was the 21-percent decrease in other non-families (unrelated persons living together), and a 16-percent increase in married couples without children.

Table 3-9: Changes in Household Types (2000–2010)

Household Types	2000		2010		Change	
	#	%	#	%	#	%
Families	14,283	62.6%	15,044	62.5%	+761	+5.3%
Married with Children	5,450	23.9%	5,172	21.5%	-278	-5.1%
Married without Children	5,982	26.2%	6,941	28.8%	+959	+16.0%
Other Families	2,851	12.5%	2,931	12.2%	+80	+2.8%
Non-Families	8,547	37.4%	9,038	37.5%	+491	+5.7%
Single	5,864	25.7%	6,303	26.2%	+439	+7.5%
Other Non-Families	2,683	11.8%	2,118	8.8%	-565	-21.1%
Total Households	22,830	100.0%	24,082	100.0%	+1,252	+5.5%

Source: Bureau of the Census (2000 and 2010).

In 2010, the average number of persons per household in the San Diego region ranged from 2.1 to 3.5, with a regionwide average of 2.8 persons per household. Encinitas had an average of 2.6 persons per household, representing a small increase from 2000, when 2.5 persons per household was reported. Table 3-10 compares household size in Encinitas to household size in the surrounding North County coastal cities. Household size varied among the cities, with Del Mar having the lowest in the County. SANDAG estimates that average household size in the region will increase slightly over the next 20 years.

Table 3-10: Average Persons per Household North County Coastal Cities and San Diego Region (2010)

Jurisdiction	Average Household Size (2010)	Projected Average Household Size (2030)
Carlsbad	2.55	2.61
Del Mar	2.09	2.17
Encinitas	2.61	2.68
Oceanside	2.94	2.98
Solana Beach	2.34	2.38
San Diego Region	2.84	2.87

Source: California Department of Finance (2010) and SANDAG Regional Forecast Update (2030).

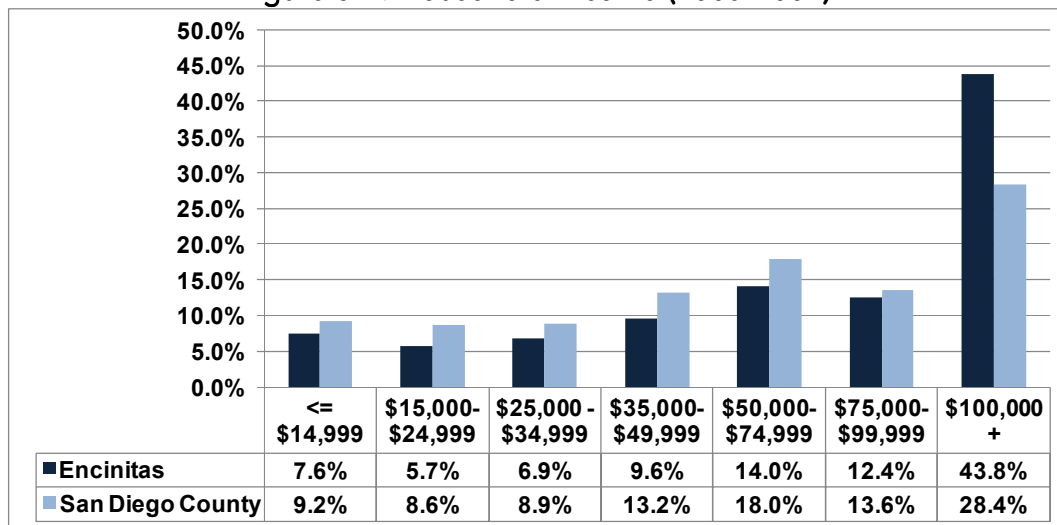
2. Household Income

Income levels influence the range of housing prices within a community and the ability of the population to afford housing. As household income increases, the more likely that household is to be a homeowner. As household income decreases, households tend to pay a disproportionate amount of their income for housing and the number of persons occupying unsound and overcrowded housing increases.

Household incomes in Encinitas tend to be higher than those in the region as a whole. Median household income in Encinitas was \$63,954 in 2000 and the San Diego County median households income was \$47,067. The ACS estimates the median household income in Encinitas between 2005 and 2009 was \$85,538, compared to \$62,901 in the County.

Figure 3-7 compares household income in Encinitas and in the San Diego region between 2005 and 2009. Approximately 56 percent of Encinitas households had incomes over \$75,000, 12 percentage points more than regionwide. The biggest discrepancy occurred within the high income bracket (\$100,000 or more). Approximately 44 percent of Encinitas households were in the \$100,000 or more group, compared to 28 percent region-wide.

Figure 3-7: Household Income (2005-2009)



Source: Bureau of the Census, American Community Survey (2005-2009).

Table 3-11 compares median income in Encinitas to the other North County coastal cities and the region. Median household income in Encinitas was one of the highest in the region.

Table 3-11: Median Household Income (2005-2009)

Jurisdiction	Median Household Income	Percent Above/Below Regional Median
Carlsbad	\$85,146	+35%
Del Mar	\$126,328	+101%
Encinitas	\$85,538	+36%
Oceanside	\$62,657	0%
Solana Beach	\$90,294	+44%
San Diego Region	\$62,901	0%

Source: Bureau of the Census, American Community Survey (2005-2009).

The State and Federal government classify household income into several groupings based upon the relationship to the County Area Median Income (AMI), adjusted for household size. The State of California utilizes the following income groups:

- Extremely Low: 0-30% AMI
- Very Low: 31-50% AMI
- Low: 51-80% AMI
- Moderate: 81-120% AMI
- Above Moderate: 120%+ AMI

In 2000, a majority of Encinitas households earned moderate or above moderate incomes (Table 3-12) while approximately one quarter of the population earned low, very low or extremely low incomes.

Table 3-12: Household Income Levels (2000)

Income Level	Renter-Households	Owner-Households	Total Households	Percent of Households
Extremely Low Income (0-30% AMI)	782	644	1,426	6.2%
Very Low Income (31-50% AMI)	861	756	1,617	7.1%
Low Income (51-80% AMI)	1,636	1,347	2,983	13.1%
Moderate and Above Moderate (>80% AMI) ¹	4,893	11,915	16,808	73.6%
Total	8,172	14,662	22,834	100%

Source: CHAS HUDuser (2000).

Note 1: HUD programs are available only to households with incomes at or below 80% AMI. Therefore, the CHAS data groups all households above that income threshold into one income group.

D. Housing Problems

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households in Avalon. Detailed CHAS data based on the 2000 Census is displayed in Table 3-13. Housing problems considered by CHAS include:

- Units with physical defects (lacking complete kitchen or bathroom);
- Overcrowded conditions (housing units with more than one person per room);
- Housing cost burden, including utilities, exceeding 30 percent of gross income; or
- Severe housing cost burden, including utilities, exceeding 50 percent of gross income.

The types of problems vary according to household income, type, and tenure. Some highlights include:

- In general, renter-households had a higher level of housing problems (48 percent) compared to owner-households (34 percent).
- Large renter-families had the highest level of housing problems regardless of income level (88 percent).
- Extremely low income (81 percent) and very low income households (84 percent) had the highest incidence of housing problems.

Table 3-13: Housing Assistance Needs of Lower Income Households (2000)

Household by Type, Income, and Housing Problem	Renters				Owners			Total Households
	Elderly	Small Families	Large Families	Total Renters	Elderly	Large Families	Total Owners	
Extremely Low Income (0-30% AMI)	184	124	100	782	305	40	644	1,426
% with any housing problem	84.2%	87.9%	100.0%	79.7%	70.5%	100.0%	81.5%	80.5%
% with cost burden >30%	78.8%	87.9%	90.0%	77.1%	70.5%	100.0%	81.5%	79.1%
% with cost burden > 50%	78.8%	87.9%	70.0%	73.3%	44.3%	75.0%	66.0%	70.0%
Very Low Income (31-50% AMI)	214	287	70	861	384	10	756	1,617
% with any housing problem	98.1%	84.7%	100.0%	92.1%	67.7%	100.0%	74.3%	83.8%
% with cost burden >30%	98.1%	84.7%	89.7%	90.9%	67.7%	100.0%	72.5%	82.3%
% with cost burden >50%	79.4%	57.1%	35.7%	64.3%	49.5%	100.0%	54.8%	59.9%
Low Income (51-80% AMI)	245	470	182	1,636	535	135	1,347	2,983
% with any housing problem	75.5%	84.0%	86.8%	81.4%	29.0%	63.0%	56.9%	70.4%
% with cost burden >30%	75.5%	78.7%	20.9%	71.0%	29.0%	48.1%	55.2%	63.9%
% with cost burden > 50%	22.4%	26.6%	0.0%	23.8%	15.0%	33.3%	34.8%	28.8%
Total Households	972	2,761	637	8,172	3,139	1,205	14,662	22,834
% with any housing problem	67.8%	40.8%	87.6%	47.7%	29.9%	47.3%	34.3%	39.1%

1. Overcrowding

The combination of low incomes and high housing costs has forced many households to live in overcrowded housing conditions. "Overcrowding" is generally defined as a housing unit occupied by more than one person per room in house (including living room and dining rooms, but excluding hallways, kitchen, and bathrooms). Under State law a housing unit is considered overcrowded if there is less than 120 square feet of livable space (all space except the bath, kitchen and hallways) for the first two people and less than an additional 50 square feet for each additional person. Overcrowding can indicate that a community does not have an adequate supply of affordable housing, especially for large families.

According to the Census, between 1990 and 2000, overall overcrowding remained the same in Encinitas; however, severe overcrowding slightly increased from 2.3 percent to 2.8 percent. As Table 3-14 shows, nearly five percent of the households in Encinitas were overcrowded in 2000, inclusive of the three percent that were severely overcrowded. Overcrowding was more prevalent among renter-households than owner-households, as rental units are typically smaller in size and renter-households typically have lower incomes. The greatest increases were among renter-households from nine percent overcrowding in 1990 to nearly ten percent in 2000 and five percent severe overcrowding to six percent.

Table 3-14: Overcrowded Housing Units (1990-2000)

Overcrowding	Owner Households		Renter Households		Total Households	
	Number	% of Owners	Number	% of Renters	Number	% of Total
1990						
Total Overcrowded (>1.0 persons/room)	252	2.0%	710	9.0%	962	4.6%
Severely Overcrowded (>1.5 persons/room)	81	0.6%	398	5.0%	479	2.3%
2000						
Total Overcrowded (>1.0 persons/room)	297	2.0%	783	9.6%	1,080	4.7%
Severely Overcrowded (>1.5 persons/room)	164	1.1%	483	5.9%	647	2.8%

Source: Bureau of the Census (1990 and 2000).

2. Overpayment (Cost Burden)

Measuring the portion of a household's gross income that is spent for housing is an indicator of the dynamics of demand and supply. This measurement is often expressed in terms of "over payers": households paying an excessive amount of their income for housing, therefore decreasing the amount of disposable income available for other needs. This indicator is an important measurement of local housing market conditions as it reflects the affordability of housing in the community. Federal and state agencies use overpayment indicators to determine the extent and level of funding and support that should be allocated to a community. State and federal programs typically define over-payers as those lower income households paying over 30 percent of household

income for housing costs. A household is considered experiencing a *severe* cost burden if it spends more than 50 percent of its gross income on housing.

Table 3-15 shows that in 2000, 21 percent of households in the San Diego region were paying over 30 percent of their income towards housing costs. In Encinitas, nearly 36 percent of all households were overpaying. Renters were more likely to overpay than owners; in Encinitas 42 percent of renters overpaid, compared to 32 percent of owners.

Table 3-15: Overpayment (2000)

	All Households			Renters			Owners		
	Total	Paying 30%+	% Paying 30%+	Total	Paying 30%+	% Paying 30%+	Total	Paying 30%+	% Paying 30%+
Carlsbad	31,521	10,480	33.2%	10,280	4,187	40.7%	21,241	6,293	29.6%
Del Mar	2,178	740	34.0%	964	327	33.9%	1,214	413	34.0%
Encinitas	22,830	8,112	35.5%	8,178	3,394	41.5%	14,652	4,718	32.2%
Oceanside	56,488	20,563	36.4%	21,426	9,887	46.1%	35,062	10,676	30.4%
Solana Beach	5,754	1,776	30.9%	2,139	844	39.5%	3,615	932	25.8%
San Diego Region	994,677	211,236	21.2%	443,216	101,777	23.0%	551,461	109,459	19.8%

Note: Households do not equal total presented in other tables because housing costs were not computed for all households.

Source: SANDAG (constructed from 2000 Census).

Table 3-16 provides more overpayment detail by income group for Encinitas. Over 60 percent of the lower income households were overpaying versus 22 percent for the moderate and above moderate households.

Table 3-16: Overpayment by Tenure and Income Level, Encinitas (2000)

Household Income Group	Total Renters	Total Owners	Total
Extremely Low (<=30% MFI)	782	644	1,426
Cost Burden >30%	603	525	1,128
%Cost Burden >30%	77.1%	81.5%	79.1%
Very Low (>30% to <=50% MFI)	861	756	1,617
Cost Burden >30%	783	548	1,331
%Cost Burden >30%	90.9%	72.5%	82.3%
Low (>50% to <=80% MFI)	1,636	1,347	2,983
Cost Burden >30%	1,162	744	1,906
%Cost Burden >30%	71.0%	55.2%	63.9%
Moderate & Above Moderate (>80% MFI)	4,893	11,915	16,808
Cost Burden >30%	749	2,979	3,731
%Cost Burden >30%	15.3%	25.0%	22.2%
Total	8,172	14,662	22,834
Cost Burden >30%	3,293	4,794	8,083
%Cost Burden >30%	40.3%	32.7%	35.4%

Note: Totals may not be exact due to rounding. Please note the Census Bureau uses a special rounding scheme for special tabulations such as these. Therefore, totals may not match other census datasets.

Source: CHAS HUDuser (2000).

According to the ACS data, between 2005 and 2009, 51 percent of owner-occupied households in Encinitas spent more than 30 percent of their household income on housing. By contrast, a slightly lower percentage of renter-households (49 percent) overpaid for housing.

E. Special Needs Groups

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special needs. Special circumstances may be related to one's employment and income, family characteristics, disability and household characteristics, among other factors. Consequently, certain residents in Encinitas may experience higher incidences of housing cost burden, overcrowding or other housing problems. The special needs groups analyzed include the elderly, people with disabilities, homeless people, single parents, farm workers, large households, and students (Table 3-17). Many of these groups overlap, for example many farm workers are homeless, and many elderly people have a disability of some type. The majority of these special needs groups would be assisted by an increase in affordable housing, especially housing located near public transportation and services. Table 3-18 provides a list of services and facilities available to assist households/persons with special needs. Several of these agencies routinely receive funding from the City of Encinitas Community Development Block Grant (CDBG) program.

Table 3-17: Special Needs Groups in Encinitas (2010)

Special Needs Group	# of People or Households	Number of Owners	% of Owners	Number of Renters	% of Renters	% of Total Households or Population
Households with Seniors	5,501	-	-	-	-	22.8%
Senior Headed Households	4,902	3,616	73.8%	1,286	26.2%	20.4%
Seniors Living Alone	2,118	1,190	56.2%	928	43.8%	8.8%
Persons with Disabilities ¹	7,497	-	-	-	-	12.9%
Large Households	1,740	1,153	66.3%	587	33.7%	7.2%
Single-Parent	1,440	-	-	-	-	6.0%
Female Headed Households	5,503	-	-	-	-	22.9%
Female Headed Households with children	974	-	-	-	-	4.0%
People Living in Poverty ¹	4,220	-	-	-	-	7.3%
Farmworkers ¹	103	-	-	-	-	0.2%
Homeless	184	-	-	-	-	0.3%

1. 2010 Census does not contain updates to these variables; 2000 Census data is used.

Source: Bureau of the Census (2000 and 2010) and Regional Housing Task Force on the Homeless (2010).

Table 3-18: Services for Special Needs Populations (2010)

Special Needs Services	Program	Details	Location
Emergency Shelters	Catholic Charities, La Posada de Guadalupe	50 beds for homeless men	Carlsbad
	Community Resource Center Libre!	36 beds for women with children, victims of domestic violence; motel vouchers	Encinitas
	Encinitas Social Services	General Population	Encinitas
	Brother Benno’s Foundation, Good Samaritan Shelter	12 beds for homeless men	Oceanside
	Brother Benno’s Foundation, House of Martha Ann Mary	6 beds for women with children, victims of domestic violence	Oceanside
	M.I.T.E. North County Detox	6 beds for adults, substance abuse treatment	Oceanside
	Women’s Resource Center	26 beds for women with children, victims of domestic violence	Oceanside
Permanent Supportive Housing	CHW – Marisol Apartments	21 beds for HIV/AIDS patients	Undisclosed
	CHW-Old Grove	4 beds for HIV/AIDS patients	Undisclosed
	CHW-Old Grove	40 beds for farm/day laborers	Undisclosed
	Fraternity House, Inc. – Michelle’s House	12 HIV/AIDS patients	Vista
	North County Solutions for Change – Solutions Family Center	40 homeless families with children	Vista
Transitional Housing/Shelters	MHS – Family Recovery Center	90 Women with children and substance abuse treatment	Oceanside
	Women’s Resource Center, Transition House	61 Women with children	Oceanside
	Women’s Resource Center	26 Women with children, victims of domestic violence	Oceanside
	YMCA Oz North Coast	10 Homeless Youth	Oceanside
Services for the Homeless and At-Risk Families	North Coastal Mental Health	Homeless severely mentally ill	Regional
	North County Lifeline – Hotel Vouchers	General homeless	Oceanside
	North County Community Services Food Bank	Food distribution	San Marcos
	Interfaith Community Services (Winter Shelter)	100 General homeless	Escondido
	Salvation Army Adult Rehab Center	Drug/alcohol abuse	San Diego
	Second Chance	Drug/alcohol abuse	San Diego
	Stepping Stone	Drug/alcohol abuse	San Diego
Senior/Disabled Services	Access Center, Inc.	Independent living assistance	Vista
	Serving Seniors-Senior Community Centers	Meals, health and wellness	Regional

Source: City of Encinitas

The following section provides a detailed discussion of the housing needs facing each particular group as well as programs and services available to address their housing needs.

1. Elderly

Many senior-headed households have special needs due to their relatively low incomes, disabilities or limitations, and dependency needs. Specifically, people aged 65 years and older often have four main concerns:

- *Housing:* Many seniors live alone and may have difficulty maintaining their homes.
- *Income:* People aged 65 and over are usually retired and living on a limited income.
- *Health care:* Seniors are more likely to have high health care costs.
- *Transportation:* Many of the elderly rely on public transportation; especially those with disabilities.

The limited income of many elderly persons often makes it difficult for them to find affordable housing. In the San Diego region, the elderly spend a higher percentage of their income for food, housing, medical care, and personal care than non-elderly families. Many single elderly persons need some form of housing assistance. In 2000, seven percent of the San Diego region’s residents aged 65 and over were living in poverty.

Table 3-19 shows that 7,643 persons were age 65 and over in Encinitas in 2010. This accounted for about 13 percent of residents, higher than that in the region as a whole. Encinitas had the lowest percentage of elderly persons in the North County Coastal area.

Table 3-19: Persons Age 65 and Over (2010)

Jurisdiction	Total	Age 65+	Percent Age 65+
Carlsbad	105,328	14,798	14.0%
Del Mar	4,161	866	20.8%
Encinitas	59,518	7,643	12.8%
Oceanside	167,086	21,501	12.9%
Solana Beach	12,867	2,404	18.7%
San Diego Region	3,095,313	351,425	11.4%

Source: Bureau of the Census (2010).

Table 3-20 shows elderly households broken down by tenure and income level. A higher proportion of elderly renter-occupied households had housing problems (68 percent) than non-elderly renter-occupied households (48 percent). Housing problems are defined as overpayment (cost burden) greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Additionally, 66 percent of elderly renter-occupied households were paying more than 30 percent of their income for housing compared with 40 percent of all renter households. Elderly owner-occupied households, on the other hand, tend to be better off than all households as a group. Less than one-third (30 percent) had any housing problem compared with 34 percent of all owner-occupied households. Likewise, less than one-third (30 percent) were paying more than 30 percent of their income towards housing versus 33 percent of all owner-occupied households.

Table 3-20: Elderly Households by Tenure and Income Level Encinitas (2000)

Household by Type, Income and Housing Problem	Renters		Owners		Total Households
	Elderly Renters	Total Renters	Elderly Owners	Total Owners	
Household Income <=30% AMI	184	782	305	644	1,426
% with any housing problems	84.2%	79.7%	70.5%	81.5%	80.5%
% Cost Burden >30%	78.8%	77.1%	70.5%	81.5%	79.1%
% Cost Burden >50%	78.8%	73.3%	44.3%	66.0%	70.0%
Household Income >30 to <=50% AMI	214	861	384	756	1,617
% with any housing problems	98.1%	92.1%	67.7%	74.3%	83.8%
% Cost Burden >30%	98.1%	90.9%	67.7%	72.5%	82.3%
% Cost Burden >50%	79.4%	64.3%	49.5%	54.8%	59.9%
Household Income >50 to <=80% AMI	245	1,636	535	1,347	2,983
% with any housing problems	75.5%	81.4%	29.0%	56.9%	70.4%
% Cost Burden >30%	75.5%	71.0%	29.0%	55.2%	63.9%
% Cost Burden >50%	22.4%	23.8%	15.0%	34.8%	28.8%
Household Income >80% AMI	329	4,893	1,915	11,915	16,808
% with any housing problems	33.1%	23.6%	16.2%	26.6%	25.7%
% Cost Burden >30%	30.1%	15.3%	16.2%	25.0%	22.2%
% Cost Burden >50%	4.6%	1.1%	6.0%	6.4%	4.8%
Total Households	972	8,172	3,139	14,662	22,834
% with any housing problems	67.8%	47.7%	29.9%	34.3%	39.1%
% Cost Burden >30	65.7%	40.3%	29.9%	32.7%	35.4%
% Cost Burden >50	39.6%	19.2%	16.6%	14.1%	15.9%

Notes:

Any housing problems: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems: overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households: 1 or 2 person household, either person 62 years old or older.

Source: CHAS HUDuser.org (2000).

2. *Persons with Disabilities*

According to the Census, a person is considered to have a disability if he or she has difficulty performing certain functions (seeing, hearing, talking, walking, climbing stairs, and lifting and carrying), or has difficulty with certain social roles (for example, doing school work for children, working at a job, and around the house for adults). A person, who is unable to perform one or more activities, uses an assistive device to get around, or who needs assistance from another person to perform basic activities is considered to have a severe disability.

The 2000 Census defines six types of disabilities: sensory, physical, mental, self-care, go-outside-home and employment. The Census defines sensory and physical disabilities as “long-lasting conditions.” Mental, self-care, go-outside-home and employment disabilities are defined as conditions lasting six months or more that makes it difficult to perform certain activities. A more detailed description of each disability is provided below:

- *Sensory disability:* Refers to blindness, deafness or severe vision or hearing impairment.
- *Physical disability:* Refers to a condition that substantially limits one or more basic, physical activities, such as walking, climbing stairs, reaching, lifting or carrying.
- *Mental disability:* Refers to a mental condition lasting more than six months that impairs learning, remembering or concentrating.
- *Self-care disability:* Refers to a condition that restricts ability to dress, bathe, or get around inside the home.
- *Go-outside-home:* Refers to a condition that restricts ability to go outside the home alone to shop or visit a doctor’s office.
- *Employment disability:* Refers to a condition that restricts ability to work at a job or business.

According to the 2000 Census, approximately 13 percent of Encinitas residents over five years of age had a disability. The Census tallies the number of disabilities by type for residents with one or more disabilities. Among the disabilities tallied, ten percent were sensory disabilities, 20 percent were physical disabilities, 14 percent were mental disabilities, six percent were self-care disabilities, 19 percent were disabilities that limited the ability to go outside the home, and 31 percent were employment disabilities (Table 3-21). Because a person can have multiple disabilities, the number of disabilities tallied is greater than the number of persons with disabilities.

Table 3-21: Disabilities Tallied by Age and Type (2000)

Disability Type	Age 5 to 15	Age 16 to 64	Age 65+	Total
Sensory Disability	36	522	688	1,246
Physical Disability	10	1,248	1,321	2,579
Mental Disability	234	993	539	1,766
Self-Care Disability	27	377	414	818
Go-Outside-Home Disability	--	1,304	1,040	2,344
Employment Disability	--	3,916	--	3,916
Total	307	8,360	4,002	12,669

Source: Bureau of the Census (2000).

Four factors—affordability, design, location, and discrimination—significantly limit the supply of housing available to households of persons with disabilities. The most obvious housing need for persons with disabilities is housing that is adapted to their needs. Most single-family homes are inaccessible to people with mobility and sensory limitations. Housing may not be adaptable to widened doorways and hallways, access ramps, larger bathrooms, lowered countertops, and other features necessary for accessibility. Location of housing is also an important factor for many persons with disabilities, as they often rely upon public transportation to travel to necessary services and shops. “Barrier free design” housing, accessibility modifications, proximity to services and transit, and group living opportunities are important in serving this group. Incorporating barrier-free design in all new multi-family housing is especially important to provide the widest range of choices for the disabled. (Please see the section on Constraints for an expanded discussion.)

Housing advocacy groups report that people with disabilities are often the victims of discrimination in the home buying market. People with disabilities, whether they work or receive disability income are often perceived to be a greater financial risk than persons without disabilities with identical income amounts. The 2000 Census reported that 10.7 percent of persons with disabilities in Encinitas were living below the poverty level. It also estimated that 48 percent of people with disabilities between the ages of 16 and 64 years in the City were not employed.

A recent change in State law requires that the Housing Element discuss the housing needs of persons with developmental disabilities. As defined by federal law, “developmental disability” means a severe, chronic disability of an individual that:

- Is attributable to a mental or physical impairment or combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations in three or more of the following areas of major life activity: a) self-care; b) receptive and expressive language; c) learning; d) mobility; e) self-direction; f) capacity for independent living; or g) economic self- sufficiency;
- Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of

assistance that are of lifelong or extended duration and are individually planned and coordinated.

The Census does not record developmental disabilities. According to the U.S. Administration on Developmental Disabilities, an accepted estimate of the percentage of the population that can be defined as developmentally disabled is 1.5 percent. This equates to 893 persons in the City of Encinitas with developmental disabilities based on the 2010 Census population.

The San Diego Regional Center, which provides services for persons with developmental disabilities, publishes client statistics for its four area offices. The City of Encinitas is served by the North County office in San Marcos. As of January 2011, the North County office serves 2,774 persons. The Encinitas population represents about seven percent of the North County population. Therefore, it can be generally estimated that about 195 clients served by the North County area office of the Regional Center are Encinitas residents.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person’s living situation as a child to an appropriate level of independence as an adult.

