



What new growth strategies are needed in San Luis Obispo County?

San Luis Obispo County is more popular than ever to visit and live. Growth in the form of new residents, houses and businesses keeps coming our way to benefit our lives (or not, depending on your viewpoint). However, most of our communities are getting “built-out” with the development that is allowed in their general plans. Water supplies and transportation facilities are vital for growth, yet they are limited or over-used in many of our communities. “Growth management” provides the ability to determine where, how and how fast we grow. It has become important to ask the following questions:

How can growth be managed...

- *To assure that adequate resources and services will be paid for and provided?*
- *To encourage more compact and efficient development?*
- *To encourage more growth in urban areas where jobs, resources and services are generally located?*
- *To discourage non-agricultural rural development and sprawl?*

Is the current system effective enough?

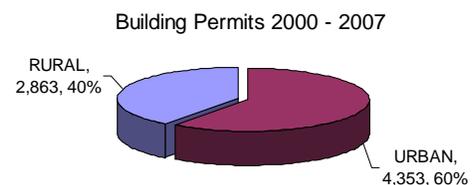
- *How can we avoid water shortages?*
- *How can we avoid traffic congestion?*
- *How can we protect rural character?*
- *Should resources be used more efficiently?*

This brochure is intended to:

- *Summarize growth management,*
- *Describe five major growth issues,*
- *Seek your input on new growth management strategies and policies.*

Rural development incurs higher costs for safety, fire protection and road maintenance per dwelling unit. San Luis Obispo County offers the beauty of its mountains, agricultural lands, wine country, valleys, beaches, lakes and distinctive communities, which is unsurpassed in the state. Growth within the county in many ways fits well within our distinctive character. However, over time, cities, towns and rural areas have seen growth that shows signs of reducing our quality of life. The following list highlights some examples of ongoing or emerging issues:

- Four out of 10 new houses are being built in rural areas rather than in communities.



- The rural separation between communities is diminishing, which could change our distinctive character into a long metropolitan area.
- In many cases, growth has outpaced the financial ability to provide needed resources and infrastructure improvements.
- Water supply is threatened by overdraft conditions in 4 of 6 major groundwater basins.
- Water and/or sewer systems are near or at capacity in Cambria, Los Osos, Nipomo, San Simeon and Santa Margarita.
- The County roads budget remains below the estimated costs of improvements and repairs.
- Several interchanges on Highway 101 are approaching or have periodic congestion from commuting and other travel.
- There is a lack of housing that is affordable to working people.

What is Growth Management?