3. Large Households

Large households are identified as a group with special housing needs because of the limited availability of adequately sized, affordable housing units. Large households often have lower incomes and frequently live in overcrowded smaller dwelling units, which can result in accelerated unit deterioration. Table 3-22 compares the number of large households in Encinitas to that in the region as a whole. In 2010, 7.2 percent of households in Encinitas consisted of five or more persons, compared to almost 14 percent region-wide.

Table 3-22: Large Households Encinitas and San Diego Region (2010)

Jurisdiction	Persons in Household			Total Households
	5	6	7+	
Encinitas	1,111	357	272	1,740
Percent of Total	4.6%	1.5%	1.1%	7.2%
San Diego Region	80185	36149	32447	148,781
Percent of Total	7.4%	3.3%	3.0%	13.7%

Source: Bureau of the Census (2010).

As shown in Table 3-23, a greater percentage of larger households had housing problems (61 percent) than all households (39 percent) in 2000. Housing problems can be defined as cost burden (overpayment) greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities. Renter-occupied large households (as a group) tend to have more housing problems than owner-occupied large households. The majority of renter-occupied large households (88 percent) had one or more housing problems, while about half of the larger owner-occupied households (47 percent) had one or more housing problems.

Table 3-23: Large Households by Tenure and Income Level, Encinitas (2000)

Household by Type, Income, & Housing Problem	Renters		Owners		Total Households
	Large Related (5 or more members)	Total Renters	Large Related (5 or more members)	Total Owners	
Household Income <=30% AMI	100	782	40	644	1,426
% with any housing problems	100.0%	79.7%	100.0%	81.5%	80.5%
% Cost Burden >30%	90.0%	77.1%	100.0%	81.5%	79.1%
% Cost Burden >50%	70.0%	73.3%	75.0%	66.0%	70.0%
Household Income >30 to <=50% AMI	70	861	10	756	1,617
% with any housing problems	100.0%	92.1%	100.0%	74.3%	83.8%
% Cost Burden >30%	100.0%	90.9%	100.0%	72.5%	82.3%
% Cost Burden >50%	35.7%	64.3%	100.0%	54.8%	59.9%
Household Income >50 to <=80% AMI	182	1,636	135	1,347	2,983
% with any housing problems	86.8%	81.4%	63.0%	56.9%	70.4%
% Cost Burden >30%	20.9%	71.0%	48.1%	55.2%	63.9%
% Cost Burden >50%	0.0%	23.8%	33.3%	34.8%	28.8%
Household Income >80% AMI	285	4,893	1,020	11,915	16,808
% with any housing problems	80.7%	23.6%	42.6%	26.6%	25.7%
% Cost Burden >30%	14.0%	15.3%	30.4%	25.0%	22.2%
% Cost Burden >50%	0.0%	1.1%	7.4%	6.4%	4.8%
Total Households	637	8,172	1,205	14,662	22,834
% with any housing problems	87.6%	47.7%	47.3%	34.3%	39.1%
% Cost Burden >30	37.4%	40.3%	35.3%	32.7%	35.4%
% Cost Burden >50	14.9%	19.2%	13.3%	14.1%	15.9%

Note: Totals may not match other Census 2000 products due to rounding.

Any housing problems: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Source: CHAS HUDuser (2000).

4. *Single-Parent Households*

Single parents with dependent children represent another important group with special housing needs. Single-parent households often require special consideration and assistance because they tend to have lower incomes and a greater need for day care, health care, and related facilities. Table 3-24 shows that in 2010, Encinitas had 1,440 single-parent households. Of these, the majority (68 percent) were female-headed households.

Table 3-24: Single-Parent Households Encinitas and San Diego Region (2010)

	Total HHs	Single-Parent HHs	Percent Total HHs	Female-Headed HHs with Children	Percent Single-Parent HHs
Encinitas	24,082	1,440	6.0%	974	67.6%
San Diego Region	1,086,865	94,380	8.7%	68,123	72.2%

HHs = Households

Source: Bureau of the Census (2010).

5. *Residents Living in Poverty*

Families, particularly female-headed families, are disproportionately affected by poverty. In 2000, seven percent of the City's total residents (4,220 persons) were living in poverty. Approximately 14 percent of female-headed families with children, however, had incomes below the poverty level. The 2005-2009 ACS reports also reports seven percent of the city population and almost 16 percent of the female-headed families living below the poverty status.

6. *Homeless*

Throughout the country and the San Diego region, homelessness has become an increasingly important issue. Factors contributing to the rise in homelessness include a lack of housing affordable to low and moderate income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill.

State law (Section 65583(1) (6)) mandates that municipalities address the special needs of homeless persons within their jurisdictional boundaries. "Homelessness" as defined by the U.S. Department of Housing and Urban Development, describes an individual (not imprisoned or otherwise detained) who:

- Lacks a fixed, regular, and adequate nighttime residence; and
- Has a primary nighttime residence that is:
 - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - An institution that provides a temporary residence for individuals intended to be institutionalized; or

- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

This definition does not include persons living in substandard housing, (unless it has been officially condemned); persons living in overcrowded housing (for example, doubled up with others), persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge), or persons who may be at risk of homelessness (for example, living temporarily with family or friends.)

The Regional Task Force on the Homeless (RTFH) is San Diego County’s leading resource for information on issues of homelessness. Established in 1985, the Task Force promotes a regional approach as the best solution to ending homelessness in San Diego County. The Task Force is a public/private effort to build a base of understanding about the multiple causes and conditions of homelessness. According to the Task Force, the San Diego region’s homeless population can be divided into two general groups: (1) urban homeless, and (2) rural homeless, including farm workers and day laborers who primarily occupy the hillsides, canyons and fields of the northern regions of the county. It is important to recognize that homeless individuals may fall into more than one category (for example, a homeless individual may be a veteran and a substance abuser), making it difficult to accurately quantify and categorize the homeless.

Since the homeless population is very difficult to quantify, Census information on homeless populations is often unreliable, due to the difficulty of efficiently counting a population without permanent residences. The Task Force compiles data from a physical Point-In-Time (PIT) count of sheltered (emergency and transitional) and street homeless persons. The 2011 Count was conducted on January 28, 2011 and the results are shown in Table 3-25. Oceanside, Carlsbad, and Encinitas had the largest homeless populations of the North County Coastal cities. Of the 184 homeless persons in Encinitas, 50 are sheltered and 134 are unsheltered.

Table 3-25: Homelessness in North County Coastal Cities and the San Diego Region (2011)

Jurisdiction	Total
Carlsbad	83
Del Mar	11
Encinitas	184
Oceanside	452
Solana Beach	7
San Diego Region	9,020

Source: Regional Housing Task Force on the Homeless (2011).

7. Agricultural Workers

Due to the high cost of housing and low wages, a significant number of migrant farm workers have difficulty finding affordable, safe and sanitary housing. According to the State Employment Development Department, the average farm worker earned between \$19,000 and \$30,000 annually.² This limited income is exacerbated by their tenuous and/or seasonal employment status. It is estimated that there are between 100 and 150 farm worker camps located throughout the San Diego region, primarily in rural areas. These encampments range in size from a few people to a few hundred and are frequently found in fields, hillsides, canyons, ravines, and riverbeds, often on the edge of their employer’s property. Some workers reside in severely overcrowded dwellings, in packing buildings, or in storage sheds.

Farm workers needs also are difficult to quantify due to the fear of job loss and the fear of authority. Thus, farm workers are given low priority when addressing housing needs, and often receive the least hospitable housing. The San Diego County Regional Task Force on the Homeless estimates that there are at least 2,300 farm workers and migrant day laborers who currently experience homelessness in the San Diego region.

Table 3-26 shows that in 2000 approximately 249 Encinitas residents were employed in agriculture, accounting for three percent of the region’s agricultural workforce and less than one percent of the City’s employment base. Among the homeless population in Encinitas, 70 are estimated to be farmworkers and day laborers.

Table 3-26: Agricultural Workers (2000)

Jurisdiction	Agricultural and Mining Workers	Percent of Total Employment	Percent of Regional Ag. Employment
Carlsbad	122	0.3%	1.5%
Del Mar	N/A	N/A	N/A
Encinitas	249	0.8%	3.0%
Oceanside	791	1.2%	9.4%
Solana Beach	19	0.3%	0.2%
San Diego Region	8,384	0.7%	0.7%

Source: SANDAG (constructed from 2000 Census).

Farm employment in Encinitas is almost exclusively related to horticultural operations, and in particular, the flower growing industry. In general, the employees in the City’s horticultural industry are reported to be skilled to highly skilled, long-term workers with established roots in the community. The City’s flower growing operations report that they employ a stable, year-round labor force.

² State Employment Development Department, Occupational Employment (May 2009) and Wage Data (1st Quarter, 2010).

8. Migrant Day Laborers

In Encinitas and other North County locales, numerous Hispanic immigrants seek work as day laborers. Because of the City's proximity to the Mexican border and its location along a major transportation route, Encinitas provides a convenient temporary place to seek work before moving on to industrial or agricultural jobs further north. The availability of jobs, including temporary day-jobs, and the number of open spaces which can be utilized as transient camp sites, make Encinitas attractive to these workers.

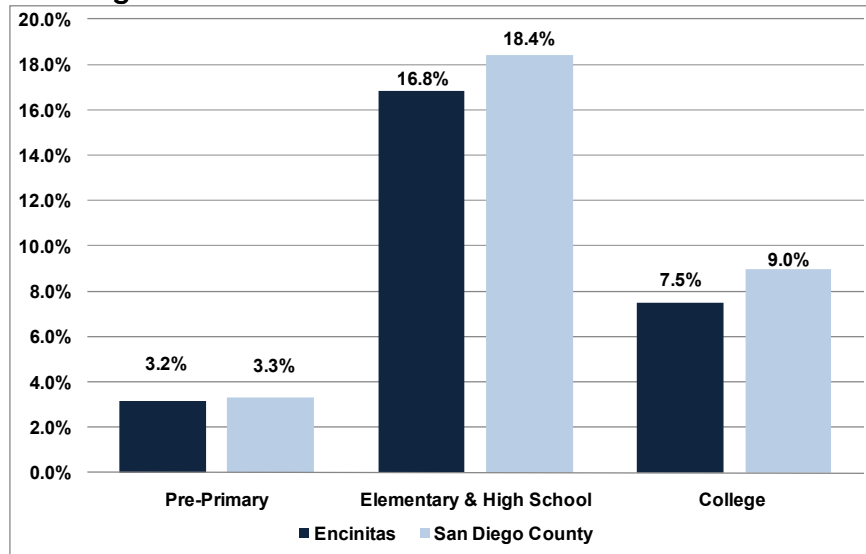
A particular problem in providing funds to farm workers and day laborers is that U.S. Department of Housing and Urban and Development (HUD) funds cannot be used to assist persons who are not legally in the United States. Although verification of legal residency is not needed to assist persons in affordable units, all tenant-based programs require legal residency.

9. Students

The need for student housing is another significant factor affecting housing demand. Although students may produce only a temporary housing need (but the need is ongoing as long as the educational institution is in session), the impact upon housing demand is critical in areas that surround universities and colleges. Typically, students are low income and are, therefore, affected by a lack of affordable housing, especially within easy commuting distance from campus. They often seek shared housing situations to decrease expenses, and can be assisted through roommate referral services offered on and off campus. The lack of affordable housing also influences choices students make after graduation, often with a detrimental effect upon the region's economy. College graduates provide a specialized pool of skilled labor that is vital to the economy; however, the lack of affordable housing often leads to their departure from the region.

Figure 3-8 shows that in 2000, approximately eight percent of Encinitas residents were enrolled in college, a lower percentage than the region as a whole. Although Mira Costa Community College is located in Encinitas, no housing is designated for students on campus. Community colleges typically do not provide housing because they are colleges that serve the educational needs of students already residing in the local community.

Figure 3-8: Percent of Residents Enrolled in School



Source: Bureau of the Census (2000).

F. Housing Stock Characteristics

A community’s housing stock is defined as the collection of all housing units located within the jurisdiction. The characteristics of the housing stock, including growth, type, age and condition, tenure, vacancy rates, housing costs, and affordability are important in determining the housing needs for the community. This section details the housing stock characteristics of Encinitas to identify how well the current housing stock meets the needs of current and future residents of the City.

1. Housing Growth

Table 3-27 shows that between 2000 and 2010, Encinitas’ housing stock increased by eight percent. In comparison, the adjacent Carlsbad had the greatest amount of growth with a 32 percent increase in units.

Table 3-27: Housing Unit Growth (2000 and 2010)

Jurisdiction	2000	2010	Percent Change 2000-2010
Carlsbad	33,812	44,673	32.1%
Del Mar	2,557	2,596	1.5%
Encinitas	23,829	25,740	8.0%
Oceanside	59,583	64,435	8.1%
Solana Beach	6,456	6,540	1.3%
San Diego Region	1,040,149	1,164,786	12.0%

Source: Bureau of the Census (2000 and 2010).

2. Projected Housing Units

Table 3-28 shows that between 2010 and 2020, Encinitas is projected to gain four percent in housing stock. Region-wide, approximately eight percent more units will be added to the housing stock. Between 2010 and 2030 Encinitas will experience an increase of six percent in housing stock and approximately 16 percent more units will be added in the region. All of the North County coastal cities will have slower rates of housing growth compared to the region between 2010 and 2030.

Table 3-28: Projected Housing Units (2010-2030)

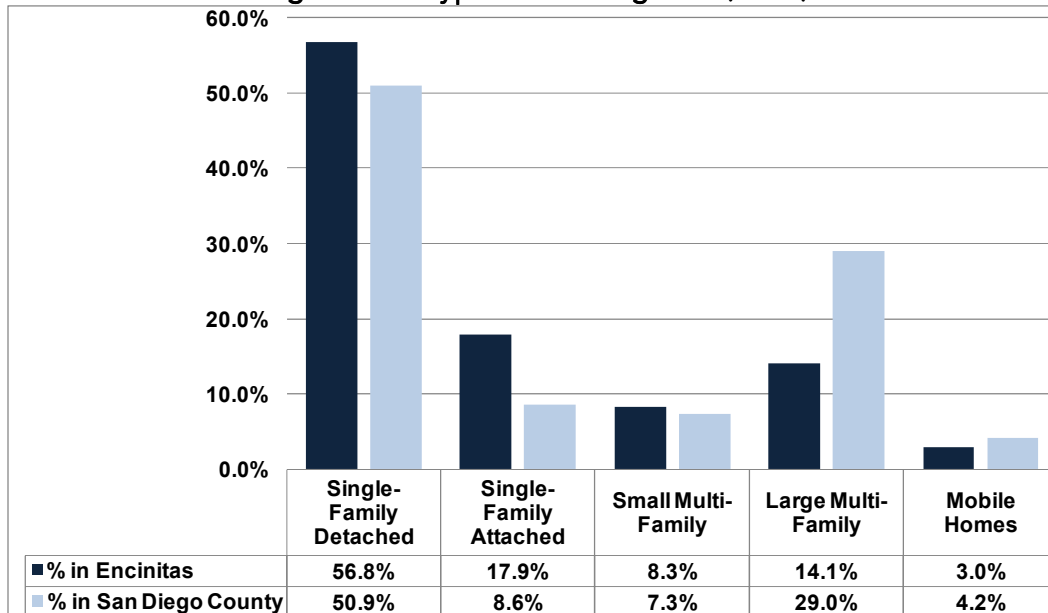
Jurisdiction	2010	2020	2030	Percent Change 2000-2010	Percent Change 2010-2030
Carlsbad	44,673	48,975	50,728	9.6%	13.6%
Del Mar	2,596	2,597	2,611	0.0%	0.6%
Encinitas	25,740	26,934	27,174	4.6%	5.6%
Oceanside	64,435	69,837	70,674	8.4%	9.7%
Solana Beach	6,540	6,564	6,593	0.4%	0.8%
San Diego Region	1,164,786	1,254,647	1,354,088	7.7%	16.3%

Source: Bureau of the Census (2010) and SANDAG Regionwide Forecast (2030).

3. Housing Type

Figure 3-9 shows that in 2010, the largest percentage (57 percent) of housing units in Encinitas was single-family detached units. Approximately 18 percent were single-family attached units, eight percent were small multi-family developments with two to four units, 14 percent were large multi-family developments with five or more units, and three percent were mobile homes/trailers.

Figure 3-9: Type of Housing Unit (2010)



Source: California Department of Finance (2010).

Table 3-29 shows that the percentage of both single- and multi-family housing units in Encinitas is projected to fluctuate slightly, while the percentage of mobile homes slightly decreases. This figure may be misleading because SANDAG forecasts mobile homes by determining the region’s mobile home growth rate and applying it to each jurisdiction.

Table 3-29: Projected Housing Unit by Type (2010-2030)

Housing Type	2010 (Actual)	% of Total	2020 (Projected)	% of Total	2030 (Projected)	% of Total
Single-Family	19,281	74.6%	19,987	74.2%	19,994	73.6%
Multi-Family	5,785	22.4%	6,160	22.9%	6,387	23.5%
Mobile Homes	770	3.0%	787	2.9%	793	2.9%
Total Housing	25,836	100%	26,934	100%	27,174	100%

Note: The number of housing units estimated by the Department of Finance deviates from the 2010 Census slightly. However, the 2010 Census does not contain information on housing type.

Source: California Department of Finance (2010) and SANDAG Regionwide Forecast (2030).

4. Housing Availability and Tenure

Housing tenure and vacancy rates are important indicators of the supply and cost of housing. Housing tenure refers to whether a unit is owned or rented. Tenure is an important market characteristic because it is directly related to housing types and turnover rates. The tenure distribution of a community’s housing stock can be an indicator of several aspects of the housing market, including the affordability of units, household stability and residential mobility among others. In most communities, tenure distribution generally correlates with household income, composition and age of the householder.

In 2010, 59 percent of the housing units in Encinitas were owner-occupied, while 35 percent were renter-occupied (Table 3-30). This represents a decrease in the homeownership rate from 2000. As shown in Table 3-31, owner-occupied households had a slightly higher average household size than renters. Approximately 69 percent of the rental units were occupied by one- and two-person households compared to 58 percent of owner-households.

Table 3-30: Housing Unit Tenure (2000-2010)

Tenure	2000		2010	
	Number	Percent	Number	Percent
Owner-Occupied	14,644	61.4%	15,187	59.0%
Renter -Occupied	8,190	34.3%	8,895	34.6%
Vacant	1,033	4.3%	1,658	6.4%
Total	23,867	100.0%	25,740	100.0%

Source: Bureau of the Census (2000 and 2010).

Table 3-31: Tenure by Household Size (2010)

Tenure	% of Total Owner-Occupied Units	% of Total Renter-Occupied Units
1-Person	20.3%	36.3%
2-Person	38.0%	32.9%
3-Person	17.6%	14.7%
4-Person	16.6%	9.5%
5 or more Person	7.5%	6.6%
Total	100.0%	100.0%
Average Household Size	2.57	2.24

Source: Bureau of the Census (2010).

Vacancy rates are an important housing indicator because they indicate the degree of choice available. High vacancy rates usually indicate low demand and/or high supply conditions in the housing market. Too high of a vacancy rate can be difficult for owners trying to sell or rent. Low vacancy rates usually indicate high demand and/or low supply conditions in the housing market. Too low of a vacancy rate can force prices up making it more difficult for low and moderate income households to find housing. Vacancy rates between two to three percent are usually considered healthy for single-family housing; and five to six percent for multi-family housing. However, vacancy rates are not the sole indicator of market conditions. They must be viewed in the context of all the characteristics of the local and regional market.

According to the 2010 Census, the overall vacancy rate in Encinitas was 6.4 percent (Table 3-32). However, almost 40 percent of the vacant units were vacation homes that were seasonally occupied. Vacant rental units represented about 1.9 percent of all units in the City (or 5.3 percent of all rental units) and vacant ownership units represented about 0.6 percent of all units (or one percent of all ownership units). Overall, the vacancy rates reflect a relatively healthy housing market.

Table 3-32: Vacancy Rates in Encinitas (2010)

	Number	Percent of Total	Percent of Vacant
Total Housing Units	25,740	100.0%	--
Total Occupied Units	24,082	93.6%	--
Total Vacant Units	1,658	6.4%	--
Vacant (Available)			
For Rent	498	1.9%	30.0%
For Sale	161	0.6%	9.7%
Vacant (Unavailable)			
Rented or Sold	77	0.3%	4.6%
Seasonal	661	2.6%	39.9%
Other	261	1.0%	15.7%

Source: Bureau of the Census (2010).

Additional vacancy information was obtained for spring 2010 from the San Diego County Apartment Association (SDCAA) and is shown in Table 3-33. Vacancy rates in Encinitas were higher than the neighboring communities and the City and County of San Diego.

Table 3-33: Vacancy Rates by Community and Property Age

Jurisdiction	Combined Property Ages			Over 25 Years			Six to 25 Years			Less Than 6 Years		
	%	Total	#	%	Total	#	%	Total	#	%	Total	#
	Vacant	Units	Vacant	Vacant	Units	Vacant	Vacant	Units	Vacant	Vacant	Units	Vacant
Encinitas	6.5%	464	30	7.2%	376	27	2.8%	71	2	5.9%	17	1
Carlsbad	4.2%	1,577	66	4.6%	351	16	4.5%	925	42	2.7%	301	8
Del Mar	5.8%	260	15	5.8%	260	15	--	--	--	--	--	--
Oceanside	5.9%	2,074	122	7.5%	586	44	3.0%	1,267	38	18.1%	221	40
Solana Beach	4.9%	326	16	4.9%	325	16	--	--	--	0.0%	1	0
North County Region	5.3%	9,323	495	5.8%	3,140	182	4.7%	5,641	263	9.2%	542	50
City of San Diego	5.2%	24,275	1,258	5.2%	9,328	483	5.4%	13,837	742	3.0%	1,109	33
County of San Diego	4.6%	25,814	1,192	4.2%	12,710	535	4.8%	12,490	601	9.1%	614	56

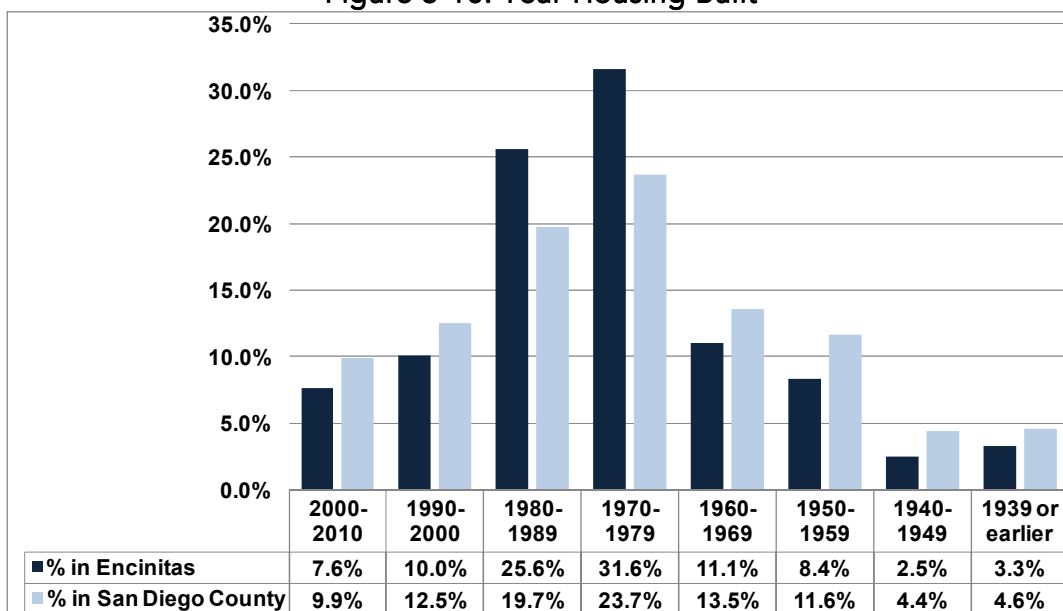
Source: San Diego County Apartment Association Survey (Spring 2010).

5. Housing Age and Condition

Housing age can be an important indicator of housing condition within a community. Like any other tangible asset, housing is subject to gradual physical or technological deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress neighboring property values, and eventually impact the quality of life in a neighborhood. Many federal and state programs also use the age of housing as one factor in determining housing rehabilitation needs. Typically, housing over 30 years of age is more likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work and other repairs. In Encinitas, approximately 57 percent of the housing stock may potentially require some improvements based on the age of the structures, as shows in Figure 3-10. Approximately 25 percent of the housing stock is approaching 50 years of age or older and are more likely to require major rehabilitation.

Housing that is not maintained can discourage reinvestment, depress neighboring property values, and can negatively impact the quality of life in a neighborhood. Improving housing is an important goal of the City. The age of the City's housing stock indicates a potential need for continued code enforcement, property maintenance and housing rehabilitation programs to stem housing deterioration. Overall, however, given the moderate to higher incomes of residents, deferred maintenance is not a prevalent issue in the City. Property owners typically take pride in maintaining their homes and many have the financial means to do so.

Figure 3-10: Year Housing Built



Source: California Department of Finance (2010).

Lacking Plumbing and Kitchen Facilities

A city can estimate the number of substandard housing units within its jurisdiction using a number of sources of information, such as data collected by the Census Bureau. The 2005-2009 ACS reports 61 units in Encinitas were lacking complete plumbing facilities and 160 units lacking complete kitchens.

Value of Housing

The value of housing is another potential indicator of housing stock condition. In 2000, the median housing cost in Encinitas was \$353,300. Those units below \$50,000 in value can be assumed to have significant deterioration. According to Census 2000 data, 28 units, or 0.2 percent of the housing stock, were valued at less than \$50,000.

Pre-1940 Housing

The U.S. Department of Housing and Urban Development (HUD) may consider units substandard if they were built before 1940 and have a value less than \$35,000. Figure 3-10 shows that 835 units in Encinitas were built before 1940, approximately three percent of the total housing in the City. Regionwide, five percent of units were built before 1940 (see Figure 3-10).

Substandard Housing

Of course, the information presented above only can give indirect indication of housing conditions. Obviously the City has a minimal number of units in need of repair and/or rehabilitation, especially given the high percent of units that have been recently constructed. Based upon a combination of previous “windshield surveys”, observations and experiences of the code enforcement and planning staff, and indicators from other surveys, the City has estimated that approximately 50-100 units would fall into this category, although most, if not all, meet minimum housing and building code

requirements. These numbers and the need to upgrade units that were not necessarily substandard, help establish the Quantified Objectives in this Housing Element.

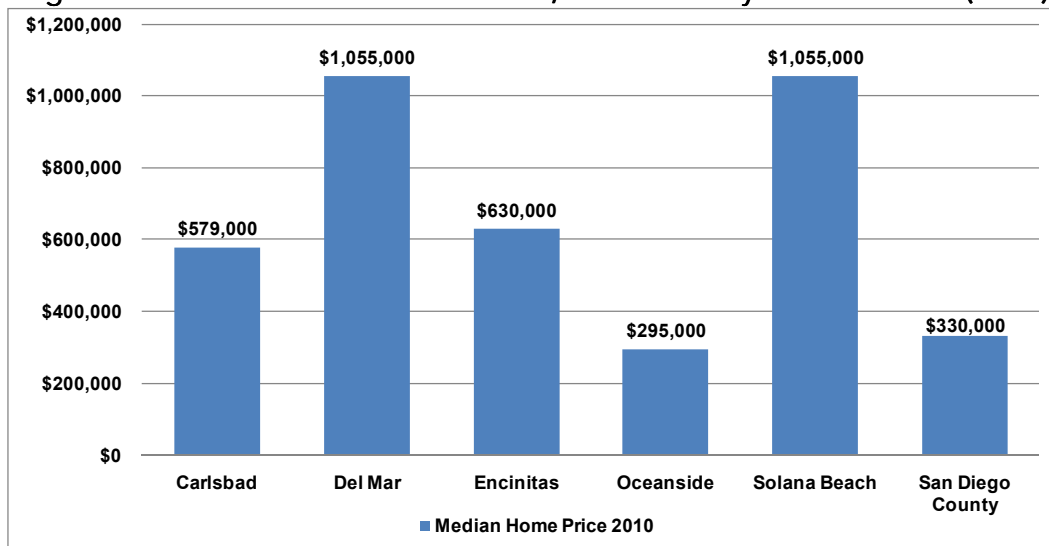
6. Housing Costs and Affordability

Housing costs are indicative of housing accessibility to all economic segments of the community. Typically, if housing supply exceeds housing demand, housing costs will fall. If housing demand exceeds housing supply, housing costs will rise. In Encinitas, housing costs tend to be higher than in the San Diego region. The high cost of housing can be attributed to factors such as higher land costs and coastal location. This section summarizes the cost and affordability of the housing stock to Encinitas residents.

Homeownership Market

Median home prices in the North Coastal areas of San Diego ranged from \$295,000 in Oceanside to \$1,055,000 in Del Mar and Solana Beach (Figure 3-11). Encinitas' median home price fell in the middle at \$630,000, still significantly higher than the San Diego County median price of \$330,000.

Figure 3-11: Median Home Sale Prices, North County Coastal Cities (2011)



Source: DQNews (2011).

Median home sale prices in Encinitas rose ten percent between 2009 and 2010. Other northern San Diego cities saw similar increases in home prices.

Table 3-34: Changes in Median Home Sale Prices (2009-2010)

Jurisdiction	2009		2010		Percent Change in Median Sale Price
	Number Sold	Price	Number Sold	Price	
Carlsbad	1,495	\$555,000	1,647	\$579,000	4.3%
Del Mar	178	\$1,100,000	166	\$1,055,000	-4.1%
Encinitas	519	\$575,000	550	\$630,000	9.6%
Oceanside	2,758	\$273,000	2,438	\$295,000	8.1%
Solana Beach	211	\$888,750	285	\$1,055,000	18.7%
San Diego County	37,778	\$310,000	36,414	\$330,000	6.5%

Source: DQNews (2011).

Rental Market

The primary source for renter costs in the San Diego region is the San Diego County Apartment Association (SDCAA). SDCAA conducts two surveys of rental properties per year. For the spring 2010 survey, 6,000 surveys were sent out to rental property owners and managers throughout San Diego County. Responses were received from 50,089 units. Although this survey sampled a broad variety of rental housing, it was not a scientific sampling.

Table 3-35 shows that in the spring of 2010, average monthly rents in Encinitas ranged from \$760 for a studio apartment to \$1,943 for a three-bedroom apartment. Apartment rents in Encinitas tend to be comparable to those in the City and County of San Diego.

Table 3-35: Average Monthly Rent (2010)

Zip Code	Unit Type	Spring 2010 Units/Properties Surveyed	Spring 2010 Monthly Rent	Spring 2010 Rent/Sq. Foot	Fall 2009 Monthly Rent	Spring 2009 Monthly Rent
Encinitas 92023, 92024	Studio	4/2	\$760	\$1.90	\$766	\$858
	1 BR	143/6	\$1,380	\$1.75	\$1,252	\$1,349
	2 BR	306/11	\$1,527	\$1.49	\$1,534	\$1,554
	3+ BR	1/8	\$1,943	\$1.26	\$1,838	\$2,025
Carlsbad 92008, 92009, 92010, 92011	Studio	78/7	\$911	\$2.11	\$883	\$863
	1 BR	326/17	\$1,176	\$1.88	\$1,171	\$999
	2 BR	849/20	\$1,664	\$1.67	\$1,658	\$1,842
	3+ BR	324/10	\$1,795	\$1.63	\$1,944	\$1,906
Del Mar 92014	Studio	10/1	\$1,363	\$2.99	--	\$1,388
	1 BR	105/6	\$1,592	\$2.15	\$1,177	\$1,693
	2 BR	143/8	\$1,820	\$1.83	\$1,497	\$1,998
	3+ BR	2/2	\$2,473	\$1.49	\$2,616	\$2,598
Cardiff by the Sea 92007	Studio	0/0	--	--	\$1,500	\$1,400
	1 BR	0/0	--	--	\$1,600	\$1,550
	2 BR	0/0	--	--	\$1,800	\$1,800
	3+ BR	0/0	--	--	\$1,725	--
Oceanside 92049, 92050, 92051, 92052, 92054, 92056, 92057, 92058	Studio	19/4	\$796	\$2.16	\$792	\$751
	1 BR	876/23	\$1,072	\$1.54	\$1,040	\$1,005
	2 BR	1,053/32	\$1,297	\$1.36	\$1,191	\$1,358
	3+ BR	126/15	\$2,338	\$1.39	\$1,867	\$1,678
Solana Beach 92075	Studio	28/1	\$1,038	\$2.31	\$1,307	\$1,126
	1 BR	149/3	\$1,350	\$2.07	\$1,389	\$1,360
	2 BR	140/3	\$1,624	\$1.75	\$1,538	\$1,580
	3+ BR	9/2	\$2,253	\$1.84	\$4,200	\$2,060
City of San Diego	Studio	1,444/93	\$958	\$2.23	--	--
	1 BR	9,183/365	\$1,284	\$1.87	--	--
	2 BR	12,004/506	\$1,593	\$1.60	--	--
	3+ BR	1,644/218	\$1,841	\$1.55	--	--
County of San Diego (including City of San Diego)	Studio	2,300/146	\$967	\$2.13	--	--
	1 BR	18,630/619	\$1,161	\$1.70	--	--
	2 BR	25,536/900	\$1,444	\$1.50	--	--
	3+ BR	3,623/418	\$1,735	\$1.45	--	--

Source: San Diego County Apartment Association Survey (2010).

Housing Affordability by Income Level

Housing affordability can be inferred by comparing the cost of renting or owning a home in the City with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding and overpayment.

The federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household's eligibility for federal housing assistance. Based on this survey, the California Department of Housing and Community Development (HCD) developed income limits that can be used to determine the maximum price that could be affordable to households in the upper range of their respective income category. Households in the lower end of each category can afford less by comparison than those at the upper end. The maximum affordable home and rental prices for residents in San Diego County are shown in Table 3-36.

Table 3-36 shows the maximum amount that a household can pay for housing each month without incurring a cost burden (overpayment). This amount can be compared to current housing asking prices (Table 3-34) and market rental rates (Table 3-35) to determine what types of housing opportunities a household can afford.

Extremely Low income Households

Extremely low income households earn 30 percent or less of the County area median income – up to \$16,500 for a one-person household and up to \$25,450 for a five-person household in 2010. Extremely low income households cannot afford market-rate rental or ownership housing in Encinitas without assuming a cost burden.

Very Low income Households

Very low income households earn between 31 percent and 50 percent of the County area median income – up to \$27,500 for a one-person household and up to \$42,400 for a five-person household in 2010. A very low income household can generally afford homes offered at prices between \$77,000 and \$104,800, adjusting for household size. Given the costs of ownership housing in Encinitas, very low income households would not be able to afford a home in the City. Similarly, very low income renters could not afford appropriately-sized market-rate rental units in Encinitas. After deductions for utilities, a very low income household at the maximum income limit can afford to pay approximately \$617 to \$946 in monthly rent, depending on household size.

Low income Households

Low income households earn between 51 percent and 80 percent of the County's area median income - up to \$44,000 for a one-person household and up to \$67,850 for a five-person household in 2010. The affordable home price for a low income household at the maximum income limit ranges from \$135,000 to \$194,000. Based on the asking prices of homes for sale in 2010 (Table 3-34), ownership housing would not be affordable to low income households. After deductions for utilities, a one-person low income household could afford to pay up to \$1,029 in rent per month and a five-person low income household could afford to pay as much as \$1,582. As of spring 2010, some

low income households in Encinitas may have trouble finding adequately sized affordable apartment units (Table 3-35).

Moderate income Households

Moderate income households earn between 81 percent and 120 percent of the County's Area Median Income – up to \$97,850 depending on household size in 2010. The maximum affordable home price for a moderate income household is \$240,000 for a one-person household and \$357,000 for a five-person family. Even moderate income households in Encinitas will have trouble purchasing adequately-sized homes. The maximum affordable rent payment for moderate income households is between \$1,514 and \$2,332 per month. Appropriately-sized market-rate rental housing is generally affordable to households in this income group.

Table 3-36: Affordable Housing Cost (2010)

Annual Income	Affordable Housing Cost		Utilities, Taxes and Insurance			Affordable Price		
	Rent	Purchase	Rent	Sale	Taxes/Insurance	Sale	Rent	
Extremely Low Income (30% of Area Median Income)								
1-Person	\$16,500	\$413	\$413	\$71	\$112	\$83	\$38,322	\$342
3-Person	\$21,200	\$530	\$530	\$90	\$174	\$106	\$43,947	\$530
4-Person	\$23,550	\$589	\$589	\$99	\$205	\$118	\$46,760	\$589
5-Person	\$25,450	\$636	\$636	\$114	\$252	\$127	\$45,178	\$522
Very Low Income (50% of Area Median Income)								
1-Person	\$27,500	\$688	\$688	\$71	\$112	\$138	\$76,996	\$617
3-Person	\$35,350	\$884	\$884	\$90	\$174	\$177	\$93,696	\$794
4-Person	\$39,250	\$981	\$981	\$99	\$205	\$196	\$101,958	\$882
5-Person	\$42,400	\$1,060	\$1,060	\$114	\$946	\$212	\$104,771	\$946
Low Income (80% Area Median Income)								
1-Person	\$44,000	\$1,100	\$1,100	\$71	\$112	\$220	\$135,007	\$1,029
3-Person	\$56,550	\$1,414	\$1,414	\$90	\$174	\$283	\$168,231	\$1,324
4-Person	\$62,800	\$1,570	\$1,570	\$99	\$205	\$314	\$184,755	\$1,471
5-Person	\$67,850	\$1,696	\$1,696	\$114	\$252	\$339	\$194,248	\$1,582
Median Income (100% Area Median Income)								
1-Person	\$52,850	\$1,321	\$1,541	\$71	\$112	\$308	\$197,090	\$1,250
3-Person	\$67,950	\$1,699	\$1,982	\$90	\$174	\$396	\$248,127	\$1,609
4-Person	\$75,500	\$1,888	\$2,202	\$99	\$205	\$440	\$273,646	\$1,789
5-Person	\$81,550	\$2,039	\$2,379	\$114	\$252	\$476	\$290,200	\$1,925
Moderate Income (120% AMI)								
1-Person	\$63,400	\$1,585	\$1,849	\$71	\$112	\$370	\$240,363	\$1,514
3-Person	\$81,550	\$2,039	\$2,379	\$90	\$174	\$476	\$303,911	\$1,949
4-Person	\$90,600	\$2,265	\$2,643	\$99	\$205	\$529	\$335,583	\$2,166
5-Person	\$97,850	\$2,446	\$2,854	\$114	\$252	\$571	\$357,058	\$2,332

Source: California Department of Housing and Community Development (2010) and Veronica Tam and Associates
 Assumptions: 2010 HCD income limits; 30% gross household income as affordable housing cost; 15% of monthly affordable cost for taxes and insurance; 10% down payment; and 5.5% interest rate for a 30-year fixed-rate mortgage loan. Utilities based on San Diego County Utility Allowance.

G. Affordable Housing

State law requires that the City identify, analyze, and propose programs to preserve existing multi-family rental units that are eligible to convert to non-low-income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions during the next ten years. Thus, this at-risk housing analysis covers the period from January 1, 2013 through December 31, 2023. Consistent with State law, this section identifies publicly assisted housing units in Encinitas, analyzes their potential to convert to market rate housing uses, and analyzes the cost to preserve or replace those units.

1. Publicly Assisted Housing

The City maintains programs to provide quality housing affordable to different income groups for a healthy and sustainable community. One of the primary means of providing affordable housing is through negotiation with developers to incorporate affordable units within new residential development projects. The City offers density bonuses encourage developers to designate a portion of the units in their development as affordable to very low- and low-income households. Table 3-37 lists those projects in Encinitas that are regulated by a government agency.

No projects are at risk of conversion to market-rate housing within the Housing Element planning period. The Element, therefore, does not contain neither an analysis of “at risk” units.

Table 3-37: Inventory of Assisted Rental Housing Projects (2011)

Development Name	Address	Funding Source	Exp. Date	Type	Units
Su Casa Apartments	620 Melba Rd	Bonds	June, 2025	Family	30
Regal Road Apartments	920 Regal Rd	CDBG	April, 2024	Family	10
Manchester Apartments	2074 Manchester Ave	unknown	April, 2053	General	4
Cantebria Senior Homes	645 Via Cantebria	CDBG/ HOME	June, 2057	Senior	44
Encinitas Ranch Apartments	1100 Garden View Rd.	HOME	2057	General	22
Pacific Pines Condominiums	1720 S. El Camino Real	CDBG/ HOME	July, 2057	General	16
2nd Street Apartments	858 2nd St.	HOME	2055	General	4
Boathouse Apartments	726-32 Third Street	City Affordable Housing Funds	2063	General	4
Total					134

Source: City of Encinitas Planning Department (2011).

2. Resources for Preserving Affordable Units

Available public and non-profit organizations with the capacity to preserve assisted housing developments include San Diego County, the City of Encinitas, and various non-profit developers, including Mercy Housing, North County Housing, Community Housing Works, and Habitat for Humanity. Financial resources available include bond financing, as well as CDBG and HOME funds, Section 8 rental assistance, and

Affordable Housing Trust funds. (See the Housing Resources section later for further details.)

3. Tenant Based Rental Assistance

The Housing Authority of the City of Encinitas has 136 Section 8 Housing Choice Vouchers allocated, although HUD funding only allows for approximately 121 to be leased given the local market conditions. The Housing Authority administers approximately 12 port-ins³ for a total of about 133 vouchers used in the City. Vouchers are closely split among disabled households, elderly households, and family households. As of this writing, there are currently 862 households on the City’s Housing Choice Vouchers waiting list. Disabled households in Encinitas have the most need of those on the waiting list.

Table 3-38: Rental Assistance in Encinitas (2010)

Household Type	Households Currently Receiving Section 8 Vouchers	Household on Waiting List for Section 8 Assistance
Family	38	19.5%
Elderly	46	23.9%
Disabled	49	36.7%
Other (Single Households)	--	19.9%
Total	133	100%

Source: City of Encinitas Housing Authority, 2010.

³ Port-ins are vouchers held by residents who received vouchers from other jurisdictions but have moved to Encinitas.

3.5 Constraints to the Provision of Housing

Actual or potential constraints to the provision of housing affect the development of new housing and the maintenance of existing units for all income levels. Governmental and non-governmental constraints in Encinitas are similar to those in other jurisdictions in the region and are discussed below. One of the most, if not the most, significant and difficult constraints to housing in Encinitas and elsewhere in the San Diego region is the high cost of land. This section describes various governmental, market, and environmental constraints on the development of housing that meets the needs of all economic segments of Encinitas population.

A. Market Constraints

Market constraints significantly affect the cost of housing in Encinitas, and can pose barriers to housing production and affordability. These constraints include the availability and cost of land for residential development, the demand for housing, financing and lending, construction costs, development fees, and neighborhood opposition which can make it expensive for developers to build affordable housing. The following highlights the primary market factors that affect the production of housing in Encinitas.

1. Economic Factors

Market forces on the economy and the trickle down effects on the construction industry can act as a barrier to housing construction and especially to affordable housing construction. California's housing market peaked in the summer of 2005 when a dramatic increase in the State's housing supply was coupled with low interest rates. The period between 2006 and 2009, however, reflects a time of significant change as the lending market collapsed and home prices decrease. Double-digit decreases in median sale prices were recorded throughout the State. These lower-than-normal home prices allowed for a large increase in the number of homes sold initially until the availability of credit became increasingly limited. As such, housing production in the last few years has been limited while the need for affordable housing increased along with high unemployment rates and foreclosure rates.

2. Land and Construction Costs

High land costs are a significant constraint to the development of affordable housing in the City. Table 3-39 shows that the average assessed value of mixed use and high density residential land in the City of Encinitas in 2011 was approximately \$50 per square foot. Appraised values are generally even higher than the assessed values and therefore, land cost represents a significant cost component in residential development. To mitigate the impact of land cost, higher density development allows the developer to realize economies of scale.

Table 3-39: Inventory Of Parcels And Values (2011)

Zone Designation	Number of Parcels	Value per Square Foot
D-CM-1	82	\$50
D-CM-2	78	\$48
D-R15	259	\$93
D-R25	103	\$159
N-CM-1	73	\$37
N-CM-2	31	\$27
N-CM-3	19	\$84
N-CRM-1	46	\$34
N-CRM-2	12	\$33
N-R15	7	\$7
N-R20	61	\$27
N-R25	22	\$32
R15	411	\$43
R20	92	\$31
R25	124	\$44
Average	--	\$50

Source: City of Encinitas, 2011.

3. Availability of Financing

The availability of financing affects a person’s ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases, improvements and refinancing, whether financed at market rate or with government assistance. The data for Encinitas was compiled by census tract and aggregated to the area that generally approximates the City’s boundaries.

Table 3-40 summarizes the disposition of loan applications submitted to financial institutions in 2009 for home purchase, refinance, and home improvement loans in Encinitas. Included is information on loan applications that were approved and originated, approved but not accepted by the applicant, denied, withdrawn by the applicant, or incomplete.

Table 3-40: Disposition of Home Loans (2009)

Loan Type	Total Applicants	Percent Approved	Percent Denied	Percent Other
Government-Backed	141	70.9%	12.1%	17.0%
Conventional	570	76.0%	10.4%	13.7%
Refinance	3,193	71.6%	15.5%	12.9%
Home Improvement	118	61.0%	22.9%	16.1%
Total	4,022	71.9%	14.8%	13.3%

Home Purchase Loans

In 2009, a total of 570 Encinitas households applied for conventional loans to purchase homes. The overall loan approval rate was 76 percent and 10 percent of applications were denied. In comparison, 71 percent of conventional home loan applications were approved in the San Diego County. Approximately 141 home purchase applications were submitted in Encinitas through government-backed loans (for example, FHA, VA) in 2009; 71 percent of these applications approved. To be eligible for such loans, residents must meet the established income standards, maximum home values, and other requirements. For government-backed loans, the approval rate for the San Diego MSA was 74 percent.

Refinance Loans

The majority of loan applications submitted by Encinitas residents in 2009 were for refinancing their existing home loans (3,193 applications). Nearly three-quarters (72 percent) of these applications were approved, while 16 percent were denied. The recent credit crisis that began in 2007, and heightened in 2008, has likely caused refinancing activities to fall recently. In the San Diego County, 65 percent of refinancing applications were approved.

Home Improvement Loans

A larger proportion of Encinitas applicants were denied for home improvement loans than any other type of loan applications. Nearly one-quarter of all applicants (23 percent) were denied and just 61 percent were approved by lending institutions in 2009. The large proportion of home improvement loan denials may be explained by the nature of these loans. Most home improvement loans are second loans and therefore more difficult to qualify for due to high income-to-debt ratios. In San Diego County, home improvement loan applications had a slightly lower approval rate (57 percent) than in the City of Encinitas.

To address potential private market lending constraints and expand home improvement opportunities, the City of Encinitas offers the Residential Rehabilitation Program, which provides assistance to owner-occupants of single-family housing, multi-family housing, mobile homes, as well as to multi-family rental housing that is occupied by lower income tenants.

Foreclosures

With low interest rates, "creative" financing (for example, zero down, interest payment only, adjustable loans), and predatory lending practices (for example, aggressive marketing, hidden fees, negative amortization), many households nationwide purchased homes that were beyond their financial means between 2000 and 2005. Under the false assumptions that refinancing to lower interest rates would always be an option and home prices would continue to rise at double-digit rates, many households were unprepared for the hikes in interest rates, expiration of short-term fixed rates, and decline in sales prices that set off in 2006. Suddenly faced with significantly inflated mortgage payments, and mortgage loans that are larger than the worth of the homes, foreclosure was the only option available to many households.

Statewide, the number of foreclosures in 2010 has declined substantially from the previous year. During the third quarter of 2010, a total of 5,869 Notices of Default (NODs) were recorded in San Diego County, a decrease of about 32 percent from the third quarter of 2009. In December 2010, 189 homes in Encinitas were listed as foreclosures. These homes were listed at various stages of foreclosure (from pre-foreclosures to auctions) and ranged in price, with some properties listed as high as \$1.3 million. The high prices of these homes facing foreclosure indicate that the impact of foreclosure affects not just lower and moderate income households, but also households with higher incomes.

B. Governmental Constraints

Aside from market factors, housing affordability is also affected by factors in the public sector. Local policies and regulations can impact the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, among other issues may constrain the maintenance, development and improvement of housing. This section discusses potential governmental constraints in Encinitas and efforts to address them.

1. Land Use Controls

The Land Use Element sets forth City policies for guiding local land use development. These policies, together with existing zoning regulations, establish the amount and distribution of land allocated for different uses. The City is in the process of a comprehensive update to its General Plan.

Local Coastal Program

Approximately two-thirds of the City is comprised within the City of Encinitas Local Coastal Program (LCP). Under this program, a coastal development permit is required for all development within the City's Coastal Zone, with the exception of the following:

- Improvements to an existing structure or a public works facility
- Repair and maintenance activities to existing structures or facilities that do not result in an addition to, or enlargement or expansion of, the structures or facilities
- The installation, testing, and placement in service or the replacement of any necessary utility connection between an existing service facility and any development which has been approved under the California Coastal Act
- The replacement of any structure other than a public works facility destroyed by a disaster
- Temporary uses or events
- Signs which are exempted from provisions of the Municipal Code

The reviewing authority for the coastal development permit varies depending on the type of application submitted. Furthermore, specific findings required for decisions on coastal development permits can include:

- Project effects on demand for access and recreation
- Shoreline processes
- Historic public use
- Physical obstructions
- Other adverse impacts on access and recreation

Coastal Bluff Overlay Zone

The Coastal Bluff Overlay Zone regulations apply to all areas of the City where there is the presence of a coastal bluff. In addition to development and design regulations which otherwise apply, the following development standards apply to properties within the Coastal Bluff Overlay Zone:

- No principal structure, accessory structure, facility or improvement shall be constructed, placed or installed within 40 feet of the top edge of the coastal bluff.
- No structure, facility, improvement or activity shall be allowed on the face or at the base of a coastal bluff.
- No grading or scraping shall be allowed on a bluff face, nor shall naturally occurring drought tolerant vegetation be voluntarily removed from the bluff face.
- Existing legal structures and facilities within 40 ft. of a bluff edge or on the face of a bluff may remain unchanged.
- All drainage and run-off on the property shall be collected and delivered to approved drainage facilities.
- Landscaping on beach bluff properties shall avoid the use of ice plant, and emphasize native and drought-tolerant plants in order to minimize irrigation requirements and reduce potential slide hazards due to over-watering.
- Buildings and other structures shall be sited, designed and constructed so as not to obstruct views to and along the ocean and other scenic coastal areas from public vantage points.
- The design and exterior appearance of buildings and other structures visible from public vantage points shall be compatible with the scale and character of the surrounding development and protective of the natural scenic qualities of the bluffs.
- The City shall develop and adopt a comprehensive plan, based on the Beach Bluff Erosion Technical Report (prepared by Zeiser Kling Consultants Inc., dated January 24, 1994), to address the coastal bluff recession and shoreline erosion problems in the City.

Hillside/Inland Bluff Overlay Zone

The Hillside/Inland Bluff Overlay Zone regulations apply to all areas within the Special Study Overlay Zone where site-specific analysis indicates that 10 percent or more of the area of a parcel of land exceeds 25 percent slope. The Planning Commission is the authorized agency for reviewing and granting discretionary approvals for proposed development within the Hillside/Inland Bluff Overlay Zone. Where development is proposed on slopes of greater than 25 percent grade, the following additional standards apply:

- Slopes of greater than 25 percent grade should be preserved in their natural state.
- A geological reconnaissance report must be submitted.
- Where unstable conditions are indicated, a preliminary engineering geology report is also required.
- No principal structure or improvement or portion thereof shall be placed or erected, and no grading shall be undertaken, within 25 feet of any point along an inland bluff edge.
- All slopes over 25 percent grade which remain undisturbed or which are restored or enhanced as a result of a development approval, shall be conserved as a condition of that approval through a deed restriction, open space easement, or other suitable device that will preclude any future development or grading of such slopes.

Floodplain Overlay Zone

The Floodplain Overlay Zone regulations apply to all areas within the Special Study Overlay Zone where site-specific analysis of the land indicates the presence of a flood channel, floodplain, or wetland. The zone also applies to all areas identified as flood channels and floodplains on maps published by the Federal Emergency Management Agency. Any development within this zone is required to incorporate a series of improvements or modifications in order to ensure the ability of structures to withstand periodic flooding. The additional standards are also in place to guarantee the preservation of sensitive habitat areas.

Agricultural Overlay Zone

The Agricultural Overlay (AGO) Zone regulations apply to all properties presently under a Williamson Act contract. No development other than that associated with the agricultural operation subject to the Williamson Act contract may occur within the AGO Zone. Any development that occurs within this zone must conform to the setback and height requirements of the Rural Residential Zone. Furthermore, an open or landscaped buffer of at least 75 feet must be provided along the boundary between all property subject to the AGO zone and properties not subject to the AGO zone.

As a part of the Comprehensive General Plan Update process, it is anticipated that the AGO Zone will be removed from the Land Use Element.

Scenic/Visual Corridor Overlay Zone

The Scenic/Visual Corridor Overlay Zone regulations apply to all properties within the Scenic View Corridor along Scenic Highways and adjacent to Significant Viewsheds and Vista Points as described in the visual Resource Sensitivity Map of the Resource Management Element of the General Plan. When development is proposed on any properties triggering design review within the Scenic View Corridor Overlay Zone, consideration is given to the overall visual impact of the proposed project and conditions or limitations on project bulk, mass, height, architectural design, grading, and other visual factors.

Planned Residential Development (PRD)

Planned Residential Development (PRD) regulations are intended to facilitate development of areas zoned for residential use by permitting greater flexibility and, consequently, more creative and imaginative designs for the development of such residential areas than is generally possible under conventional zoning and subdivision regulations. These regulations are further intended to promote more economical and efficient use of land while providing a harmonious variety of housing choices, a higher level of residential amenities, and preservation of natural resources and open space. Affordable housing opportunities are encouraged through the application of PRD.

Inclusionary Housing

Given the high cost of land in Encinitas, inclusionary housing policy has been the most effective approach in achieving actual construction of affordable housing in the community. The City's inclusionary housing program requires housing developers of 10 or more dwelling units to reserve a unit or units for a restricted for-sales price or an affordable rental to tenants qualified by the Encinitas Housing Authority as meeting Section 8 Rental Assistance Requirements or to pay an in-lieu fee.

If the developer elects to pay the in-lieu fee, the amount of the fee is calculated on a case-to-case basis, reflecting the affordability gap at the time of the request. Therefore, the in-lieu fee is sensitive to the market conditions and does not unduly burden the overall development. In-lieu fees are deposited into the City's Affordable Housing Fund, which provides funding for affordable housing consistent with the goals and policies of the City's Housing Element.

The impact on the cost of inclusionary housing certainly is arguable. The market is a very important determinant of the price, and in a typical high-cost region as San Diego, the inclusionary "costs" would likely be absorbed as part of market pricing mechanisms. The impact would be to somewhat diminish the profit margin on a highly profitable enterprise without much impact on the overall cost. As the City's inclusionary housing policy has a long-standing history, developers are familiar with the program and factor any associated costs in their feasibility analysis. For Housing Element purposes, the constraint is defined less as a cost factor and more as a factor of the flexibility of the ordinance. In 2008, the City modified the inclusionary housing program regarding the for-sale provisions and offering administrative reliefs as means to provide flexibility for implementation. In 2010, the City further modified the inclusionary housing program to incorporate for-sale affordable unit provisions. The City recently approved a development to meet the inclusionary housing requirements through offsite construction and unit size reduction. The Housing Element includes a program to incorporate these provisions in an updated ordinance to enhance the flexibility for implementing the inclusionary housing program.

Consistency with State Density Bonus Law

State Density Bonus Law (SDBL), in Government Code Section 65915, is a voluntary program that requires cities and counties to offer a density bonus "when an applicant for a housing development seeks and agrees to construct a housing development" that provides for a certain amount of affordable housing (GC 65915(b)(1)). Specifically, State law requires the provision of certain incentives for residential development projects that

set aside a certain portion of total units to be affordable to lower and moderate income households. Under State law, a development of more than five units is eligible to receive density bonuses if it meets at least one of the following:

- *Very low income units:* Five percent of the total units of the housing development as target units affordable to very low-income households; or
- *Low Income Units:* Ten percent of the total units of the housing development as target units affordable to low-income households; or
- *Moderate Income Units:* Ten percent of the total units of a newly constructed condominium project or planned development as target units affordable to moderate-income households, provided all the units are offered for purchase; or
- *Senior Units:* A senior citizen housing development of 35 units or more.

Density bonuses and development incentives are based on a sliding scale, where the amount of density bonus and number of incentives provided vary according to the amount of affordable housing units provided. The affordable units must be deed restricted for a period of 30 years.

The City's Inclusionary Housing Ordinance in Municipal Code Chapter 24.21, on the other hand, is a mandatory dedication requirement for residential subdivisions of 10 or more units. Since the inclusionary ordinance imposes the affordable housing requirement, the applicant is not "agreeing to construct" the units, and therefore is not entitled to a density bonus under SDBL. Therefore, the inclusionary dedication requirement is calculated prior to application of a density bonus. However, an applicant subject to the dedication requirement may seek a density bonus in exchange for "agreeing to construct" affordable units in addition to what is otherwise required by the City's Inclusionary Housing Ordinance. In such a case the bonus units are not considered in determining the inclusionary requirement.

For example, if an applicant proposes a 36-unit project, the City's inclusionary housing dedication requirement would be 3 units (10 percent of 36 rounded down). If the applicant agreed to reserve an additional 11 percent of the project affordable to very low income families, the project would qualify for a 35-percent density bonus under SDBL, or 13 additional units (35 percent of 36 units, rounded up). As a result, the project would provide a total of 49 units, of which three would be affordable under the Inclusionary Housing Ordinance, and four (11 percent of 36 units, rounded up) would be affordable under SDBL. The remaining 42 units would be sold or rented at the market rate. By calculating the inclusionary requirement on the "base" project (36 units), the affordable housing incentive provided by the density bonus is preserved. In this manner, the City's Inclusionary Housing Ordinance is consistent with the State Density Bonus Law.

Between 2003 and 2010, the City approved or was in the process of reviewing 16 projects with density bonus units. Within this period there were 15 approved density projects totaling 301 new housing units, with 55 density bonus units and 34 affordable

units (see Table 3-41). For the density bonus project under review, the proposed subdivision at 1335 Desert Rose Way features 16 total single-family detached units, including one density bonus unit and one inclusionary unit obligation. Over this same time period, the City of Encinitas processed 28 subdivisions, yielding 472 total units. Based on this development activity over the eight year period, 64 percent of all units were approved under density bonus subdivisions. Furthermore, in all cases, the number of density bonus units was at least equal to or exceeded the number of inclusionary affordable units required for the project. Therefore, the City's inclusionary housing policy does not serve to constrain housing development. Nevertheless, while the City complies with State law, the City has not amended its Zoning Code to reflect State law. The City will amend the Zoning Code to incorporate State density bonus requirements within one year of the Housing Element adoption.

Table 3-41: Approved Density Bonus Projects (2003-2010)

Project Location	Total Units	Density Bonus Units	Affordable Units	Type	Zone
North side of Andrew Ave between Vulcan Ave. and Sheridan Rd.	9	2	1	Detached single family	R3
Southeast Corner of Ashbury and Vulcan Ave	69	7	7	Attached and detached single family	R8
East side of Vulcan Ave between Leucadia Blvd and Union St.	20	3	3	Multi-family	N-R15
Quail Gardens Dr, North of Quail Gardens Lane	10	2	1	Detached single family	RR1
290 Andrew Ave	9	2	1	Detached single family	R3
135 Daphne	10	2	1	Detached single family	R11
1150 Melba Rd	18	3	2	Detached single family	R3
1007-1021 Hermes Ave	9	3	1	Detached single family	R8
2315 and 2323 Edinburg Ave	12	1	1	Detached single family and multi-family	R11
1253 Urania Ave	9	3	1	Detached single family	RR2
1253 Urania Ave and 956 Normandy Rd	14	3	2	Detached single family	RR2
422 Requeza St	9	3	1	Detached single family	R8
645 Saxony Rd	72	14	10	Single family	R3
1492 Hymettus Ave	19	4	1	Single family	R3
1264 Lake Dr	12	3	1	Single family	RR1
Total	301	55	34		

Source: City of Encinitas, 2011.

Growth Management Measures

The City's General Plan, adopted in March 1989, includes an annual residential building limitation along with growth management policies and guidelines. The building limitation is based on the unbuilt development potential of the City at mid-range density divided by the remaining years of the 25 years build-out period (January 1989 to January 2014). Low- and moderate-income units are exempted from the allocation system, as are single family dwellings on lots established prior to adoption of the City's General Plan.

In 1999, the City analyzed the effectiveness of the growth management plan in regulating the pace of residential growth in Encinitas. The City found that the measure has had no effect on limiting growth in Encinitas. There has not been a single year in which the number of building permit applications has exceeded the number of available permits. This is due primarily to two factors: low housing production and the cumulative effect of carrying over unallocated permits from year to year. The City stopped accounting for the permit cap shortly after this discovery was made. By 1999, the last year the City calculated permit caps, there were more than 1,200 permits available, more than triple the highest number of new dwelling permits issued in any year since the GMIP was established. Given the large surplus of available permits, the growth management plan has not posed a constraint on housing production, nor impeded the City's ability to accommodate its share of the regional housing need.

As part of the City's comprehensive update to its General Plan, the City re-examined its growth management policies. The permit allocation system associated with the development capacity established by the mid-range target density is not included in the updated General Plan. One of the major considerations of the Comprehensive General Plan Update is to ensure that the City has adequate capacity to accommodate its share of regional housing needs.

Specific Plans

The City of Encinitas has adopted the following specific plans, which offer a range of housing types, densities, and/or mix of uses:

- Downtown Encinitas Specific Plan (Adopted February 9, 1994)
- Encinitas Ranch Specific Plan (Adopted September 28, 1994)
- North 101 Corridor Specific Plan (Adopted May 21, 1997)
- Cardiff-by-the-Sea Specific Plan (Adopted July 21, 2010) – submitted to California Coastal Commission in 2010.
- Home Depot Specific Plan (Adopted September 8, 1993)

The City anticipates that much of its new residential growth will occur in these Specific Plan areas, especially as mixed use developments. Table 3-42 summarizes the zones where mixed use developments are permitted.

Downtown Encinitas Specific Plan

The Downtown Encinitas planning area consists of approximately 198.6 acres located within the community of Old Encinitas. The area is bounded by the Pacific Ocean to the west, B Street on the north, Cornish Drive on the east, and K Street on the south. The

purpose of this Specific Plan was to treat the unique aspects, problems, and opportunities of the Downtown Encinitas area, and maintain its identity, community character, and scale, while fostering rehabilitation and successful economic restructuring.

The Specific Plan outlines housing strategies for increasing housing potential in the following areas:

- *First Street Mixed Use:* The mixed use zone for First Street (D-CM-1) allows residential units above or to the rear of primary commercial uses. Stand alone residential is not permitted in this sub-district and residential units are not allowed to exceed 50 percent of the gross floor area of any site. Individual dwellings are required to be a minimum of 350 square feet in floor area. There is no residential density specified. Based on development standards and recent development projects, the equivalent of up to 34 dwelling units per acre may be allowed, taking into account the commercial portion of a site's development.
- *Second Street Mixed Use:* The mixed use zone for Second Street (D-CM-2) allows for residential mixed with commercial on a site as well as a limited amount of stand-alone residential. This is allowed to a maximum of 25 dwellings per acre and for no more than 25 percent of the lots (by lot area) along the street.
- *Cozen's Site:* This sub-district (D-VCM) is another mixed use zone. This zone is similar to the First Street zone in terms of residential use allowance, with no specified residential density but an overall limit by floor area on how much site development may be residential. Residential units in this subdistrict will be attached multi-family.
- *D-OM Zone:* The D-OM Zone is another mixed-use zone, which applies to the east side of Third Street between E and F Streets, and is designed to allow office, residential, or mixed office/residential use. Stand-alone residential is limited to 15 dwellings per acre, to match the surrounding zoning allowance on Third Street. Mixed residential also is limited to 15 dwelling units per acre, and there is no proportional limit to the residential share.
- *Residential East Subdistrict:* This zone does not permit attached apartments of three or more units but allows duplex units on all lots of at least 5,000 square feet. The broadened duplex allowance increases the expected residential build-out potential of this neighborhood and allows for the transition of this neighborhood from original single-family to predominantly multifamily use.
- *Residential West Subdistrict:* With a few exceptions, most notably the Pacific View School site, the Residential West subdistrict is zoned D-R15 and D-R25, allowing up to 15 and 25 dwellings per acre respectively. For the most part these zones carry over the citywide R-15 and R-25 zoning provisions, allowing attached multi-family development.

Stand alone residential development is required to meet citywide parking standards. Units in mixed-use development, however, are subject to a somewhat simplified parking standard, with no more than two off-street parking spaces required for any dwelling. The Specific Plan also offers a voluntary incentive for mixed-use units which are guaranteed to be affordable to low or very low income households. Affordable units are allowed a reduced, one-space per unit parking requirement.

Encinitas Ranch Specific Plan

The Encinitas Ranch Specific Plan is designed to allow agricultural uses to continue operating as a viable business, while permitting a mix of residential, commercial, mixed use, recreation, and open space uses to develop on the remaining portions of the project site. The Encinitas Ranch Specific Plan provides residential, commercial, and mixed-use development, in addition to a substantial amount of natural open space, recreational area, and agricultural uses on a total of 852.8 acres, which includes the 29.8 acre Magdalena Ecke Park.

The most intense development within Encinitas Ranch occurs in the Green Valley Planning Area, adjacent to El Camino Real. This area include a 73.8 acre Regional Commercial Center (straddling Leucadia Boulevard) and approximately 24.8 acres of multi-family housing types including townhomes, condominiums and apartments in close proximity to the planned commercial and office uses. Residential densities up to 25 dwelling units per acre are permitted for free-standing residential structures.

Besides the mixed-use development in Green Valley, there is a total of 13 acres of mixed-use development planned on the west side of Saxony Road in the southwestern portion of the project site. The West Saxony Planning Area is designed with the ability to contain community-serving uses such as a theater, and/or museum. If these uses are not built, then the area would develop with a mix of traditional residential and office uses. The Encinitas Ranch project also includes single family residential development. Single family dwelling units will be constructed in the Quail Hollow East, North Mesa, South Mesa and Sidonia East Planning Areas.

North 101 Corridor Specific Plan

The North 101 Corridor planning area consists of approximately 231 acres located within the communities of Leucadia and Old Encinitas. The specific plan allocates 83.1 acres of residential-only zoning which includes 10.4 acres of Residential 3 (N-R3), 28.4 acres of Residential 8 (N-R8), 1.4 acres of Residential 11 (N-R1), 4.9 acres of Residential 15 (N-R15), 15.8 acres of Residential 20 (N-R20), 10.6 acres of Residential 25 (N-R25), and 11.6 acres of Mobile Home Park (NMHP).

The specific plan has also expanded previous commercial zoning in the North Highway 101 Corridor Specific Plan area to allow residential use. There are five distinct commercial mixed use zoning classifications in the Plan area. The N-CM-1, N-CM-2 and N-CM-3 zones provide for stand-alone commercial or commercial and residential uses at a maximum density of 25.0 dwelling units per net acre on the same property or in the same structure, with the intent of providing opportunities for housing and live/work or artisan loft arrangements. The N-CRM-1 zone provides for a variety of development opportunities including: 1) stand-alone commercial; 2) stand-alone residential at a

maximum density of 25 dwelling units per net acre; and 3) mixed use at a maximum density of 25 dwelling units per net acre. The N-CRM-2 zone provides for the same development opportunities as the N-CRM-1 zone except that the maximum density is set at 15 dwelling units per net acre.

Cardiff-by-the-Sea Specific Plan

The Cardiff-by-the-Sea Specific Plan focuses on a small but highly visible and highly valued portion of the Cardiff community. Generally considered the “business district” or sometimes “Downtown Cardiff,” the area is principally a mix of low rise retail, office, institutional, and residential uses. Boundaries of the Cardiff-by-the-Sea Specific Plan are irregular but generally include properties between the west side of San Elijo Avenue and the west side of the alley between Newcastle Avenue and Manchester Avenue; and from the south side of Mozart Avenue to the north side of Orinda Drive.

Within the Cardiff-by-the-Sea Specific Plan area are four separate Planning Areas, two of which allow residential uses of up to 11 dwelling units per acre. Planning Area 1 is roughly bound by Mozart Avenue on the north, Montgomery Avenue on the east, Birmingham Drive on the south, and San Elijo Avenue on the west. Single- and multi-family housing, professional and administrative offices, and restaurants define this Planning Area. Residential uses are expected to cluster in the northern portion of the Planning Area with general commercial uses along San Elijo Avenue. Planning Area 4 is bound by Chesterfield Drive on the north, the alley between Newcastle Avenue and Manchester Drive on the east, Orinda Drive on the south, and San Elijo Avenue on the west. This Planning Area functions as a transition between the residential area to the south and the commercial area to the north. More than half the area is developed residentially.

Home Depot Specific Plan

The Home Depot Specific Plan area encompasses a total of approximately 55.5 acres in the north central part of the City of Encinitas. The Specific Plan has been subdivided into four planning areas, one of which allows residential uses of up to 5 dwelling units per acre. The Encinitas General Plan allows for a maximum density of 5 dwelling units per acre and a midrange density of 4 dwelling units per acre in Planning Area 2. Planning Area 2 includes 17 single-family detached homes on approximately 6.5 acres (net) at a net density of 2.6 dwelling units per acre.

Table 3-42: Land with Mixed Use Potential

General Plan Code	Description	Mixed Use Type	Density Allowed (Du/Ac)
D-CM-1	Mixed use	Mixed use: Commercial with Residential	Approximately 34 du/acre; limited to 50% of site's building floor area; floor area bonus for affordable housing
D-CM-2	Mixed use	Commercial with Residential (free-standing (single family or multi-family) or mixed use)	25 du/ac; free-standing limited to 25% of the zone district's total lot acreage; mixed use is limited to 50% of site's building floor area; floor area bonus for affordable housing
D-VCM	Mixed use	Mixed use: Visitor-serving commercial -with multi-family residential	34 du/ac and limited to 30% of the ground floor area and 50% of the site's building floor area.
D-OM	Mixed use	Commercial with Residential (free-standing single family (detached or attached) (Duplex; Senior. or mixed use)	15 du/ac; mixed use limited to 50% of the ground floor area.
N-CM-1	Mixed use	Mixed use: Commercial with Residential	25 du/ac and limited to 50% of the site's building floor area.
N-CM-2	Mixed use	Mixed use: Commercial with Residential	25 du/ac and limited to 50%. of the site's building floor area
N-CM-3	Mixed use	Mixed use: Commercial with Residential	25 du/ac and limited to 50%. of the site's building floor area
N-CRM-1	Mixed use	Commercial with Residential (free-standing single family (detached or attached) or mixed use)	25 du/ac; mixed use limited to 50%. of the site's building floor area
N-CRM-2	Mixed use	Commercial with Residential (free-standing single family (detached or attached) or mixed use)	15 du/ac; mixed use limited to 50%. of the site's building floor area
ER-MU-1	Mixed Use	Mixed use: Commercial with Residential	25 du/ac
ER-MU-2	Mixed Use	Mixed use: Commercial with Residential	20 du/ac

2. Residential Development Standards

Citywide, outside the specific plan areas, the City regulates the type, location, density, and scale of residential development primarily through the Zoning Code. The following summarizes the City’s existing residential zoning districts:

- *Rural Residential (RR) – 0.125 to 0.5 du/acre:* Rural Residential is intended to provide for very low density single-family detached residential units on larger lots ranging in size from two to eight net acres with maximum densities of .5 to .125 units per net acre for compatibility with the more rural areas of the City. Parcels located in flood plain areas are designated .125 units per acre (8 net acre lots). One primary dwelling is permitted on each legal lot.
- *Rural Residential 1 (RR-1) – 1.0 du/acre:* Rural Residential 1 is intended to provide for low density single-family detached residential units with minimum lot sizes of one net acre and maximum densities of 1.0 unit per net acre for rural area compatibility. One primary dwelling is permitted on each legal lot.

- *Rural Residential 2 (RR-2) – 2.0 du/acre:* Rural Residential 2 is intended to provide for low density single-family detached residential units with minimum lot sizes of 21,500 net square feet and maximum densities of 2.0 units per net acre, as a transition from the rural to the more suburban areas within the City. One primary dwelling is permitted on each legal lot.
- *Residential 3 (R-3) – 3.0 du/acre:* Residential 3 is intended to provide for single-family detached residential units with minimum lot sizes of 14,500 net square feet and maximum densities of 3.0 units per net acre, as a rural to suburban transition. One primary dwelling is permitted on each legal lot.
- *Residential 5 (R-5) – 5.0 du/acre:* Residential 5 is intended to provide for lower density suburban development consisting of single-family detached units with minimum lot sizes of 8,700 net square feet and maximum densities of 5.0 units per net acre. One primary dwelling is permitted on each legal lot.
- *Residential 8 (R-8) – 8.0 du/acre:* Residential 8 is intended to provide for suburban single-family detached residential units with minimum lot sizes of 5,400 net square feet and maximum densities of 8.0 units per net acre. One primary dwelling is permitted on each legal lot.
- *Residential RS-11 (RS-11) – 11.0 du/acre:* Residential RS-11 is intended to provide for single family detached residential units with minimum lot sizes of 3,950 net square feet and maximum densities of 11.0 units per net acre. One primary dwelling is permitted on each legal lot.
- *Residential 11 (R-11) – 11.0 du/acre:* Residential 11 is intended to provide for a variety of residential development types found within the coastal areas, ranging from single-family detached units to single-family attached units, such as condominiums, townhouses, and senior housing. The minimum lot size is 3,950 net square feet and the maximum density is 11 units per net acre.
- *Residential 15 (R-15) – 15.0 du/acre:* Residential 15 is intended to provide for higher density residential development within the coastal areas including single-family units (attached and detached), duplex units, and senior housing, with a maximum density of 15 units per net acre.
- *Residential 20 (R-20) – 20.0 du/acre:* Residential 20 is intended to provide for compatible high density multiple-family residential development including apartments, condominiums, and senior housing, with a maximum density of 20 units per net acre.
- *Residential 25 (R-25) – 25.0 du/acre:* Residential 25 is intended to provide for compatible high density multiple-family residential development including apartments, condominiums, and senior housing, with a maximum density of 25 units per net acre.

- Residential 30 (R-30) – 30.0 du/ac: This newly created district as part of the City's General Plan update is the City's highest density residential use category, characterized by multi-family development, including apartments, senior housing, and condominiums.
- *Mobile Home Park (MHP) – 11.0 du/acre*: Mobile Home Park is intended to provide exclusively for mobile home park development with a maximum density of 11 units per net acre for new or redeveloped parks.
- *Mixed Use with Residential Emphasis (MU-R) – 30.0 du/ac*: This newly created district through the General Plan update provides for the development of low-mid rise multi-family housing with ground floor commercial development.

The City's Zoning Code also regulates the physical development of land by imposing minimum standards on lot size, lot width and depth, setbacks, and by placing maximum limits on lot coverage and floor-area ratio (FAR). These development standards are intended to control for unacceptable mass and bulk, ensure proper scale of development, provide minimum light, air, and open space for every lot, and minimize the potential for spillover and edge effects between uses. City-wide, the standards vary among zoning categories and are "fine-tuned" for the specific plan areas. Because these standards control the amount of physical development that can occur, individually and cumulatively they represent a potential constraint to housing development.

Table 3-43: Residential Development Standards

Zoning District	Maximum Density	Maximum Building Height (ft.)	Minimum Net Lot Area (sq. ft.)	Minimum Lot (ft.)		Setbacks (ft.)			Maximum Lot Coverage
				Width	Depth	Front	Rear	Side	
RR	0.125 (8 ac flood plain) 0.25-0.5 (2-4 ac, depending on slope)	26	2 acres	110	150	30	25	15-20	35
RR-1	1	26	1 acre	110	150	30	25	15	35
RR-2	2	22-26	21,500	100	150	30	25	10-15	35
R-3	3	22	14,500	80	100	25	25	10	35
R-5	5	22	8,700	70	100	25	25	10	35
R-8	8	22	5,400	60	90	25	25	5-10	40
R-11/ RS-11	11	22	3,950	40	90	20	20	5-10	40
R-15	11-15	22	20,000	100	150	20	15-20	5-20	40
R-20	15-20	22	20,000	100	150	20	15-20	5-20	40
R-25	20-25	22	20,000	100	150	20	15-20	5-20	40
R-30 ¹	25-30	35	20,000	100	150	20	15-20	5-20	60
MU-R ¹	25-30	40 ²	20,000	100	100	0-20 ³	0	0-20 ³	70
MHP	11	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

1. Development standards will be adopted concurrent with General Plan adoption, anticipated to occur in the summer of 2012.

2. Building height for two residential stories above commercial shall be limited to 40 feet.

3. Established during design review.

Source: City of Encinitas Zoning Code, 2011.

Minimum Density

As part of the zoning revisions to implement the new R-30 and MU-R zones, the City established minimum densities for the City's multi-family zones.

Minimum Lot Sizes

Minimum lot sizes and dimensions (width and depth) correspond to their residential density categories such that application of these standards will allow planned density to be achieved. For example, the R-11 zone requires a minimum lot size of 3,950 square feet (sf) per dwelling unit (du) and minimum dimensions of 40 feet by 90 feet, which is less than the 3,960 sf/du minimum required to achieve a density of 11 du/acre (43,560 sf /11 du = 3,960 sf/du). Additionally, City ordinances allow some flexibility for legal non-conforming lots whose sizes may not meet current minimum standards. For example, a duplex development is permitted on legal lots as small as 5,000 sf (2,500 sf/du). Therefore, minimum lot size and lot dimension standards do not constrain the ability to achieve planned densities.

Setbacks

Minimum setback or yard requirements vary among the residential zones. The primary purposes of imposing setbacks is to ensure adequate air and light between properties, to ensure adequate on-site access and circulation, to provide opportunities for private open space areas (yards), and to separate uses between properties to minimize conflicts and potential life/safety hazards. Generally speaking, setbacks are tied to lot size, meaning smaller lots have lower minimum setbacks, and larger lots require larger "yards." As with other development standards, the Zoning Code and specific plans provide flexibility to minimum requirements under certain circumstances. For example, in the R-15 through R-30 zones, the minimum side yard requirement can be reduced from 15 feet to five feet for existing legal lots that do not meet current minimum lot size requirements. Also, the front yard requirement can be reduced from 20 feet to 15 feet in cases where parking access can be taken from an abutting alley. While it is possible that setback requirements may inhibit maximum density from being realized in some cases, there is enough flexibility in the current ordinances that setback requirements do not constitute a significant constraint on residential development.

Lot Coverage and FAR

Lot coverage and floor area ratio (FAR) standards are intended to control bulk, mass, and intensity of a use. Lot coverage limits a building's footprint and is defined as the percentage between the ground floor area of building(s) and the net area of a lot. FAR limits the total usable floor area and is expressed as a ratio between the bulk floor area of building(s) and gross lot area. In most residential-only zones (except R-30), while maximum lot coverage ranges between 35 to 40 percent, a FAR of 0.6 applies only in the middle density zones (R-5 to R-11/RS-11). Floor area ratio limits do not apply to the higher density multi-family zones, nor do they apply to any but three of the specific plan mixed-use zones (D-CM-2, D-OM, and D-VCM). As applied to residential development, these standards may only limit the size of dwelling units, and do not limit the number of units, which is an expression of density (that is, zoning). FAR, combined with height limitations, can potentially prevent maximum density from being achieved in certain cases. This is most likely to be the case in older, small lot areas, but as discussed under "Residential Height Limits", the City has adopted more flexible zoning standards to encourage infill and redevelopment in these areas.

To examine whether the FAR limitation alone or in combination with other development standards has resulted in development at less than maximum density, the City reviewed records of new construction between 2000 and 2007 in the R-11 and D-CM-2 zones. During this time period some 85 new units were constructed in the R-11 zone. Only three properties developed at less than maximum density, none of which appeared to have been constrained by FAR or other development standards. Two of the properties developed as single-family homes with an accessory unit and the third developed as a single-family dwelling only. Also, during this period, five mixed-use projects were constructed in the D-CM-2 zone. Three of these developed at or near the maximum 0.65 FAR, only one of which achieved maximum density. The others that did not develop at maximum density could have if the non-residential floor area was dedicated to residential use (this zone allows standalone residential). Therefore, while it is conceivable that some combination of development standards may preclude maximum density from being realized under unique circumstances, the City's analysis has not

identified any such constraints in the multi-family or mixed-use zones. Lot coverage and FAR do not significantly constrain the ability to achieve planned densities.

Building Height

Residential building height in the rural residential zones (R through RR-1 and RR-2 for standard lots in Olivenhain) is permitted up to a maximum of 30 feet without discretionary review (26 feet if flat roof). For most other residential zones, building height is limited to two-stories and 22 feet (flat roof)/26 feet (pitched roof). R-30 provides for a height limit of 35 feet and three stories. Height limit for MU-R is two to three stories and 30 to 40 feet. These restrictions on height in most cases do not pose a significant constraint to the provision of housing and reinforces the community's need to protect the existing character, views and quality of the communities within Encinitas. Higher density housing can be constructed within these height limits as demonstrated by the City's development history, particularly in the Downtown Encinitas Specific Plan area where there is no density limit. The issue is more about better design not height parameters. The City has demonstrated that higher density and affordable housing can be, and is being, constructed within these height parameters.

The purpose of the method of measuring height is to discourage excessive grading activity and the building up of pads. This helps minimize impacts to the topography and adjacent views. Some architectural elements may project up to four feet above the height limit. Notwithstanding these city-wide residential height limitations, certain exceptions to height are provided for in the various specific plan areas.

- In the Downtown Encinitas Specific Plan mixed-use zones D-CM-1 and D-CM-2, a project can achieve three stories and 33 feet if at least one dwelling unit is reserved for very low or low income households.
- A residential project in the North Highway 101 Corridor Specific Plan area can achieve three stories and 33 feet if the first story is used for parking (for example, a garage) in any of the residential zones (N-R3, N-R8, N-R11, N-R15, N-R20, and N-R25). In the mixed use zones (N-CM-1, N-CM-2, N-CM-3, N-CRM-1, and N-CRM2), the maximum height is three stories and 33 feet.
- In the Encinitas Ranch Specific Plan, mixed use zones (ER-MU1 and ER-MU2) provide for a maximum height of three stories and 35 feet. In specific locations, a maximum height of 45 feet can be achieved.

The building envelopes resulting from the height limits discussed above, combined with other development standards such as setbacks, results in sufficient area to realize the density of dwellings as planned for individual lots. That is, the height limit does not prevent planned density from being achieved. While certain lots in the City may be impacted by physical limitations, such as non-conforming lot areas and/or unusual shapes or topography, such properties can seek relief from development standards through the variance process. Also, since substandard lot conditions are most likely to occur in the older parts of the city, flexibility in the zoning regulations has been provided in those areas through the adoption of specific plans. Thus, the residential height limit is not considered to be a significant housing constraint.

Net Lot Area

The City's General Plan and Zoning Code require that certain constrained lands be excluded from net lot area. The net lot area is then utilized to calculate the project density. For purposes of density, the gross lot area is reduced by the presence of steep slopes as follows: the density for properties containing slopes is calculated based on the following:

- Zero to 25 percent slope – no deduction (100 percent density);
- 25-40 percent slope – half of area deducted (50 percent density); and
- Slopes greater than 40 percent, plus or minus area completely excluded (no density allowance).

Other constrained areas are deducted as well, including floodplains, beaches, permanent bodies of water, significant wetlands, major utility easements, railroad track beds or rights-of-way, and easements for streets and roads. According to SANDAG (2030 Forecast, 2005 Inputs), approximately ½ of the remaining land otherwise available for residential development in Encinitas (excluding the Downtown and North Highway 101 specific plan areas) is environmentally-constrained. However, almost 99 percent of the identified constrained lands occur in the lower residential density categories: 1 du/acre through 8 du/acre. Land at these densities is capable of supporting above-moderate income housing. As demonstrated in the Housing Resources section of this Housing Element, the City has sufficient land to support the regional share for above-moderate income housing, even with the environmental constraints identified above.

Parking Standards

Adequate off-street parking must be available to avoid street overcrowding. Parking requirements for single-family and multi-family residential uses in Encinitas are summarized in Table 3-44.

Table 3-44: Parking Requirements

Type of Residential Development	Required Parking Spaces
SRO Hotels and Temporary Shelters	1 space for every 2 units
Single-Family or Two-Family Dwelling	2 enclosed parking spaces for each unit up to 2500 square feet of floor area. 3 spaces for dwelling units in excess of 2500 square feet. Any parking space over 2 spaces may be enclosed or unenclosed.
Multiple-Family Apartments (including Mobile Home Parks)	
Studio Apartments	1.5 spaces per unit + 0.25 spaces per units
1-2 Bedroom Units	2 spaces per unit + 0.25 spaces per units
3+ Bedroom Units	2.5 spaces per unit + 0.25 spaces per units
Accessory Apartments	1 space

Source: City of Encinitas Zoning Code, 2010.

The relaxing of parking standards are often used as an incentive to induce the rehabilitation of existing buildings and the creation of affordable dwelling units. The City has provided this incentive within the Downtown Encinitas and North 101 Corridor

Specific Plans. The specific plans require only one space per unit for units that are guaranteed affordable to low or very low income households. This should not be affected by the SDBL, SB 1818. The SDBL states that the City cannot require more than one onsite space per unit for studio to one bedroom units, two onsite spaces per unit for two to three bedroom units, and 2.5 onsite spaces per unit for four or more bedroom units. Also, as noted in the discussion of building height, the North Highway 101 Corridor Specific Plan permits building height to increase to three stories and 33 feet when a residential project that utilizes “tuck under” or garage parking at ground level. This provides an incentive for more efficient use of a property and makes it easier to meet the off-street parking requirement.

Through the conditional use permit process, the City can consider a less stringent parking requirement if a site-specific parking study clearly demonstrates that traffic circulation, public safety, coastal access, and the availability of public on-street parking are not impaired. The Zoning Code also provides for case-by-case evaluation of proposed joint-use parking agreements and off-site parking arrangements.

Not only does the required number of parking spaces affect the development potential of a property, but the physical design of the required parking can also affect it as well. The Planning Commission has the authority to establish and amend from time to time parking design guidelines, which govern parking space layout, minimum dimensions, location, circulation, landscaping, surfacing materials and the like.

While off-street parking standards can affect planned residential density, especially for small lots and in-fill areas, this potential constraint is mitigated by the incentives and flexible standards described above.

Flexibility in Development Standards

In addition to the variability and flexibility in the development standards described above, the Zoning Code also provides potential for further flexibility through the Lot Area Averaging and Planned Residential Development (PRD) entitlement processes. Implemented through a conditional use permit, these provisions encourage more creativity and flexibility in design to minimize grading, preserve significant natural resources or topographical features, and promote more efficient and economical use of land. Where the lot averaging and PRD processes are not appropriate but relief from the above standards is still warranted, the opportunity for a variance approval exists. As such, the above standards collectively do not pose a significant constraint to residential development overall.

Mid-range Density

In the past, the City utilized a mid-point density as a growth management tool. Projects resulting in five or more residential units/lots were limited to the mid-point density of the applicability zoning category. Project applicants could request to exceed the mid-point if findings could be made that the proposed project excels in design excellence and/or provides extraordinary community benefits. This policy has since been eliminated as part of the General Plan update.

3. Provision for a Variety of Housing Opportunities

Housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of a variety of housing types for all economic segments of the population. This includes single-family homes, multi-family housing, second units, mobile homes, emergency shelters, and housing for persons with disabilities. Table 3-45 below summarizes the various housing types permitted within the City's zoning districts.

Table 3-45: Use Regulations for Residential Districts

Use	RR, RR-1, RR-2	RS-11, R-3, R-5, R-8	R-11, R-15	R-20, R-25	R-30, MU-R ²	MHP
Single-Family Dwelling	P	P	P	P	X	P
Secondary Dwelling Unit	P	P	P	P	X	P
Multi-Family Dwelling	X	X	P	P	P	X
Mobile Home Park	X	X	C	C	X	P
Manufactured Housing	P	P	P	P	X	P
Residential Care Facility (6 or fewer)	P	P	P	P	P	X
Residential Care Facility (7 or more)	C ¹	C ¹	C	C	X	X

Source: City of Encinitas Zoning Code, 2010.

Notes

1. Residential care facilities for 7 or more are permitted with a Conditional Use Permit only if the property is located on a prime arterial Circulation Element road as shown on the General Plan.
2. Use restrictions to be adopted concurrent with the General Plan adoption, anticipated to occur in the summer of 2012.

Single-Family Dwelling

A "single-family dwelling" is defined in the Zoning Code as a one-family dwelling, attached or detached, located on separate lots or parcels exclusively for residential occupancy. Single-family dwellings are permitted in all residential zones.

Accessory Unit

Accessory dwelling units are attached or detached dwelling units that provide complete independent living facilities for one or more persons including permanent provisions for living, sleeping, cooking and sanitation. Accessory units may be alternative source of affordable housing for lower-income households and seniors.

The passage of AB 1866 (effective July 2003) requires cities to use a ministerial process to consider accessory dwelling units in an effort to facilitate the production of affordable housing state-wide. Accessory units must be permitted in all residential zones where a primary single-family unit already exists.

The City of Encinitas permits one attached or detached accessory unit to be constructed (with a floor area no greater than 750 square feet or 30 percent of the area of the principal residence, whichever is less) on all property zoned for residential single-family dwellings. An accessory unit of 400 square feet is permitted regardless of the living area of the principal residence. The City has approved 211 applications for accessory residential units since 2000, for an average of 20 units per year.

Multi-Family Dwelling

According to the State Department of Finance, multiple-family housing makes up approximately 22 percent of the 2010 housing stock in Encinitas. The Zoning Code provides for multi-family developments in the higher density residential zones (R-11, R-15, R-20 and R-25). The maximum density for the R-25 zones is 25 units per acre.

Mobile Home Parks and Manufactured Housing

Manufactured housing and mobile homes can be an affordable housing option for low and moderate income households. According to the California Department of Finance, there were 770 mobile homes in the City as of January 2010. A mobile home built after June 15, 1976, certified under the National Manufactured Home Construction and Safety Act of 1974, and built on a permanent foundation may be located in any residential zone where a conventional single-family detached dwelling is permitted subject to the same restrictions on density and to the same property development regulations. The Encinitas Municipal Code does not define manufactured housing. However, factory-built modular homes, constructed in compliance with the Uniform Building Code (UBC), and mobile homes/manufactured housing units that comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, are considered single-family dwellings and treated as such. Mobile Home Parks require a Conditional Use Permit (CUP) in the higher density residential zones (R-11, R-15, R-20 and R-25).

Residential Care Facilities

Residential care facilities licensed or supervised by a Federal, State, or local health/welfare agency provide 24-hour non-medical care of unrelated persons who are handicapped and in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual in a family-like environment. The Community Care Facilities Act (California Health and Safety Code) and Lanterman Developmental Disabilities Services Act (California Welfare and Institution Code) require that State-licensed residential care facilities serving six or fewer persons (including foster care) be treated as a regular residential use and therefore must be permitted by right in all residential zones allowing residential uses. These facilities cannot be subject to more stringent development standards, fees, or other standards than the same type of housing single-family homes in the same district.

In accordance with the Lanterman Act (Lanterman Developmental Disabilities Services Act, AB 846, compiled of divisions 4.1, 4.2 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), Encinitas allows residential care facilities serving six or fewer persons within all residential zones. Residential care facilities serving more than six persons are conditionally permitted in all single-family residential zones when located on a prime arterial roadway, and conditionally permitted in all multi-family zones. Conditions for approval are similar as similar uses in the same zone. Residential care facilities are not permitted in the Mobile Home Park (MHP) zone.

Emergency Shelters

Senate Bill 2, enacted in October 2007, requires local governments to identify one or more zoning categories that allow emergency shelters (year-round shelters for the

homeless) without discretionary review. The statute permits the City to apply limited conditions to the approval of ministerial permits for emergency shelters. The identified zone must have sufficient capacity to accommodate at least one year-round shelter and accommodate the City's share of the regional unsheltered homeless population. Encinitas' share of the regional unsheltered homeless population is estimated to be 134 individuals.

The City of Encinitas' Zoning Code does not explicitly address emergency shelters. The City will amend its Zoning Code within one year of adoption of the Housing Element to permit homeless shelters by right, without discretionary review, within the Light Industrial (LI) and Business Park (BP) zones, consistent with State law. Areas designed as the Light Industrial zone account for approximately 21 acres, or less than one half percent of the total land area, in the City. A small concentration of various light industrial uses are all tightly clustered, with some commercial services, in a specific area located off of West Lake Street (south of Encinitas Boulevard). Uses in this light industrial area include storage facilities and some service-related uses, such as auto body repair. Located at the corner of West Lake Street and Encinitas Boulevard are bus stops going to and from the Town Center (Route 309). Within this area, eight parcels are zoned LI and BP, totaling eight acres and including two parcels that are vacant (0.46 acre). These zones will be more than able to accommodate, in vacant and underutilized properties or through conversion of warehouse buildings, at least one emergency shelter for Encinitas' homeless population of 184 individuals (50 sheltered and 134 unsheltered).

Transitional Housing

California Health and Safety Code (Section 50675.2) defines "transitional housing" and "transitional housing development" as buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Residents of transitional housing are usually connected to supportive services designed to assist the homeless in achieving greater economic independence and a permanent, stable living situation. Transitional housing can take several forms, including group quarters with beds, single-family homes, and multi-family apartments and typically offers case management and support services to help return people to independent living (often six months to two years).

Currently, transitional housing facilities are included in the Encinitas Zoning Code as residential care facilities. The City will amend its Zoning Code, within one year of adoption of the Housing Element, to differentiate transitional housing in the form of group quarters versus as regular housing developments. For transitional housing facilities that operate as regular housing developments, such uses will be permitted where housing is otherwise permitted. For transitional housing facilities that operate as group quarters, such facilities will be permitted as residential care facilities. Potential conditions for approval of large residential care facilities (for more than six persons) as transitional housing may include hours of operation, security, loading requirements, noise regulations, and restrictions on loitering. Conditions would be similar to those for other similar uses and would not serve to constrain the development of such facilities.

Supportive Housing

Supportive housing links the provision of housing and social services for the homeless, people with disabilities, and a variety of other special needs populations. California Health and Safety Code (Section 50675.2) defines “supportive housing” as housing with no limit on length of stay, that is occupied by the low income adults with disabilities, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Target population includes adults with low incomes having one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act (Division 4.5, commencing with Section 4500, of the Welfare and Institutions Code) and may, among other populations, include families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, or homeless people.

Similar to transitional housing, supportive housing can take several forms, including group quarters with beds, single-family homes, and multi-family apartments. Supportive housing usually includes a service component either on- or off-site to assist the tenants in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

The Encinitas Zoning Code does not currently address the provision of supportive housing. The Zoning Code will be amended to differentiate supportive housing in the form of group quarters versus regular housing developments. For supportive housing facilities that operate as regular housing developments, such uses will be permitted by right where housing is otherwise permitted. For supportive housing facilities that operate as group quarters, such facilities will be permitted as residential care facilities. Potential conditions for approval of supportive housing for more than six persons may include hours of operation, security, loading requirements, noise regulations, and restrictions on loitering. Conditions would be similar to those for other similar uses and would not serve to constrain the development of such facilities.

Single Room Occupancy Units (SROs)

SRO units are one-room units intended for occupancy by a single individual. They are distinct from a studio or efficiency unit, in that a studio is a one-room unit that must contain a kitchen and bathroom. Although SRO units are not required to have a kitchen or bathroom, many SROs have one or the other and could be equivalent to an efficiency unit. The Encinitas Zoning Code does not contain specific provisions for SRO units; however single-room occupancy hotels are permitted in the Downtown Encinitas Specific Plan and North 101 Corridor Specific Plan. The City will amend its specific plans (Downtown Encinitas (Specific Plan and North 101 Corridor Specific Plan) to clarify the use is conditionally permitted in specific areas of the plan and/or facilitate the provision of SROs consistent with AB 2634 (Housing for Extremely Low Income Households) enacted in 2006. These plans will be amended, within one year of the adoption of the Housing Element, to permit SROs with a Conditional Use Permit in the specific plan areas (such as the D-CM-1 zone of the Downtown Encinitas Specific Plan).

Farmworker Housing

The City of Encinitas has established an agricultural overlay zone and within the Encinitas Ranch Specific Plan, including an Agricultural (AG) zone. The Specific Plan further specifies that farm employee housing requires the approval of a minor use permit. As part of the General Plan update, the Agricultural Overlay is expected to be eliminated from the Land Use Element.

The City will amend the Zoning Code to comply with State laws with regard to agricultural worker housing. Specifically, pursuant to the State Employee Housing Act (Section 17000 of the Health and Safety Code), employee housing for agricultural workers consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single-family or household is permitted by right in an agricultural land use designation. Therefore, for properties that permit agricultural uses by right, a local jurisdiction may not treat employee housing that meets the above criteria any differently than an agricultural use. Furthermore, any employee housing providing accommodations for six or fewer employees shall be deemed a single-family structure within a residential land use designation, according to the Employee Housing Act. Employee housing for six or fewer persons is permitted wherever a single-family residence is permitted. To comply with state law no conditional use permit or variance will be required.

Housing for Persons with Disabilities

Both the federal Fair Housing Amendment Act (FHAA) and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. The City conducted an analysis of the zoning ordinance, permitting procedures, development standards, and building codes to identify potential constraints for housing for persons with disabilities. The City's policies and regulations regarding housing for persons with disabilities are described below.

Land Use Controls

Under State Lanterman Developmental Disabilities Services Act (also known as the Lanterman Act), small licensed residential care facilities for six or fewer persons must be treated as regular residential uses and permitted by right in all residential districts. In accordance with State law (Lanterman Developmental Disability Services Act, AB 846, compiled of divisions 4.1, 4.2 and 4.7 of the Welfare and Institutions Code and Title 14 of the Government Code), Encinitas allows residential care facilities serving six or fewer persons within all residential zones (except in the MHP zone). Residential care facilities serving more than six persons are conditionally permitted. The City has not adopted a spacing requirement for residential care facilities.

Definition of Family

Local governments may restrict access to housing for households failing to qualify as a "family" by the definition specified in the Zoning Code. Specifically, a restrictive definition of "family" that limits the number of and differentiates between related and unrelated individuals living together may illegally limit the development and siting of

group homes for persons with disabilities, but not for housing families that are similarly sized or situated.

The City of Encinitas Zoning Code defines a “family” as “one or more persons, an individual or two (2) or more persons related by blood, marriage or adoption, or a group including unrelated individuals bearing the generic character of and living together as a relatively permanent unit sharing such needs as cooking facilities. Family shall also mean the persons living together including the licensee, the members of the licensee’s family, and persons employed as facility staff in the following facilities licensed to serve six (6) or fewer persons: A) a licensed “residential facility”, as that term is defined in the California Community Care Facilities Act, California Health & Safety Code Section 1500 et. Seq; B) a licensed “residential care facility for the elderly”, as that term is defined in the Residential Care Facilities for the Elderly Act, California Health & Safety Act, Section 1569 et. seq.; C) a licensed “congregate care” or “intermediate care facility, as defined in California Health & Safety Code Section 1250; or D) a licensed Alcohol and Drug Abuse Recovery Treatment Center, as defined in the Uniform Controlled Substances Act, California Health & Safety Code Section 11000 et seq.” The City’s definition of family does not restrict access to housing and does not need to be amended.

Building Codes

The Building and Safety Division actively enforces the California Building Code provisions that regulate the access and adaptability of buildings to accommodate persons with disabilities. No unique restrictions are in place that would constrain the development of housing for persons with disabilities. Government Code Section 12955.1 requires that 10 percent of the total dwelling units in multi-family buildings without elevators consisting of three or more rental units or four or more condominium units subject to the following building standards for persons with disabilities:

- The primary entry to the dwelling unit shall be on an accessible route unless exempted by site impracticality tests.
- At least one powder room or bathroom shall be located on the primary entry level served by an accessible route.
- All rooms or spaces located on the primary entry level shall be served by an accessible route. Rooms and spaces located on the primary entry level and subject to this chapter may include but are not limited to kitchens, powder rooms, bathrooms, living rooms, bedrooms, or hallways.
- Common use areas shall be accessible.
- If common tenant parking is provided, accessible parking spaces is required.

Encroachment Permit Procedure

Encroachment permits for structures within public rights-of- way are handled administratively by the Engineering Services Department. Improvements designed to improve accessibility (such as a wheelchair ramp) that encroaches on the public right of

way needs a Permanent Encroachment permit with a Maintenance and Removal Covenant. The applicant provides a drawing of the proposed improvements in relation to the public right of way, which is then reviewed by the City Engineer. The improvements must be completed by a licensed and insured general contractor. There is a nominal permit fee as well as a small recording fee. The City's permit processes for waivers and encroachments are relatively simple and expeditious and do not constitute a constraint to reasonable accommodations for persons with disabilities.

Retrofitting

The City also allows residential retrofitting to increase the suitability of homes for persons with disabilities in compliance with ADA requirements. Such retrofitting is permitted under Chapter 11 of the California Code. The City works with applicants who need special accommodations in their homes to ensure that application of building code requirements does not create a constraint.

The City does not impose special permit procedures or requirements that could impede the retrofitting of homes for accessibility. The City's requirements for building permits and inspections are the same as for other residential projects. City officials are not aware of any instances in which an applicant experienced delays or rejection of a retrofitting proposal for accessibility to persons with disabilities.

Permits and Review Procedures

The City does not impose special occupancy permit requirements for the establishment or retrofitting of structures for residential use by persons with disabilities. Generally, if structural improvements were required for an existing group home, a building permit would be required. If a new structure were proposed for a group home use, review would be required as for any other new residential structure.

Many residential projects in the City require some level of design review. The design review and hearing process is the same for group homes and special needs housing for persons with disabilities as for other residential projects. The City's design review process has not been used to deny or substantially modify a housing project for persons with disabilities to the point where it is no longer feasible.

Reasonable Accommodation

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act direct local governments to make reasonable accommodations (that is, modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be reasonable to accommodate requests from persons with disabilities to waive a setback requirement or other standard of the Zoning Code to ensure that homes are accessible for the mobility impaired. Whether a particular modification is reasonable depends on the circumstances.

Encinitas provides information to applicants or those inquiring of City regulations regarding accommodations in zoning, permit processes, and application of building codes for persons with disabilities. Applicants for development projects may apply for

a variance from development standards if circumstances warrant. Certain minor variances may be granted by the City's zoning administrator, while other variance requests must be approved by the Planning Commission. In either case, rather strict findings must be made in order to grant a variance. As such, the formal variance procedure may not be the appropriate vehicle to consider requests for reasonable accommodations. The City has no formalized procedures for obtaining a waiver of development standards which may be necessary to make improvements for reasonable accommodation pursuant to ADA. In the past, the City has considered such requests on a case-by-case basis. The City will amend the Zoning Code to implement a reasonable accommodation procedure to address reasonable accommodation requests.

4. Development and Planning Fees

Residential developers are subject to a variety of fees and exactions to process permits and provide necessary services and facilities as allowed by State law. In general, these development fees can be a constraint to the maintenance, improvement, and development of housing because the additional cost borne by developers contributes to overall increased housing unit cost. However, the fees are necessary to maintain adequate planning services and other public services and facilities in the City. These fees have not been found to act as a constraint to the development of housing in Encinitas.

Table 3-46 summarizes the most common planning and development impact fees for the City of Encinitas and other North County Coastal cities. In general, the City's fees are comparable to developments in other North San Diego communities.

Development fees vary depending on housing type and the location of the project. However, generally, a developer can expect to pay \$4,846 in total fees for a typical single-family dwelling unit of 1,800 square feet, representing less than three percent of the building valuation (excluding land costs). For a small multi-family project (five to ten units), fees total approximately \$3,990 per unit (1,200 square feet), representing just three percent of the building valuation (excluding land costs). Given the high land costs in Encinitas, the City's planning and development fees represent only a minute percentage of the overall development costs and do not serve to constrain housing development.

Table 3-46: Regional Comparison of Planning and Development Fees (2011)

	Encinitas	Carlsbad	Oceanside	Solana Beach
Planning Fees				
Coastal Development Permit	\$1,600	\$999-\$3,295	\$4,000	
Design Review/Development Review	\$1,000-\$4,800	--	\$4,838-\$6,435	\$3,030-\$10,000
Major Use Permit/Conditional Use Permit	\$6,000	\$4,162	\$4,503	\$9,300
Minor Use Permit	\$1,600	\$697	\$3,152	\$2,327
Tentative Parcel Map	\$3,500	\$3,531	\$3,089	--
Final Parcel Map	\$1,600	\$3,115	--	--
Tentative Subdivision Map	\$10,000	\$7,647-\$15,283	Deposit Account	\$8,674-\$10,858
Final Subdivision Map	\$2,000	\$6,939	--	\$4,002-\$5,777
Variance	\$1,200-\$3,200	\$2,624	\$4,000	\$2,163
Plan Check	\$50-\$1,500	65% of building permit	--	--
Environmental Review-Initial Study	\$4,200	--	Deposit Account	\$291 plus cost
General Plan Amendment	\$13,000-\$20,000	\$3,962-\$5,714	\$9,234	\$10,000
Impact/Capacity Fees				
Parks and Recreation Fee	\$5,423-\$9,220/unit	\$3,696-\$7,649/unit	\$3,503/unit	\$600/unit
Open Space Land Acquisition	\$287-\$423/unit	--	--	--
Trail Development Fee	\$73-\$108/unit	--	--	--
Community/Public Facilities Fee	\$387-\$571/unit	--	\$2,072/unit	1% of valuation
Affordable Housing In-Lieu Fee	--	\$2,925-\$4,515/unit	\$1,000/project + \$100/unit plus \$10,275/unit	--
Sewer Connection Fee	--	\$1,096/unit	\$6,313/unit	--
Traffic Impact Fee	--	\$1,372-\$2,286/unit	--	--
Public Art Fee	--	--	--	0.5% of valuation
Traffic Impact Fee	--	--	--	SF: \$3,623/unit MF: \$2,899/unit
School Facilities Fee	--	--	\$2.63/sq. ft.	--
Water Connection Fee	--	--	\$4,597/unit	--

Source: Cities of Encinitas, Carlsbad, Oceanside and Solana Beach, 2011.

5. On- and Off-Site Improvements

Site improvements in the City consist of those typically associated with development for on-site improvements (fronting streets, curbs, gutters, sewer/water, and sidewalks), and off-site improvements (drainage, parks, traffic, schools, and sewer/water). Thus, these are costs that will be added to the sale or rental price of housing. Because residential development cannot take place without the addition of adequate infrastructure, site improvement requirements are not seen as a constraint to the development of housing within the City.

Unlike most cities, Encinitas does not impose standardized infrastructure requirements. Adopted policies in other elements of the General Plan call for street and sidewalk

improvement standards adequate to serve and protect public safety but are tailored to specific community and neighborhood design needs. This approach is expected to result in requirements less stringent and less costly than the normal type of citywide engineering requirements imposed by most municipalities. The improvements and exactions required for residential development are limited to those improvements needed to allow the project based on its impacts.

For single-family residential development on vacant land, examples of typical on-site improvements might include storm water detention facilities, roads, sidewalks, perimeter walls, fire hydrants and emergency access drives, and recreational trails. The Fire Department may require fire breaks and fuel management areas if a project is within or near brush areas. Multifamily developments may also include common open space and recreation areas, as well as lockable storage areas.

Typical off-site improvements for both single-family and multi-family developments might include: new curbs, gutters, and sidewalks, recreational trail facilities, road improvements and traffic control needed to serve the development, street trees, and landscaping. Utilities may need to be upgraded or installed to serve the development, including water mains, sewer mains, storm water pollution prevention measures, and under grounding of electric utilities.

Infill residential projects may be required to install any of the example improvements listed above, depending on site-specific circumstances and neighborhood needs. As mentioned previously, required site improvements are limited to just those needed to serve the project and offset related impacts.

For residential projects, there is no fixed landscaping requirement as a percentage of the total site. However, projects subject to design review, such as single-family subdivisions and multi-family projects are required to submit landscaping plans as part of the overall project. Multifamily projects are required to maintain a landscape buffer when adjacent to a rural residential or single-family zone. Specific landscaping requirements may vary from city-wide standards in the various specific plan areas. For projects not subject to design review (for example, a new single-family home on an individual lot), an approved landscaping plan is generally not required.

Open space requirements will apply to residential projects under certain circumstances such as the presence of steep slopes, flood plains, sensitive habitat, or other environmentally constrained features. For example, properties subject to the Hillside/Inland Bluff Overlay Zone must preserve undisturbed or restored areas that exceed 25 percent in slope in an open space easement or deed restriction. The purpose of such restrictions is to protect environmentally or geologically sensitive areas from the adverse effects of development.

Open space requirements can be applied through Lot Area Averaging and Planned Residential Development (PRD) projects. A primary purpose for lot averaging and PRD projects is to allow design flexibility to protect sensitive areas and significant topographic features while maintaining the ability to achieve planned densities. Open space reservations also provide a recreational amenity for the residents of such

developments. For example, the PRD standards require that 40 percent of a development site contain both developed and undeveloped open space for the purposes of preserving natural and sensitive areas while providing common recreational and private use areas.

Public street widths are specified in the City's Municipal Code (23.36.090). The City requires a standard right-of-way of 30 feet for residential and light collector streets. These improvement requirements are typical and do not constrain housing development.

6. Building Codes and Enforcement

The City of Encinitas' construction codes are based upon the State Uniform Building, Plumbing, Mechanical, Electrical and Housing Codes (UBC) and are considered to be the minimum necessary to protect the public health, safety and welfare of the City's residents. The City has also adopted the Uniform Fire Code (UFC). Code enforcement is conducted by the City and is based on systematic enforcement in areas of serious concern and on a complaint basis throughout the City. The Code Enforcement Division works with property owners and renters to assist in meeting State health and safety codes.

7. Local Permits and Processing Times

The processing time needed to obtain development permits and required approvals is commonly cited by the development community as a prime contributor to the high cost of housing. Depending on the magnitude and complexity of the development proposal, the time that elapses from application submittal to project approval may vary considerably. Factors that can affect the length of development review on a proposed project include: completeness of the development application submittal, responsiveness of developers to staff comments and requests for information, and projects that are not exempt from the California Environmental Quality Act (CEQA), require rezoning or general plan amendment, or are subject to a public hearing before the Planning Commission or City Council.

Certainty and consistency in permit processing procedures and reasonable processing times is important to ensure that the development review/approval process does not discourage developers of housing or add excessive costs (including carrying costs on property) that would make the project economically infeasible. The City is committed to maintaining comparatively short processing times. Total processing times vary by project, but most residential projects are approved in six months to two years. Table 3-47 provides a detailed summary of the typical processing procedures and timelines of various types of projects in the City.

Table 3-47: Processing Times

Project Type	Reviewing Body	Public Hearing Required	Appeal Body (if any)	Estimated Total Processing Time
Single-Family Subdivision	≤4 lots: Planning and Building Director ≥5 lots: Planning Commission	Yes	City Council; Coastal Commission in Coastal Commission appeal jurisdiction	≤4 lots: 6 months to 2 years ≥5 lots: 1-5 years
Multiple-Family	Planning Commission	Yes	City Council; Coastal Commission in Coastal Commission appeal jurisdiction	6 months to 2 years
Multiple-Family (with subdivisions)	Planning Commission	Yes	City Council; Coastal Commission in Coastal Commission appeal jurisdiction	1-5 years
Mixed Use	Planning Commission	Yes	City Council; Coastal Commission in Coastal Commission appeal jurisdiction	1-5 years

New residential development is subject to review and permit processes. At a minimum, building permits are required to construct any new or structurally-remodeled dwellings. New single-family units and multi-family development proposals are subject to design review. Land subdivisions require approval of a parcel or subdivision map. Proposed residential development within the Coastal Zone is also subject to approval of a Coastal Development Permit. In all residential zones single-family and multi-family development is permitted by right, that is, not subject to a conditional use permit unless it is a Planned Residential Development (PRD) or proposes lot area averaging. Single-family and multi-family uses also are permitted by right in mixed-use zones. The review procedures for single-family and multi-family development are similar. The processing time for the most common residential development applications are summarized in Table 3-48. These applications are often processed concurrently. A time factor is the Coastal Development Permit, which is a requirement by the California Coastal Commission, implementing the City’s Local Coastal Program (LCP).

Table 3-48: Approximate Processing Times

Process/Application	Time
Conditional Use Permit	6-18 months
Design Review	6-18 months
General Plan Amendment	1-2 years (if part of Local Coastal Program then an additional 18 months to several years)
Environmental Impact Reports	1-2 years
Plan Check/Building Permits	2-6 months (varies by type of permit)
Variance	4 months to 1 year
Zone Change	1-2 years (if part of Local Coastal Program then an additional 18 months to several years)

Source: City of Encinitas Planning Department, 2010.

Design Review

The design review process is regulated by Municipal Code Chapter 23.08 and adopted Design Guidelines. While there are some exceptions to the design review requirement, such as limited additions and remodels, a single home on a pre-existing legal lot, walls and fences under six feet high, and so forth, all other new development is subject to the regulations. Design review determinations are either made by the Planning Director or Planning Commission (see “Administrative Review” and “Discretionary Review” discussion below). Most new residential developments will be reviewed by the Planning Commission. In order to gain approval, the design review regulations require that the decision-maker must find that the project:

- Is consistent with the General Plan, a Specific Plan or the Municipal Code;
- Is substantially consistent with the Design Review Guidelines;
- Would not adversely affect the health, safety, or general welfare of the community; and
- Would not tend to cause the surrounding neighborhood to depreciate materially in appearance or value (EMC 23.08.080).

To guide developers in designing their projects and assist staff and the Planning Commission in evaluating them, the Design Guidelines contain detailed policies covering various aspects project design: site planning, grading and landform, circulation, parking and streetscape, architecture and signage, lighting, and landscaping. Some guidelines are mandatory, i.e., the project must incorporate certain features into their designs. For example, “barrier-free design amenities for the disabled *shall* be provided.” Most guidelines, however, are presented in the more suggestive terms “should”, “should not”, “encouraged” and “discouraged”. The guidelines are intended to articulate community vision about how development is executed while at the same time provide enough flexibility to encourage creativity and cost-effective design. In addition, each of the adopted Specific Plans has written guidelines tailored to the design and character issues unique to those areas. The written guidelines enable prospective developers to understand how their projects will be evaluated and enable them to design accordingly, minimizing costly redesigns and delays in the review process.

A concern had been expressed in the past that design review finding No. 4 (above) could pose a constraint to housing as it could be subjectively applied to deny a project. While there is no known case in Encinitas that a residential project was denied on the basis that it may “tend to cause the surrounding neighborhood to depreciate materially in appearance or value”, the City will carry out a program to modify or eliminate this design review finding to ensure that the design review process does not pose a constraint to the provision of housing.

Building Permit

The construction of one single-family residence outside the Coastal Zone, which meets the requirements of a custom home and complies with all other City ordinances and regulations generally does not require any level of discretionary review. The permit process is a building permit application and takes approximately one to two months for approval. The building permit process follows these steps:

- 1) Filing a Building Permit application and payment of fees;
- 2) Submitting Construction Plans for Building and Grading Permits;
- 3) Resubmit Construction Plans for re-review as needed; and
- 4) Permits Issued.

All residential projects, whether or not they require design review or a coastal development permit, follow the building permit process before final building permit approval.

Coastal Development Permit

New development in the City's Coastal Zone requires a Coastal Development Permit. In 1994, Encinitas assumed permitting authority from the California Coastal Commission through an adopted Local Coastal Program (LCP). To reduce overlapping requirements, the LCP allows processing of coastal development permits concurrently with other reviews such as design review and conditional use permits. However, in the case of individual single-family home construction, coastal permit requirements can add two months to the review process.

While the review and permit processing procedures and time frames are comparable to other coastal cities, Encinitas continues to seek improvements to its procedures. The City has implemented a number of improvements to the review process, including upgraded permitting software, improved coordination and communication among departments, weekly pre-development meetings with prospective developers, distribution of a newsletter periodically to the development community, and improved access to zoning and development information via the City's website and informational brochures at City Hall. The City also is seeking to exempt certain types of development in specific locations (including individual homes) from the Coastal Development Permit process, provided there are no environmental constraints or coastal access issues.

Administrative Review (Director Approval)

Construction of residential projects may require Administrative Review. The Administrative Review process involves submitting an application, staff and public review, and finally Planning Director approval. The Administrative Review process takes between three to six months for approval. Administrative Review decisions can be appealed to the City Council, which can lengthen the review process. The following types of projects require Administrative Review:

- Tentative Parcel Map (four lots/units or fewer)
- Boundary Adjustment
- Certificate of Compliance
- Minor Use Permit
- Minor Variance
- Condominium Conversion (four units or fewer)

Discretionary Review (Planning Commission Approval)

Residential projects that require Planning Commission review involve submitting a Discretionary Permit Application, staff and public review, and final approval by the

Planning Commission. The Discretionary Review process generally takes six months up to a year for approval. Planning Commission determinations can be appealed to the City Council, which can lengthen review time. The following types of projects require Planning Commission approval:

- Tentative Subdivision Map (five or more lots/units)
- Major Use Permit
- Major Variance
- Condominium Conversion (five or more units)

C. Environmental and Infrastructure Constraints

The City of Encinitas is bound by the Pacific Ocean on the west. Coastal bluffs at the City's northern boundary overlook the portion of Batiquitos Lagoon that falls within Encinitas, and includes lands south and southeast of the lagoon, including Indian Head Canyon, Magdalena Ecke Park, the slopes above Green Valley, and habitat north of Encinitas Boulevard between El Camino Real and Rancho Santa Fe Road. At the City's southern perimeter, slopes and bluffs overlook San Elijo Lagoon. Escondido Creek, a major east-west waterway, traverses the southern boundary of the City and ultimately empties into the San Elijo Lagoon.

Portions of Encinitas are exposed to a variety of environmental hazards and resources which constrain development. These constraints include topography, flooding, landslides and seismic hazards, and areas with natural and cultural resources. For example, areas of Olivenhain and the Sphere of Influence area beyond the City's eastern limits include slope areas greater than 25 percent and are characterized by the presence of biological habitat. A number of residential properties along the coast in Old Encinitas and Leucadia are affected by the presence of coastal bluffs and erosion. The Zoning Code has defined a Special Purpose Overlay Zone that recognizes the need for additional development standards in these environmentally constrained areas before future development may proceed. These constraints were applied before, and taken into account as part of the residential capacity figures that were generated as part of the site inventory analysis.

A definite relationship exists between environmental constraints and possible, safe or desirable development potential. While some degree of additional impact upon and from the environment is inevitable from any new growth, a balance between housing development and environmental constraints and needs is vital to the planning process. In Encinitas those areas planned for higher density are less subject to environmental limits and hazards. Conversely, those areas that are more constrained are planned for lower density to lessen the potential for unacceptable impacts on the environment. Approximately 6.1 percent of the land cannot be developed in Encinitas due to physical or environmental constraints such as steep slopes, flood plains, wetlands, or public ownership.

1. Geologic and Seismic Hazards

Southern California is considered as one of the most seismically active regions in the United States because the faulting is dominated by the compression regime associated with the “big bend” of the San Andreas Fault Zone. The San Diego region is transected by several sub-parallel, pervasive fault zones, as well as smaller faults. The City of Encinitas is located in the southern part of the Peninsular Ranges geologic Province: an area that is exposed to risk from multiple earthquake fault zones. The San Andreas Fault, which runs from Baja, California to San Francisco, is approximately 100 miles east of the City and poses a potential risk for much of the San Diego region. However, for the City the highest risks originate from nearby zones such as the Elsinore Fault zone, the Rose Canyon Fault zone and other offshore faults. Each zone has the potential to cause moderate to large earthquakes that would cause ground shaking in Encinitas and nearby communities.

The major onshore and offshore fault zones present some relative seismic risk to the City, similar to most Southern California communities. In the early 1990s, the City conducted a survey for unreinforced masonry buildings in Encinitas and identified structures vulnerable to earthquake forces. The survey provides 20 site addresses in the City that are subject to risk, as well their estimated occupancy information and building condition.

2. Flooding

Flood zones are geographic areas that the Federal Emergency Management Act (FEMA) has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area. Portions of the City are located within a FEMA 100-year or 500-year flood zone. The low-lying areas along the floodplains of Cottonwood Creek, Encinitas Creek and Escondido Creek, as well as their tributaries, can experience flooding during severe rain seasons.

In addition, portions of the City are also within a dam inundation area. Dam inundation areas are downstream areas subject to flooding or other effects during large storm events. Dam inundation areas are also subject to the uncontrolled release of an upstream reservoir as well as events leading to breaks in levees or dams. The areas of potential dam inundation are generally along the Cottonwood Creek, Encinitas Creek and Escondido Creek; portions of tributary stream channels; and the low-lying areas near the coastal portions of the plan area. Based on historical data and the high level of development in portions of the dam inundation hazard zones, the potential for serious hazards in the event of a dam failure is significant.

3. Wastewater Capacity

The City's wastewater collection division is responsible for maintaining the existing sewer infrastructure within the City. The City sewer maintenance includes cleaning sewer lines, clearing blockages, repairing breaks, and responding to emergencies. Sewage is conveyed through pipes to either the Encina Wastewater Authority (EWA) in

Carlsbad, north of Encinitas, or to the San Elijo Water Reclamation Facility in Cardiff, south of Encinitas. The EWA plant currently treats approximately 43.4 million gallons of sewage per day from Encinitas, Carlsbad, Vista, Leucadia Wastewater District, Vallecitos Water District, and Buena Sanitation District. Additionally, the EWA also produces recycled water for use in irrigation. The EWA also owns approximately 37 acres adjacent to the existing plant for potential future expansion although no current plans for expansion are planned at this time.

The San Elijo Water Reclamation Facility currently has a capacity to treat 5.25 million gallons of sewage per day for the communities of Cardiff, Solana Beach, Rancho Santa Fe and Olivenhain. The facility is also permitted to discharge up to 2.48 million gallons of recycled water to customers per day. There are no current plans for plant expansion.

The City of Encinitas is currently approximately 94 percent built out. The City of Encinitas has existing sewer infrastructure including treatment plants have capacity for the full buildout of the City.

4. Water Supply

The City of Encinitas currently has three sources of water: raw water from the San Diego County Water Authority (SDCWA) through the State Water Project, treated water from the SDCWA, and runoff from the Lake Hodges watershed east of the City. This treated water is conveyed through pipes to the City's customers for residential, public, commercial and industrial uses. Fire flow capacity is also provided within the water system network for the City.

The San Dieguito Water District (SDWD) is a subsidiary of the City of Encinitas and provides water to approximately 38,000 residents in the communities of Leucadia, Old Encinitas, Cardiff-by-the-Sea and New Encinitas. The distribution system consists of approximately 170 miles of pipeline, a 2.5 and 7.5 million-gallon reservoir, and over 11,000 water meters. Approximately 30 percent of the District's water is from local sources and the remainder (70 percent) is imported. The SDWD receives local runoff water from Lake Hodges and imported raw water from the San Diego County Water Authority. Both sources are treated at the R.E. Badger Filtration Plant located in Rancho Santa Fe. The plant is jointly owned with the Santa Fe Irrigation District. Treated water from the San Diego Water Authority can also be delivered directly to the District.

The Olivenhain Municipal Water District (OMWD) provides service to the remainder of the City. The OMWD is an independent public agency addressing the water needs of up to 40 percent of Encinitas residents. OMWD primarily serves the City's eastern half, including all or a part of the communities of Olivenhain, New Encinitas, Leucadia and Cardiff-by-the-Sea. OMWD delivers approximately 6.27 million gallons per day to 9,420 water meters in Encinitas. In addition to portions of Encinitas, OMWD also includes portions of the cities of Carlsbad, San Diego, Solana Beach, San Marcos, and the County of San Diego. Overall, OMWD includes over 48 square miles (31,123 acres) and serves a population of 68,000 and has over 26,600 meters in service. Based on OMWD's 2009 Comprehensive Annual Financial Report, the distribution system also includes a recycled service area of 10,567 acres (including 46 miles of recycled water

main). Approximately 94 percent of the treated water delivered by OMWD is treated at the David C. McCollom Water Treatment Plant, located within the community of Elfin Forest. Water treated at this facility is imported raw water from the SDCWA (blend of water from the Colorado River and the State Water Project). The remaining 6 percent of the treated water treated at SDCWA's Twin Oaks Valley Water Treatment Plant in San Marcos and at the Skinner Water Treatment Plant located in southwestern Riverside County.

New Water Master Plans were recently completed for the San Dieguito Water District and Olivenhain Municipal Water District. These plans provide an assessment of the existing water system conditions and demands. The plans concluded that the overall system is adequately sized to accommodate future 2030 growth demands. In the San Dieguito Water District, the current average day demand for the district is 6.63 million gallons per day. The projected average future 2030 demand is 7.74 million gallons per day. In the Olivenhain Municipal Water District, the average daily water demand was 20.5 million gallons per day and the annual average basis of water demand in 2030 is 27.9 million gallons per day. The Master Plans identified areas for improvement that were then included into the future planning horizon CIP. These CIP upgrades include pipeline system upgrades, valve replacement, meter replacement and treatment plant upgrades.

5. Stormwater Management

The City of Encinitas Public Works Department is responsible for maintaining the storm drain infrastructure through comprehensive programmatic efforts. The Stormwater Management Division (Clean Water Program) of the Engineering Department is responsible for enforcing regulatory mandates related to surface water.

The Clean Water Program has two goals: maintain water quality and protect beaches, lagoons and creeks from illicit discharges, sewage spills and other pollutants. In order to maintain high stormwater quality (and reduce/eliminate non-storm water discharge to the storm drain system) and to implement controls to reduce pollutants the City implements several activities including:

- Sewer spill prevention
- Preventing illicit discharges to the storm drain system.
- Litter, trash and debris removal
- Commercial runoff containment at gas stations and restaurants
- Public education
- Restoration of local waterways
- Storm drain system, biofilter, detention basin and channel maintenance
- Construction site runoff reduction
- Ultra Violet Treatment Facility at Moonlight Beach

Future development and redevelopment projects are required to implement the measures outlined in the City's Stormwater Manual, March 2010, and Best Management Practices Manual Part I and II. The Stormwater Manual includes requirements for the

control measures to reduce storm water pollutants to the maximum extent practicable for new development and redevelopment.

The City of Encinitas has an extensive storm drainage system that consists of:

- 100 miles of storm drain pipe
- Over 2,500 catch basin boxes
- Over 90 miles of channels

These facilities intercept storm water runoff and convey it from the eastern part of the City to the west where it discharges into either the San Elijo Lagoon, south of the City Batiquitos Lagoon, north of the City. The coastal area of the City discharges through several outfalls to the ocean.

6. Schools and Education

The Encinitas Union School District (EUSD), Cardiff School District (CSD) and San Dieguito Union High School District (SDUHSD) serve residents of the City of Encinitas. Since the geographic boundary of each school district is different in size and shape and may offer different grade ranges, some schools may be administratively affiliated with residents from different cities.

The EUSD serves residents living in Encinitas and the La Costa area of Carlsbad in North County San Diego. The EUSD consists of nine elementary schools, six of which serve children in the City of Encinitas. Because the EUSD is a K-6 school district, no schools feed into it; however, the nine elementary schools in the EUSD feed into the secondary schools in the SDUHSD. All have achieved California Distinguished School status or other awards. School district facilities serving the City's elementary school age population are adequate and have reserve capacity to meet future needs.

7. Fire and Emergency Services

The Encinitas Fire Protection Department serves residents of the coastal, rural and agricultural communities of Encinitas, Olivenhain, Leucadia and Cardiff-by-the-Sea. The County of San Diego's County Service Area (CSA) 17 consists of Del Mar, Del Mar Heights, Solana Beach, Encinitas, Rancho Santa Fe and portions of Elfin Forest. Emergency medical services are provided by the Department and San Diego Medical Services Enterprise (SDMSE) within CSA 17.

There are five strategically located fire stations in the City of Encinitas, which allow firefighters and paramedics to provide timely responses to emergencies and to efficiently respond to volume demand. Each station houses an engine company consisting of three fire suppression personnel, a fire engine, as well as various other emergency apparatus for specialized responses.

In addition to fire suppression and prevention, the Encinitas Fire Department provides safety marine and disaster preparedness services. City lifeguards provide beach safety for four miles of Encinitas beaches and responds to calls for wild life rescues, cliff

rescues and other accidents in local lagoons and rivers. In 2009, they conducted 2,034 service contacts, from minor incidences and first aid to rescues. The City's Community Emergency Response Team (CERT) program trains volunteers in skills to assist in large scale regional disasters. The City now has over 200 certified CERT volunteers which are ready and able to assist in emergency situations.

In 2009, a new, replacement fire station was completed in Leucadia on Orpheus Avenue which has additional capacity for personnel and fire apparatus in the event of regional disasters such as wildfires or other large-scale emergencies, as well as features and a design that is intended to reduce out-of-station response times. Another new station in Cardiff-by-the-Sea is in the final design phase and will be the next fire station under construction. There are no current plans to expand the number of fire protection facilities.

8. Police Services

The City of Encinitas contracts with the County of San Diego Sheriff's Department (Sheriff's Department) to provide police/law enforcement services to the City. In addition to the City of Encinitas, the Encinitas Sheriff's Station provides a wide range of municipal law enforcement services to the cities of Del Mar, Solana Beach and Rancho Santa Fe. Services include the following:

- Helicopters;
- A bomb/arson squad;
- A Special Enforcement Detail team;
- Canine units;
- Modern crime lab facilities; and
- One of the nation's most modern law enforcement radio communications networks.

There are no current plans for new facilities. There have been discussions of a possible expansion; however, a formal plan is not in place due to budget problems. The current building is at capacity and there is no room for growth in personnel. A double-wide trailer was added to the Sheriff's Station site to accommodate the detective unit. Communications with the San Diego Sheriff's Department indicate that although the Department currently meets service response goals, a recent slight increase in the crime index as compared to the previous year may be a reflection of the economic downturn and overall growth in the City.

3.6 Housing Resources

The extent of housing needs in a community often exceeds the resources available. The City of Encinitas must pull together limited resources and use them efficiently in order to address the current and projected housing needs of its residents. This section of the Housing Element provides an overview of resources available to the City.

A. Residential Sites Inventory

The City of Encinitas recognizes the need to provide additional capacity to accommodate the increasing and varied housing needs in the community. To plan for this growth in a sustainable manner, the City conducted a comprehensive update to its General Plan. The objective of the update is to preserve the character of most existing neighborhoods while channeling growth to targeted areas. Appendix B contains a detailed list of vacant and underutilized properties. The following discussions summarize the City's capacity for growth. Figure 3-12 provides a general distribution of the vacant and underutilized sites in the City.

1. Residential/Mixed Use Development Capacity in Preserved Communities

The updated General Plan maintains the existing land use policy for the majority of the City. Much of this existing growth capacity is provided in the two adopted specific plan areas: Downtown Encinitas and North 101 Corridor, along with other existing residential neighborhoods.

Development standards established in the Downtown Encinitas Specific Plan and North 101 Corridor Specific Plan are intended to facilitate the efficient use of land and create a sustainable development pattern. Two districts (D-VCM and D-CM1) within the Downtown Encinitas Specific Plan area have no established density limit but allow the developer to configure the most efficient use of land based on the building envelope that can be crafted from height, setback, lot coverage and other development standards. When creating the Specific Plan, the City tested the development standards and a typical project can achieve 34 units per acre in these areas as demonstrated by the recent Pacific Station project completed in the D-CM1 zone. This project involved the construction of 47 housing units and 54,423 square feet of office/retail/restaurant uses on a 1.4-acre site. Overall, this project achieved a residential density of 33.8 units per acre.

Within these preserved communities where no land use changes were included as part of the General Plan update, 2,908 additional units can be accommodated in mixed use and residential-only sites. Specifically, 713 units can be provided at a potential density of 34 units per acre in the D-CM1 and D-VCM zones. Other mixed use and R25 zones offer opportunities for multi-family housing development at 25 units per acre, suitable for facilitating moderate income housing development.

Table 3-49: Residential Capacity in Preserved Communities

	Max	Average	Status	Number of Parcels	Acreage	Potential Units
Mixed Use Residential Capacity						
D-VCM, D-CM1	n.a.	34	Vacant	6	0.63	18
			Underutilized	81	21.40	695
			Subtotal	87	22.03	713
D-CM2, N-CM1, N-CM2, N-CM3, N-CRM1	25	20	Vacant	14	1.81	32
			Underutilized	175	39.10	715
			Subtotal	189	40.91	747
D-OM, N-CRM2	15	12	Vacant	1	0.11	1
			Underutilized	10	3.85	40
			Subtotal	11	3.96	41
Residential Only Capacity						
D-R25, R25	25	20	Vacant	2	0.46	8
			Underutilized	26	6.17	116
			Subtotal	28	6.63	124
D-R15, N-R15, R15	15	12	Vacant	5	1.49	16
			Underutilized	12	4.28	46
			Subtotal	17	5.77	62
R11	11	8.8	Vacant	17	3.72	26
			Underutilized	63	26.90	202
			Subtotal	80	30.62	228
N-R8, R8	8	6.4	Vacant	23	16.62	98
			Underutilized	60	33.70	184
			Subtotal	83	50.32	282
R5	5	4	Vacant	5	3.66	13
			Underutilized	19	22.60	81
			Subtotal	24	26.26	94
N-R3, R3	3	2.4	Vacant	39	37.44	76
			Underutilized	86	164.68	350
			Subtotal	125	202.12	426
RR2	2	1	Vacant	13	65.68	56
			Underutilized	28	69.56	55
			Subtotal	41	135.24	111
RR1	1	0.5	Vacant	9	71.30	32
			Underutilized	19	64.57	27
			Subtotal	28	135.87	59
RR	0.5	0.125	Vacant	12	192.63	19
			Underutilized	2	25.68	2
			Subtotal	14	218.31	21

2. Residential/Mixed Use Development Capacity in Change Areas

As part of the General Plan update, the City identified several areas that will benefit from a focused approach to land use regulation, infrastructure investment and services. These include three main “focus areas” along with a number of other potential improvement areas around key corridors and activity centers.

The vision for change in these areas supports General Plan objectives by:

- Strategically locating housing, jobs and compact mixed-use development along transit corridors to reduce auto dependence, and improve fiscal and economic vitality;
- Encouraging high-quality urban design, pedestrian-oriented environments and improved streetscapes to enhance community livability and health;
- Developing balanced multi-modal key corridors to maintain and improve mobility of people, bicycles and vehicles;
- Providing enhanced opportunities for visitors to enjoy Encinitas’ beautiful coastline; and
- Preserving and accentuating the City’s unique and desirable beach community character and the existing quality of life in adjacent neighborhoods.

The General Plan created the Mixed Use with Residential Emphasis (MU-R) zone and R-30 zone, where mixed use and high-density residential development in these change areas will be allowed at 30 units per acre, with a minimum density of 25 units per acre. The areas of change were selected based on the existing underutilized character, low intensity of development, business operations, presence of vacant and undeveloped land, and appropriateness for mixed-use/transit-oriented development. Table 3-50 summarizes the residential capacity within the change areas. Overall, the General Plan update provided an additional capacity of 3,818 units through mixed-use and high-density residential development at a maximum density of 30 units per acre in the changed areas.

This Housing Element provides an inventory of vacant and underutilized sites within these focus areas (see Appendix B). The City recognizes that not all mixed-use sites will include a residential component. Assuming half of the MU-R sites when being developed, will include residential uses, 1,875 units (50 percent of 3,783 units) can be achieved under the new MU-R zoning. Combined with the 67 units that can be accommodated in the residential-only R-30 zone, the City can accommodate 1,942 units in the changed areas.

Table 3-50: Residential Capacity in Change Areas

	Max	Average	Status	Number of Parcels	Acreage	Potential Units
MU-R	30	25	Vacant	--	--	--
			Underutilized	73	151.12	3,751
			Subtotal	73	151.12	3,751
			50% Capacity	--	--	1,875
R-30	30	25	Vacant	2	1.43	35
			Underutilized	1	1.31	32
			Subtotal	3	2.74	67
Total	30	25	Vacant	2	1.43	35
			Underutilized	74	152.43	3,783
			Subtotal	76	153.86	3,818
Overall Site Capacity (Assuming 50% Mixed Use with Residential)						1,942

Focus Area: El Camino Real Corridor

The El Camino Real Corridor is a 222.3-acre area, centrally located in Encinitas along El Camino Real. Existing land uses in this area include: general neighborhood shopping centers, health care, medical office, low-rise office, automobile dealerships, public facilities (post office, Sheriff substation), and vacant/undeveloped land. This area is developed primarily with auto-dependent uses that are of low intensity and include large spaces being used as surface parking. General Plan land use direction allows mixed uses with commercial, residential and visitor-serving commercial (lodging) uses, as well as stand-alone residential. A key objective for change in this area is to transform the focus and feel of the street from that of an arterial roadway with auto-dependent uses to a safe, multi-modal boulevard that is a destination for residents and visitors

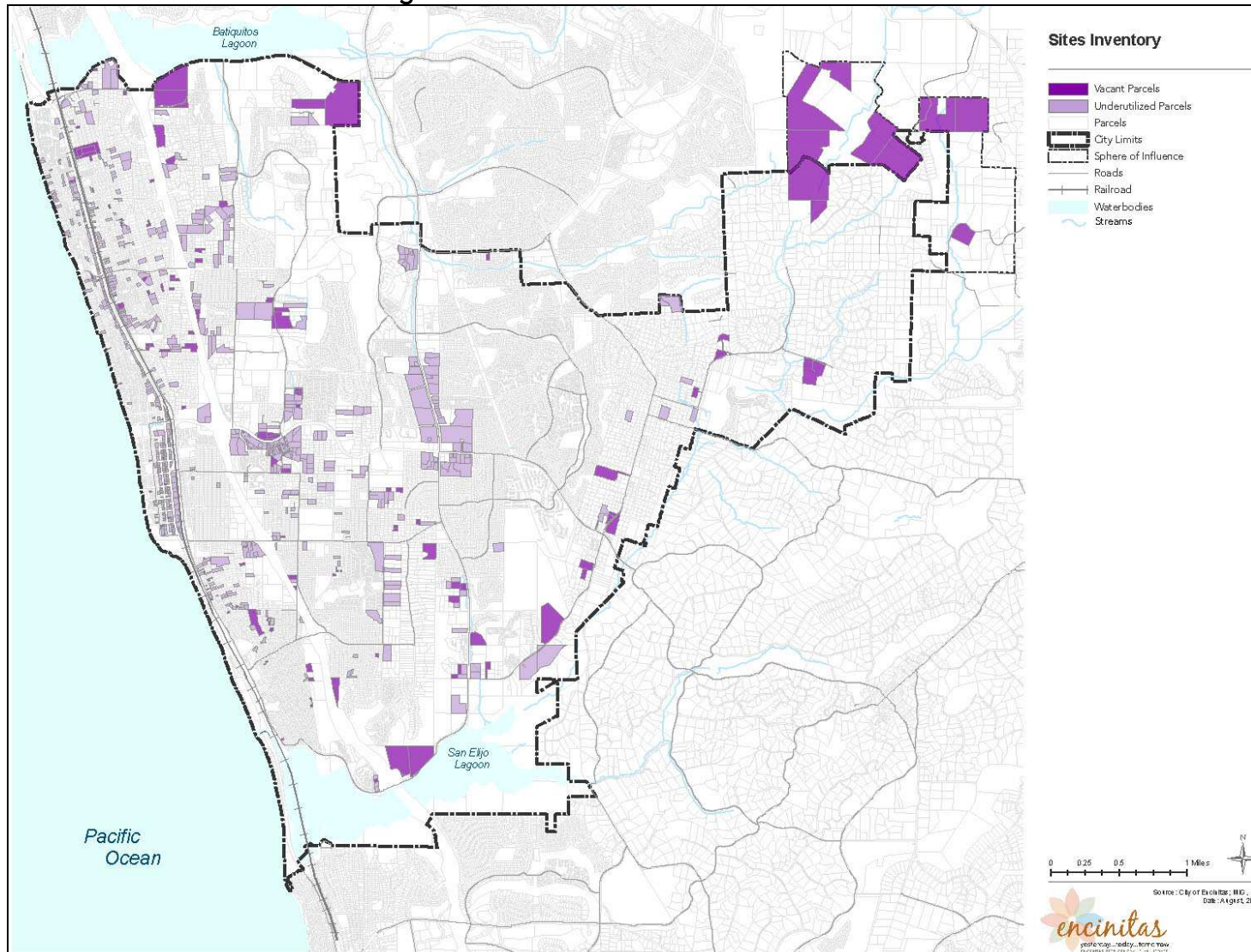
Focus Area: Encinitas Boulevard Corridor

The Encinitas Boulevard Corridor is an 83.8-acre area located east of Downtown Encinitas where Interstate 5 intersects Encinitas Boulevard. Existing land uses include: low-rise office, arterial commercial, neighborhood shopping, industrial park, churches, hotels and vacant/undeveloped land. General Plan land use direction allows mixed uses with residential, commercial and visitor-serving commercial uses, as well as stand-alone residential. Key objectives for change in this area are to generate commercial and pedestrian activities and to improve multi-modal connections to the coast for residents and visitors.

Focus Area: Santa Fe/I-5 Interchange

The Santa Fe/I-5 Interchange is a 15.7-acre commercial node located southeast of Downtown Encinitas along Interstate 5. Existing land uses include: neighborhood shopping, arterial commercial, health care facilities and service stations. General Plan land use direction allows mixed uses with residential, commercial and visitor-serving commercial uses. Key objectives for change are to revitalize the area with diversified uses, create a more livable place and strengthen connections across corridors that divide the area.

Figure 3-12: Vacant and Underutilized Sites



B. Regional Housing Needs Allocation

1. *Future Housing Needs*

Future housing need refers to the share of the regional housing need that has been allocated to the City. The State Department of Housing and Community Development (HCD) supplies a regional housing goal number to the San Diego Association of Governments (SANDAG). SANDAG is then mandated to allocate the housing goal to city and county jurisdictions in the region. In allocating the region's future housing needs to jurisdictions, SANDAG is required to take the following factors into consideration pursuant to Section 65584 of the State Government Code:

- Market demand for housing;
- Employment opportunities;
- Availability of suitable sites and public facilities;
- Commuting patterns;
- Type and tenure of housing;
- Loss of units in assisted housing developments;
- Over-concentration of lower income households; and
- Geological and topographical constraints.

SANDAG adopted its Regional Housing Needs Allocation (RHNA) in July 2011. This RHNA covers an 11-year planning period (January 2010 through December 2020) and addresses housing issues that are related to future growth in the region. The RHNA allocates to each city and county a "fair share" of the region's projected housing needs by household income group. The major goal of the RHNA is to assure a fair distribution of housing among cities and counties within the San Diego region, so that every community provides an opportunity for a mix of housing for all economic segments. The housing allocation targets are not building requirements, but goals for each community to accommodate through appropriate planning policies and land use regulations. Allocation targets are intended to assure that adequate sites and zoning are made available to address anticipated housing demand during the planning period.

Encinitas' share of regional future housing needs is a total of 2,353 new units for the January 1, 2010 to December 31, 2020 period. This allocation is distributed into various income categories, as shown Table 3-51. The RHNA includes a fair share adjustment which allocates future (construction) need by each income category in a way that meets the State mandate to reduce the over-concentration of lower income households in one community.

Table 3-51: Housing Needs for 2013-2020

Income Category (% of County AMI)	Number of Units	Percent
Extremely Low (30% or less)	275	11.7%
Very Low (31 to 50%) ¹	312	13.3%
Low (51 to 80%)	446	19.0%
Moderate (81% to 120%)	413	17.5%
Above Moderate (Over 120%)	907	38.5%
Total	2,353	100.0%

Note 1: Pursuant to AB 2634, local jurisdictions are also required to project the housing needs of extremely low income households (0-30% AMI). In estimating the number of extremely low income households, a jurisdiction can use 50% of the very low income allocation or apportion the very low income figure based on Census data. As shown in Table 3-12, extremely low income households constitute 46.9% of the very low income group. Therefore, the City's RHNA of 587 very low income units can be split between 275 extremely low and 312 very low income units. .
 Source: Final Regional Housing Needs Allocation, SANDAG, 2011.

2. Credits toward the 2013-2020 RHNA

Since the RHNA uses January 1, 2010 as the baseline for growth projections for the Housing Element planning period of 2013-2020, jurisdictions may count toward the

RHNA any new units built or issued certificates of occupancy since January 1, 2010. From January to December 2010, 46 housing units have been developed in Encinitas:

- 27 market-rate single family housing units
- 16 market-rate second units
- Two duplex units
- One deed-restricted low-income second unit

Overall, the City has a remaining RHNA of 2,307 units, including 587 extremely low/very low income units, 445 low income units, 413 moderate income units, and 862 above moderate income units (Table 3-52).

Table 3-52: Credits Toward the RHNA

	Extremely Low/ Very Low 0-50% AMI	Low 51-80% AMI	Moderate 81-120% AMI	Above Moderate > 120% AMI	Total
Single-Family Units	0	0	0	27	27
2-4 Units	0	0	0	2	2
Second Units	0	1	0	16	17
Total	0	1	0	45	46
RHNA	587	446	413	907	2,353
Remaining RHNA	587	445	413	862	2,307

3. RHNA Penalty from the Previous Planning Period

AB 1233 was signed into law on October 5, 2005 and applies to housing elements due on or after January 1, 2006. Specifically, the law states that if a jurisdiction fails to provide adequate sites in the prior planning period, within one year of the new cycle, the jurisdiction must rezone/upzone adequate sites to accommodate the shortfall. This requirement is in addition to rezoning/upzoning that may be needed to address the RHNA for the new cycle.

This law affects the City of Encinitas' 2013-2020 Housing Element, requiring the City to address its deficit in sites for the previous housing element cycle (2005-2012, extended from 2010 by legislation). For the 2005-2012 planning period, the City of Encinitas submitted a Draft Housing Element for review by the State HCD. The 2005-2012 Draft Housing Element was unable to secure a "substantial compliance status" from HCD, primarily due to insufficient information in the Draft Housing Element to demonstrate the adequacy of the City's sites inventory in meeting its RHNA. The Draft 2005-2012 Encinitas was never adopted as the City has been pursuing a comprehensive update to its General Plan. As such, this 2013-2020 Housing Element must address any deficit in sites incurred during the last Housing Element RHNA cycle.

In the previous planning period, the regional share and/or total number of housing units by income category (very low, low, moderate, and above moderate) assigned to the City was 1,712. From 2003 through 2010, the City only produced 1,020 total housing units. The potential AB 1233 penalty will be equal to the portion of RHNA not accommodated either through actual housing production or land made available for residential development within each income category. To determine any potential penalty, this report follows the following approach outlined by HCD:

- Step 1: Subtracting the number of housing units constructed, under construction, permitted, or approved since January 1, 2003 to December 31, 2010 by income/affordability level;
- Step 2: Subtracting the number of units that could be accommodated on any appropriately zoned sites available in the City during the RHNA cycle.

The RHNA period for the 2005-2012 Housing Element covers from January 1, 2003 through December 31, 2012 (extended from July 1, 2010 by legislation). The City's RHNA obligations and credits as of December 2010 are summarized in Table 3-53. Specifically, the City constructed a total of 1,020 units, including 62 units that are deed restricted as long-term affordable housing for very low and low income households based on the City inclusionary housing requirements and/or funding subsidies.

Among the remaining 968 non-deed-restricted units, 53 units can be credited as affordable to lower and moderate income households based on actual sale prices or rents. The City requires the inclusion of rents and sale prices information in the application for a Certificate of Occupancy. Based on the actual rents and sale prices reported by the owners/developers and the affordable housing costs at the time of completion, the City was able to determine that 53 (six percent) of the 958 units can be credited as affordable housing.

Overall, the City met approximately half of its RHNA for the 2003-2010 planning period with actual production, with a remaining RHNA of 900 units that the City should accommodate through land use planning. As previously discussed, the City's General Plan update does not alter existing land use planning for the majority of the City. In these preserved communities, existing land use policy offers capacity to accommodate additional housing. Specifically, 871 units (at a maximum density of 25 units per acre and average density of 20 units per acre) can be accommodated at vacant and underutilized mixed use and R25 sites in the Downtown Encinitas and North 101 Corridor Specific Plans, more than double the sites required for the City remaining moderate income RHNA units.

Furthermore, the D-VCM and D-CM1 districts in the Downtown Encinitas Specific Plan area allows for mixed use development with no density limit. The Specific Plan, based on the development standards established in the Plan, estimates that a typical mixed use project can achieve 34 units per acre. Up to 713 units can be accommodated at the vacant and underutilized D-CM1 and D-VCM sites. Assuming only half of these mixed use sites will be redeveloped with a residential component, these sites can fulfill 356 units of the City's remaining lower income RHNA, resulting in a RHNA penalty of 239 lower income units from the previous Housing Element cycle.

Table 3-53: AB 1233 Penalty from Previous Housing Element Cycle

2003-2010		Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
Units	Deed Restricted	49	13	0	0	62
Constructed	Non-Deed Restricted	10	24	19	905	958
RHNA		392	299	324	697	1,712
Remaining RHNA		333	262	305	0	900
Sites Available in Preserved Communities (No Change from Existing General Plan)						
Mixed Use:						
D-VCM, D-CM1		713	--	--	--	713
D-CM2, N-CM1, N-CM2, N-CM3, N-CRM1		--	--	747	--	747
D-OM, N-CRM2		--	--	--	41	41
Residential-Only:						
D-R25, R25		--	--	124	--	124
D-R15, N-R15, R15		--	--	--	62	62
R11, N-R8, R8, R5, N-R3, R3, RR2, RR1, RR		--	--	--	1,221	1,221
Total		713	871	871	1,324	2,908
Overall Site Capacity (Assuming 50% Mixed Use with Residential)		356	497	497	1,304	2,157
RHNA Penalty		239	0	0	0	239

C. Adequacy of Sites for RHNA

The General Plan update (through both the preserved communities and change areas) provides a capacity for more than 4,400 additional units. Approximately 39 percent of these units are provided in residential-only zones. The remaining 61 percent of the units are provided in mixed use districts. Furthermore, this capacity already discounts the development potential in mixed use areas, recognizing that not all mixed use sites will include a residential component. Overall, the City has adequate capacity to accommodate the City's remaining RHNA of 2,546 units (including the new RHNA and the 239-unit penalty incurred).

Table 3-54: Adequacy of Sites Inventory

	Extremely Low/Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
RHNA (2013-2020)	587	446	413	907	2,353
RHNA Penalty (2003-2010)	239		--	--	239
Units Built (since January 2010)	--	1	--	45	46
Remaining RHNA	1,271		413	862	2,546
Sites Available					
Preserved Communities (Assuming 50% Mixed Use with Residential)	356		497	1,304	2,157
Changed Areas (Assuming 50% Mixed Use with Residential)	1,942		--	--	1,942
Total Capacity	2,298		497	1,304	4,099

D. Availability of Infrastructure and Services

The community developed several planning objectives through the Comprehensive General Plan Update process such as creating a more sustainable community. One principle to this overarching vision was to concentrate population and job growth in developed areas already served by infrastructure, with slower growth in less developed areas where infrastructure is more limited. Through the visioning process, the community prioritized the need to encourage new housing that relies on transit use and environmentally sustainable patterns of movement. Successful housing must be considered as a part of a whole neighborhood, one that includes public infrastructure such as transit, open space and community facilities, and privately provided infrastructure such as retail and neighborhood services.

This Housing Element encourages an equitable distribution of growth according to infrastructure and site capacity. The identified focus areas of land use change are primarily located along existing commercial corridors already served by adequate water, sewer, public amenities, and emergency response services. The corridors are close to or already served by transit, and to other necessary public infrastructure such as schools, parks and open space, as well as quasi-public or privately provided services such as child care and health facilities.

E. Financial Resources

Providing for an adequate supply of decent and affordable housing requires layering of funding from various sources. The City has access to the following funding sources:

1. Affordable Housing Trust Fund

The City has created an Affordable Housing Trust Fund using revenues generated from the City's Inclusionary Housing program. A developer may pay a fee in lieu of providing affordable units on site. The per-unit in-lieu fee is calculated on a case-by-case basis, depending on the market conditions at the City. Affordable housing funds collected are used to create affordable housing in other locations. As of June 2011, the City has a balance of \$550,972 in the Affordable Housing Funds.

2. Section 8 Housing Choice Voucher

The Section 8 Housing Choice Voucher program provides rent subsidy payments for very low income households in privately owned rental housing units. The program offers very low income households the opportunity to obtain affordable, privately owned rental housing and to increase their housing choices. Section 8 participants typically, upon initial approval, pay 30 to 40 percent of their income for rent and utilities. The Housing Authority of the City of Encinitas administers the program and pays the difference between the tenant's contribution and the actual rent and utility costs, up to the payment standard established by the Housing Authority, based on HUD-established Fair Market Rents.

3. Community Development Block Grants (CDBG)

The Community Development Block Grant (CDBG) program was initiated by the Housing and Community Development Act (HCDA) of 1974. The primary objective of the program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low incomes (up to 80 percent AMI). CDBG funds can be used for a wide array of activities, including:

- Housing rehabilitation;
- Lead-based paint screening and abatement;
- Acquisition of buildings and land;
- Construction or rehabilitation of public facilities and infrastructure;
- Public services for low income persons and persons with special needs; and

The City of Encinitas is an entitlement jurisdiction for CDBG funding and receives approximately \$400,000 annually. The City uses CDBG funds to provide residential rehabilitation assistance and a variety of supportive services for low income residents and those with special needs.

4. HOME Investment Partnership Program (HOME)

The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for households with incomes not exceeding 80 percent of area median income. The program gives local governments the flexibility to fund a wide range of affordable housing activities through housing partnerships with private industry and non-profit organizations. HOME funds can be used for activities that promote affordable rental housing and homeownership by low income households.

Encinitas is not an entitlement jurisdiction to receive HOME funds directly from HUD. The City participates in the HOME Consortium administered by the County of San Diego. Each year, the City receives approximately \$200,000 in HOME funds through the Consortium. The City uses such funding for Tenant-Based Rental Assistance (TBRA), affordable housing (acquisition and development), and a residential rehabilitation program.

F. Administrative Capacity

1. City of Encinitas Housing Authority

The Encinitas Housing Authority offers Section 8 Housing Choice Vouchers to very low income households. Currently, the Housing Authority administers 136 vouchers.

2. Community Resource Center

The City partners with the Community Resource Center (CRC) located in Encinitas to provide a range of homeless services, including case management and counseling, services for victims of domestic violence, homeless prevention and intervention, food distribution, and employment assistance. Annually, the City provides CDBG funding for CRC to support its homeless services. The City also assisted in funding the construction of a transitional housing facility by CRC.

3. County of San Diego Housing and Community Development

The City participates in a number of housing programs coordinated by the County. These include the HOME consortium and Mortgage Credit Certificate program. The City receives funding through the County HOME Consortium to administer its HOME-funded Tenant-Based Rental Assistance program.

4. Nonprofit and For-Profit Housing Developers

The City partners with a number of nonprofit and for-profit housing developers to provide permanent affordable housing in the community. These include:

- Habitat for Humanity
- Mercy Housing: Cantebria Senior Apartments (44 units)
- North Coast Housing: Su Casa Family Apartments (28 units)
- Community HousingWorks: Esperanza Garden Apartments (10 units)

- Chelsea Housing: currently under review (20 units)

G. Opportunities for Energy Conservation

The primary uses of energy in urban areas are for transportation lighting, water heating, and space heating and cooling. The high cost of energy demands that efforts be taken to reduce or minimize the overall level of urban energy consumption. Energy conservation is important in preserving non-renewable fuels to ensure that these resources are available for use by future generations. There are also a number of benefits associated with energy conservation including improved air quality and lower energy costs.

The City's energy goals, stated in the Resource Management Element of the General Plan, make every effort to conserve energy in the City thus reducing dependence on fossil fuels. The City's policies relating to energy include encouragement of the use of alternate energy systems, urban design that maximizes opportunities for solar energy use and energy conservation, and promotion of energy conserving standards and requirements for new construction.

Title 24, Building Energy Standards for Residential Development, establishes energy budgets or maximum energy use levels. The standards of Title 24 supersede local regulations, and State requirements mandate Title 24 requirements through implementation by local jurisdictions. The City will continue strict enforcement of local and state energy regulations for new residential construction, and continue providing residents with information on energy efficiency.

PG&E offers an Energy Savings Assistance program offers income-qualified households assistance to:

- Install improvements to help make the home more energy efficient;
- Help understand the best ways to save energy around the home; and
- Determine whether some of the appliances are eligible for free repairs or replacement.

Examples of free home improvements offered by PG&E include: attic insulation; door weatherstripping and caulking; low-flow showerheads and faucet aerators; water heater blankets; energy-efficient lighting; and assistance in selecting energy-efficient appliances. The City helps publicize this program on the City website.

3.7 Evaluation of the Adopted Housing Element

This section analyzes the City’s accomplishments during the City progress in implementing its adopted Housing Element. Since the 2005-2012 Encinitas Housing Element was never adopted, the 1999-2005 Housing Element (extended from July 1, 2004 by legislation) served as the City’s official housing policy document for the duration of two Housing Element update cycles (1999-2012). This section evaluates the City’s progress in two contexts: 1) the City’s progress towards meeting Coastal Zone requirements; and, 2) the City’s success in meeting its housing goals and program objectives. This evaluation is a key component in the determination of goals and programs to be included in the 2013-2020 Housing Element.

A. Evaluation of Progress towards Meeting Coastal Zone Requirements

Section 65588 of the Government Code requires that, in housing element updates, coastal jurisdictions document the number of low and moderate income units converted or demolished, and the number of replacement units provided. Section 65588 also requires that revisions of the housing element must include, for the coastal zone:

- Number of new units approved for construction after January 1, 1982
- Number of units for low and moderate income households required to be provided either within the coastal zone or within three miles of it.
- Number of units occupied by low and moderate income households and authorized to be demolished or converted since January 1, 1982.
- Number of units for low and moderate income households required either within the coastal zone or within three miles in order to replace those being demolished or converted.

Because the City was incorporated in 1986, information is not available for units produced between 1982 and 1986. The information in Table 3-55 was obtained from the County of San Diego Department of Housing and Community Development and from City records.

Table 3-55: Residential Development in Coastal Zone (1986-2004)

Residential Development in the Coastal Zone	1986-1999	1999-2004
New construction	1,021	1,013
New low-and moderate-income housing	43	48
Demolished market rate housing	65	81
Demolished/converted low- and moderate-income housing	4	0
Replacement low- and moderate-income housing	4	0

B. Evaluation of Adopted Housing Element Goals and Programs

This section of the Housing Element describes the City's progress in meeting the goals and policies of the adopted 1999 Housing Element (1999 HE). The results of this analysis were used to revise and update the proposed programs for 2013-2020 as described in the Implementation Plan section.

The programs contained in this section of the Housing Element described specific actions the City of Encinitas proposed to carry out to satisfy the community's housing needs and meet the requirements of State law. The programs were organized into five major issue areas: Housing Opportunities, Homeownership Opportunities, Rental Assistance, Quality of Housing, and Maintenance and Preservation of Housing.

1. Housing Opportunities

1999 HE Program 1: Zoning Code – Existing Provisions

The relationship between housing goals and land use planning is direct. The Land Use Element of the Encinitas General Plan and its implementing zoning regulations is the City's most important "housing program," by providing for the number and type of housing units needed. The Housing Needs, Housing Constraints and Housing Resources sections of the Housing Element establish the relationship between identified housing needs and the ability to meet those needs through the City's land use planning. The following existing provisions of the City's Zoning Code are designed to ensure that the City achieves its housing objectives as a result of zoning implementation. Note that some of the City's zoning provisions will continue to be implemented on an on-going basis, while others need modification or "fine tuning" through amendments to the Zoning Code.

1999 HE Program 1A: Overall Land Use Plan Implementation

The City proposed to continue to apply zones through the Zoning Code and Zoning Map to correspond with the Land Use Element's residential designations that would have provided a range of residential densities and housing types. These included the single-family residential categories, (RR through RS-11) the multi-family categories (R-11 through R-25 zones) and the specialty category of Mobile Home Park (MHP).

Program Accomplishment: This program was an on-going activity. The City initiated a comprehensive update to its General Plan in 2010. The new General Plan provided additional opportunities for high-density residential and mixed use development in focused areas. .

Program Evaluation: This program is continued as part of the 2013-2020 Housing Element.

1999 HE Program 1B: Accessory Units

The City proposed to apply zoning code provisions that allowed accessory units (also known as second units or granny flats) by right in all single-family residential zones, in accordance with State law. In addition, the City allowed developers of single-family subdivisions to meet inclusionary housing requirements by building accessory units.

Program Accomplishment: The City's accessory units regulations were amended in the mid-1990s, permitting their construction by right in single-family neighborhoods. Implementation of the City's ordinance permitted the construction of at least 163 new accessory units.

Program Evaluation: This program has been successful in fostering the development of accessory units throughout the community and is continued in the 2013-2020 Housing Element.

1999 HE Program 1C: Agricultural Worker Housing

The City proposed to continue to apply zoning code provisions that would allow agriculture worker housing as an accessory to agricultural/horticultural land uses. The City proposed to review development standards/limitations that were in effect for agricultural worker housing to avoid potential disincentives, and allow for flexibility in the type of structure allowed as accessory agricultural program housing.

Program Accomplishments: The City did not undertake any formal review of its zoning/development standards for agricultural worker housing. At the same time, there has been no indication that the City's standards have posed a constraint to the provision of such housing.

Program Evaluation: The City's current Zoning Code requires agricultural worker housing requires a minor use permit, which is inconsistent with state law. A program is included in the 2013-2020 Housing Element to amend the Zoning Code to comply with state law.

1999 HE Program 1D: Mobile Home/Trailer Parks

The City proposed to continue to apply zoning provisions that allowed the development of new mobile home/trailer parks and that recognize and allow the expansion of existing parks. The City will maintain the exclusive mobile home park zone (MHP), where appropriate, and will continue to provide for parks as an option under other zones.

Program Accomplishments: The City did not receive any applications to expand mobile home parks or to rezone parks to the MHP zone. In 2007 and 2008, the City conducted and evaluation of mobile home parks and their capacity to continue to serve relatively affordably housing to their residents. In response to community input, the Council implemented several different programs aimed at mobile home park preservation.

Program Evaluation: Mobile homes continue to be the most affordable homeownership option, but space rents in several parks have doubled. The City should continue to examine policy options to keep mobile home units and parks affordable.

1999 HE Program 1E: Care Facilities

The City proposed to continue to allow for the development of small scale care facilities, community care facilities, congregate care facilities, and residential care

facilities under zoning to meet the special housing needs of seniors and persons with disabilities.

Program Accomplishments: In early 2005, the City revised its ordinance and definitions to be consistent with State standards.

Program Evaluation: This program is continued as part of the 2013-2020 Housing Element.

1999 HE Program 1F: Identify and Remove Constraints to the Development of Housing for Persons with Disabilities

State law requires jurisdictions to analyze potential and actual governmental constraints on the development of housing for persons with disabilities and describe the City's efforts to remove or mitigate those constraints. During the 1999 Housing Element cycle, the City proposed to analyze its zoning ordinance and procedures to ensure that they provided flexibility in, and not constrain, the development of housing for persons with disabilities. If constraints were found, the City proposed to amend their zoning ordinances and/or change their procedures in order to remove them.

Program Accomplishments: Through its building permit authority, the City enforces state Title 24 accessibility regulations. As needed on a case-by-case basis, the City has made reasonable accommodations with respect to accessibility in its application of zoning/development standards. As part of the City's participation in the Regional Analysis of Impediments to Fair Housing Choice study, the City's processes and ordinances were reviewed.

Program Evaluation: This program is carried over into the 2013-2020 Housing Element programs. The City will develop a formal reasonable accommodation procedure for persons with disabilities as related to zoning/development and building permit processes.

1999 HE Program 1G: Density Bonus

At the time that the 1999 Housing Element was prepared, State law required that if a developer agrees to construct at least 20 percent of the total units of a housing development for lower income households, or 10 percent of the total units of a housing development for very low income households, or 50 percent of the total units for elderly households, a city had to grant a density bonus of at least 25 percent over the otherwise maximum allowable density for the project site. Additionally, the law requires a city to offer at least one concession or incentive to a developer in exchange for affordable housing. The City's Local Coastal Program (LCP) restricts density bonuses to a maximum of 25 percent and allows only one concession or incentive due to the California Coastal Commission's interpretation of State Density Bonus Law.

Program Accomplishments: New State law (SB 1818) has modified the requirements for the City if a developer requests a density bonus for providing affordable housing as part of a development proposal. Key provisions of the new law include lowering minimum density bonuses and affordable housing set-asides, providing a density bonus range that caps at 35 percent and requiring cities to grant up to three incentives or

concessions. The law also provides for reduced parking requirements if requested by a developer. The City's implementing ordinance of density bonus law is inconsistent with the recent changes. The City's adopted Local Coastal Program (LCP) restricts density bonuses to a maximum of 25 percent and allows only one concession or incentive due to the California Coastal Commission's interpretation of previous State Density Bonus Law.

Although the City's density bonus regulations do not comply with State law, they have not been a barrier to the City approving density bonus projects. Several such projects have been processed and approved.

Program Evaluation: The 2013-2020 Housing Element will include a program to bring the City's density bonus ordinance and LCP into conformance with the new provisions of State law. Additionally, the City will evaluate how the ordinance may be applied in conjunction with the City's Inclusionary Housing program to maximize affordable housing opportunities.

1999 HE Program 1H: Inclusionary Housing Program

The City proposed to establish an inclusionary housing program that required subdivisions of 10 or more units to set aside at least 10 percent of the units for low income households. As a condition of approval of any tentative subdivision map for residential dwellings, community apartments, stock cooperatives or conversions of 10 units or more, it was proposed that the subdivider was to reserve a unit or units to tenants at or below 50 percent of the area median income. The units either had to be rented at or below the affordable rent level or sold at a price affordable to eligible households.

Residential subdivisions of 10 or more units could have met the City's 10 percent Inclusionary Housing Requirement by building an accessory dwelling unit with an affordability deed restriction. Accessory units also were rent restricted through the City's Affordable Unit Policy.

Program Accomplishments: The City enacted an ordinance that implemented the above requirements. Since adoption of the inclusionary housing program, 125 units were produced, including 14 for-sale units, 67 rental units, and 44 accessory units. Although allowing developers to build accessories units has dispersed affordable units throughout the community, enforcement of rent restrictions has proven to be difficult. After conducting a survey of accessory unit owners in October 2003, the City re-evaluated that accessory unit option. Many owners of the accessory units did not rent the units out in accordance with the recorded covenant. The City subsequently changed its policy and no longer allows developers to meet inclusionary housing requirements by building accessory units.

Program Evaluation: This program was successful in fostering the development of affordable units and should be continued in the 2013-2020 Housing Element. The City will evaluate how this program may be combined with the City's Density Bonus program to maximize affordable housing opportunities. The City also will evaluate

expanding the application of inclusionary housing to increase homeownership and rental opportunities for moderate-income households.

1999 HE Program 1I: Permit Streamlining Policy

The City proposed to continue its existing policy to streamline permitting procedures for affordable housing projects. This effort was to address the possible administrative constraints of securing permits to produce an affordable housing project.

Program Accomplishments: The City engaged in a program to improve the efficiency of the development review process. Elements of the program included upgrading the computerized permitting system, reducing unnecessary paperwork, eliminating certain permit requirements, and establishing an interdepartmental team to quickly resolve problems as they arise.

The City streamlined permitting for two affordable housing projects, Poinsettia Ridge and Cantebria Senior Apartments. The non-profit developer of the Cantebria project developed the units under a HUD senior housing program, and due to a lengthy review process within HUD, was not able to realize any advantage from the expedited processing.

Program Evaluation: This program is continued in the 2013-2020 Housing Element with an emphasis on working with non-profit and for-profit housing developers to better utilize the expedited process.

1999 HE Program 1J: Reduced Parking Standards for Mixed Use and Affordable Housing in Specific Plan Areas

Mixed-use units that were guaranteed to be affordable to low or very-low income households were allowed a reduced, one-space-per-unit parking requirement. The City proposed to continue to enforce these zoning provisions and to seek to incorporate reduced parking standards for mixed use and affordable housing projects in future Specific Plan Areas.

Program Accomplishments: In the Downtown Specific Plan Area and the North 101 Corridor Specific Plan Area, no more than two off-street parking spaces required for any unit in a mixed-use development.

In the Encinitas Ranch Specific Plan Area Mixed Use Zones, the Planning and Building Director has the authority to reduce the above parking requirements for affordable housing projects, provided either that a parking study was prepared to support the proposed reduction in parking spaces or a baseline parking study was conducted by the City that was applicable to all affordable housing development in the City. This authority was exercised in at least one affordable housing development during the last review period.

Program Evaluation: The City reduced parking standards for the Cantebria Senior Apartments to 0.67 per unit, based on parking studies conducted by the developer of similar senior complexes in Southern California. However, when the complex began leasing up, the property manager discovered that 75 to 80 percent of applicants had

cars. As a result, after the complex was 60 percent leased, the property manager began selecting only applicants without cars. This program is continued the 2013-2020 Housing Element; however, in senior complexes the City will require a minimum of one space per unit, plus guest parking.

1999 HE Program 1K: New Zoning Code Provisions for Multi-Family Residential Use

The City proposed to continue to review zoning code development standards to identify and remove disincentives for the development of multi-family units. The City considered relaxing multi-family off-street parking requirements for affordable housing projects on a case-by-case basis.

Program Accomplishments: This program was applied to the Second St. mixed use project (4 units) and the Cantabria Senior Housing (45 units).

Program Evaluation: The City will continue review of the zoning code for any disincentives. However, it should be noted that multi-family housing development is eligible for the density bonus program; under the new density bonus law, incentives and concessions to development standards are provided for. Thus, any potential disincentives that can be identified may be mitigated through the density bonus program. This program is not separately identified in the 2013-2020 Housing Element.

1999 HE Program 1L: Manufactured Housing

The City proposed to continue to permit manufactured housing units by right in single-family zones, as long as the units meet all zoning and building codes.

Program Accomplishments: This is an on-going program.

Program Evaluation: This program is continued in the 2013-2020 Housing Element.

1999 HE Program 2: Encourage Mixed-Use Development and Increase Awareness of Potential for Mixed-Use Development; Assess Feasibility of Expanding Mixed-Use Zoning in Other Parts of the City

The City proposed to continue to allow for the inclusion of mixed-use development of secondary residential units with development of principal commercial uses. Mixed-use residential provisions could have included requirements or incentives to be affordable. In a high-cost area such as Encinitas, this represented a significant opportunity for the development of multi-family housing.

The City also proposed to assess the feasibility of expanding mixed-use zoning provisions in other areas of the City.

Program Accomplishments: Mixed-use was integrated into the City's Zoning Code. The Encinitas Ranch, Downtown Encinitas, and North 101 Corridor Specific Plans included provisions for mixed-use development in commercial districts with densities from the residential portion at 15-25 dwelling units per acre, with certain areas not being limited to a specific density. The City works to increase developer awareness of the potential for mixed-use development in Encinitas. Additionally, the City continues to provide technical support to developers proposing mixed-use projects. As part of the

comprehensive General Plan update, the City introduced additional mixed use opportunities outside the specific plan areas.

Program Evaluation: This program is continued in the 2013-2020 Housing Element and should be made a high priority for implementation.

2. Homeownership Opportunities

1999 HE Program 3: First-Time Homebuyer Down Payment Program

The City proposed to continue to provide the First-Time Homebuyer Program. This program provided down payment and/or closing cost assistance to low-income first-time homebuyers. The maximum loan limit was \$10,000 and the appraised value of the property being purchased could not have exceeded \$269,000. The City placed a second trust deed on the property as security for the loan. Repayment of the loan was deferred until sale, transfer, or non-owner occupancy of the unit. If the buyer resided in the unit for seven full years, the loan was forgiven.

Program Accomplishments: The program provided one down payment assistance loan which was used in conjunction with a Section 8 Homeownership Voucher. Due to the steep rise in the price of condominium properties, which had previously been the most affordable units for first-time homebuyers, the subsidy provided by the City was found to be inadequate. In response, the City increased its subsidy level to \$40,000 per household and increased the maximum sales price to \$421,000.

Program Evaluation: Housing prices have sky-rocketed in recent years making the first-time homebuyer program all but infeasible even with the increased loan amounts and home valuation. The required subsidy would be so large as to exceed HOME funding limits and would be an inefficient use of limited resources. The gap between the affordable sales price and the median sales price for condominium units is at least \$200,000. Thus, unless condominium prices decline, it will be difficult to assist first-time homebuyers.

Previously allocated funding for down payment assistance can be made available for the rare circumstance of a qualified buyer purchasing an affordable unit. However, this program should be phased out in favor of directing the City's limited financial resources to more effective uses such as rental assistance or affordable housing development.

1999 HE Program 4: San Diego Regional Mortgage Credit Certificate Program (MCC)

The City proposed to continue to participate in and promote the San Diego Regional Mortgage Credit Certificate Program. This program entitled qualified first time homebuyers to take a federal income tax credit of 15 percent of the interest paid on the mortgage. The credit reduced the buyers' income taxes and increases net earnings, thereby increasing the buyers' ability to qualify for a mortgage loan.

Qualified applicants had to be first time homebuyers earning no greater than 120 percent of the area median income.

Program Accomplishments: This program was more effective when combined with the Down payment Assistance program and resulted in the use of six certificates within the City during that time frame. As mentioned above, the recent surge in home prices has rendered this program all but infeasible as well. One MCC has been issued in the last four years.

Program Evaluation: The City may continue to participate in the MCC program in the event that a unique opportunity for such assistance presents itself. Given the extremely high property values in Encinitas, the City will not rely on this program to achieve its affordable housing goals.

1999 HE Program 5: Homebuyer Classes

The City proposed to continue to sponsor homebuyer classes twice a year to educate citizens about the home buying process and to inform participants of the available home buying assistance programs.

Program Accomplishments: A few classes were held during the first half of the 1999-2005 Housing Element cycle but none have been conducted since. Due to the lack of affordable for-sale housing opportunities in Encinitas, the City decided to discontinue homebuyer classes. Interested persons are now referred to private organizations that hold classes in the area.

Program Evaluation: Limited staff resources and surging home prices have forced this program to a low priority activity.

3. Rental Assistance Programs

1999 HE Program 6: Section 8 Rental Assistance

The City proposed to continue to administer the Section 8 Rental Assistance Program. This program provided rental assistance to eligible very low and low income households. The subsidy represented the difference between the rent that exceeds 30 percent of a household's monthly income and the actual rent charged.

Program Accomplishments: The City added 86 additional vouchers to an existing base of 50 vouchers. Of these new vouchers, 50 initially were "mainstream" vouchers for persons with disabilities.

Program Evaluation: This program is continued in the 2013-2020 Housing Element. HUD (the U.S. Department of Housing and Urban Development) has not issued any new vouchers to the City of Encinitas for several years. In January 2004 and January 2005, HUD capped the Section 8 budget, which required the City to reduce program operating costs. The City responded by increasing the payment standards and enhancing occupancy standards, which provides more opportunity for rental units. Although the City will continue to administer its 136 housing vouchers, the City's ability to expand this program or even maintain it at its current level is dependent upon the federal budget process. Recent indications from HUD are that federal support for Section 8 will not be expanded.

1999 HE Program 7: HOME Housing Vouchers Program

The City proposed to continue to fund this program by using vouchers to target very low income households mirroring the Section 8 program. The HOME Housing Voucher program provides 24 months of rental assistance. During this time period, eligible participants could have transferred to the Section 8 program for on-going assistance as vouchers became available.

Program Accomplishments: The City initially had allocated \$270,000 for vouchers and expended about 50 percent of the funding. Initially, the City provided housing vouchers to homeless families who were living in transitional housing (and who were victims of domestic violence). But after a year of operation, the program was broadened to allow tenants on the Section 8 waiting list to utilize the program.

Program Evaluation: This program planned to continue in the 2013-2020 Housing Element until allocated funds are exhausted. Continued funding may be assessed as the Housing Element cycle progresses. However, the City will emphasize directing HOME funding on new housing development.

4. Quality of Housing

1999 HE Program 8: Equal Opportunity Housing Marketing/ Fair Housing

The City proposed to continue to require that, as a condition of approval of any new housing development, units be marketed and sold according to procedures designed to promote equal housing opportunities. The City also proposed to continue to contract a non-profit fair housing organization to provide outreach, counseling, education, and assistance regarding fair housing issues.

Program Accomplishments: The City disseminated information about fair housing in its housing brochure and on the City website. Brochures also were distributed at libraries, grocery stores, community centers, and other public places. The City contracted with North County Lifeline to provide fair housing counseling and education. The City referred to the Regional Analysis of Impediments (AI) to Fair Housing (completed in 2004 and updated in 2011) as part of its analysis of potential impediments to affordable housing, and the Housing Element addresses the recommendations of that study as part of its program to reduce governmental constraints.

Program Evaluation: The program has been successful and should be continued in the 2013-2020. The City will address the impediments to fair housing identified in the AI.

1999 HE Program 9: Emergency Shelter/Transitional Housing Development Assistance

The City proposed to continue to sponsor or assist emergency shelter and transitional housing facilities, inside City limits or outside within a reasonable proximity. The City encouraged and/or supported facilities by providing siting opportunities, grants, or low cost loans, to operator agencies, grants. The City also proposed to provide financial assistance to the Community Resource Center (a nonprofit service agency based in Encinitas) for case management and the YMCA-Oz North Coast for emergency shelter for homeless and runaway youth. The City will participate in winter homeless assistance programs, either through motel voucher funding and a temporary winter shelter.

Program Accomplishments: The City provided funding to several non-profit organizations that provide shelter and emergency assistance. The Community Resource Center (CRC) expanded and renovated its transitional housing program for battered women and their children. The group living program was expanded from 11 to 24 beds. With funding from the City, the CRC provided case management, emergency assistance, and employment preparation services. The agency also administered the motel voucher program.

The City continued to support other agencies that provide services to homeless persons, including YMCA of North Coast, Fraternity House, and North County Solutions for Change. The latter organization developed a 32-unit regional transitional housing facility in Vista; all six cities in North San Diego County and the County of San Diego contributed funding to the \$4.5 million project. The Family Solutions Center opened in October 2004.

The Interfaith Shelter Network operated their annual winter shelter program at area churches. In addition, the City facilitated the use of the Scout Center, located on public property, for the temporary winter shelter.

Program Evaluation: The City will continue to support efforts to end and prevent homelessness in the community. SB 2 was passed in 2008 mandating jurisdictions to address housing opportunities for the homeless. The 2013-2020 Housing Element includes a program to the Zoning Code to address the provision of emergency shelters, transitional housing, and supportive housing consistent with SB 2.

1999 HE Program 10: Enforcement of Accessible Housing Regulations

The City proposed to continue to maintain accessible housing regulations and implement California Title 24 provisions for development review and approval.

Program Accomplishments: Through its building permit and code enforcement programs, the City enforced the provisions of California Title 24 accessibility requirements.

Program Evaluation: This program is continued in the 2013-2020 Housing Element cycle in accordance with State law.

5. Maintenance and Preservation of Housing Programs

1999 HE Program 11: Residential Rehabilitation Program

The City proposed to continue to fund the County of San Diego residential rehabilitation program. This program provided assistance for low income households to upgrade units to decent, safe and sanitary conditions from a previous below-standard condition. The assistance was available to low-income homeowners and to owners of rental units that will rent to low income households.

Program Accomplishments: The County made two loans to low income households in Encinitas.

Program Evaluation: As the City's housing stock ages, the need for housing rehabilitation to preserve neighborhood quality will continue to increase. Therefore, the City will continue to promote the rehabilitation programs offered through the City in the 2013-2020 Housing Element cycle.

1999 HE Program 12: Affordable Unit Policy

The City has a number of second dwelling units that were constructed or converted illegally (without required permits) and might not meet City codes. Many of these units provide affordable housing opportunities that might not otherwise be available. In response to this issue, the City developed a program for illegal unit conversion. This program allowed homeowners with illegally established second dwelling units on their property to apply for legalization. It allowed the illegal units to exist in perpetuity provided that the units:

- Were placed into service prior to City incorporation in 1986 and have been used as rentals since 1986;
- Complied with the current Uniform Building Code and meet City zoning and development standards to the maximum extent feasible;
- Met the minimum dwelling unit size standards; and
- Were rented to only very low or low-income households.

Program Accomplishments: At least 26 units were legalized under this program, providing safe housing for lower income households.

Program Evaluation: This program will be continued and be made available to property owners in the 2013-2020 Housing Element period. It is anticipated that the number of applications will decrease over time, however, as it will become increasingly difficult to meet the pre-incorporation occupancy threshold.

6. Quantified Objectives

Housing Element law required that quantified objectives be developed with regard to new construction, rehabilitation, conservation and preservation activities that will occur during the Housing Element cycle. Table 3-56 summarizes the City of Encinitas' quantified objectives for the adopted Housing Element, Table 3-57 summarizes the City's actual accomplishments in construction, and Table 3-58 summarizes the City's accomplishments in housing rehabilitation, preservation, and other assistance.

Table 3-56: Quantified Objectives

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Totals
New Construction	441	340	366	437	1,584
Rehabilitation	-	7	n/a ¹	n/a ¹	7
Conservation					
Section 8	100	-	-	-	100
"At Risk" Units	-	40	-	-	40
Totals	541	387	366	437	1,731

1. The City only set quantified objectives for very low and low income rehabilitation that occurred with assistance through the rehabilitation program. Moderate and above moderate income rehabilitation may still have occurred.

New Construction

Two overlapping RHNA cycles occurred within the period of 1999 through 2012 (deadline for the next Housing Element update). Table 3-57 summarizes the City's housing production during each RHNA cycle. As shown, 1,621 new units were constructed during the 1999-2004 RHNA cycle. While the total number (1,621) exceeded the City's RHNA (1,584), the production fell short in the lower and moderate income categories. Housing growth during the 2003-2012 RHNA cycle has slowed, largely due to an increasingly built out community and a severe downturn in the housing market. While the City met a majority of its overall RHNA, it did not meet its goal by income category.

Table 3-57: Actual Units Constructed (1999-2012)

7/1/99 - 6/30/04	Regional Share Goal	New Construction
Extremely Low	n/a	--
Very Low	441	21
Low	340	27
Moderate	366	--
Above Moderate	437	1,573
Totals	1,584	1,621
7/1/04 - 6/30/12	Regional Share Goal	New Construction
Extremely Low	n/a	--
Very Low	392	59
Low	299	37
Moderate	324	19
Above Moderate	697	965
Totals	1,712	1,010

Rehabilitation

The City funded rehabilitation of two units. During the past ten years, low interest rates available on the market made it less attractive for homeowners to pursue the government-assisted loans due to the added eligibility, occupancy, and income restrictions. However, as the City's housing stock ages, the need for housing rehabilitation to preserve neighborhood quality will continue to increase. Therefore, the

City will continue to promote the rehabilitation programs offered through the City during the next Housing Element cycle.

Conservation

The City's quantified conservation objective was 140 households. This objective included 100 Section 8 rental assistance vouchers and HOME Vouchers and the conservation of 40 affordable units. During the reporting period, the City retained all rental assistance budget authority (136 Section 8 and 20 HOME vouchers) and successfully conserved 16 affordable units through acquisition. Additionally, the City assisted six low income families in purchasing a home.

7/1/99 - 12/31/2012	Preservation	Homebuyer	Rent Assistance	Rehabilitation
Extremely Low	6	--	156	--
Very Low	7	--	--	--
Low	3	13	--	2
Moderate	--	--	--	--
Above Moderate	--	--	--	--
Totals	16	13	156	2

Appendix A: Public Participation

Housing Element Focus Group Meeting

August 9, 2011

The following housing developers, housing professionals, housing advocates were invited to the meeting:

- John DeWald, DeWald and Associates
- Brian Sinderhoff, The Wamington Group
- Jay Deckard, The Wamington Group
- Tony Pauker, City Ventures
- Al Jarvis, The New Home Company
- Ron Baldwin, Pacific Coast Communities
- Mark Irving, Urban Housing Communities
- Susan Riggs Tinsky, Executive Director San Diego Housing Federation
- Kelley Dukat, Program Coordinator San Diego Housing Federation
- Noami Pines (GPAC member and liaison to the San Diego Housing Federation)
- Dee Snow (former GPAC member representing the real estate industry and kept BIA informed)
- Janet McCullough (GPAC member representing the real estate industry)
- Steve Maciej – BIA
- Ellen Immergut, Manager of Development and Communications Habitat for Humanity
- Jann Young, Executive Assistant Habitat for Humanity
- Sue Reynolds, President and CEO of Community Housing Works
- Carrie Grote, Resource Development and Public Relations for Community Housing Works
- Lauren Pause, Community Resource Center
- Yvonne DeCarlo, Office Manager, Affirmed Housing
- Chris Earl, Project Manager, Affirmed Housing
- Anna Scott, Senior Project Manager, Affirmed Housing
- Paul Barnes, President of Shea Homes
- James Schmid, CEO, Chelsea Investment Company
- Rebecca Louie, Vice President and Chief Operating Officer, Wakeland Housing and Development

Appendix B: Sites Inventory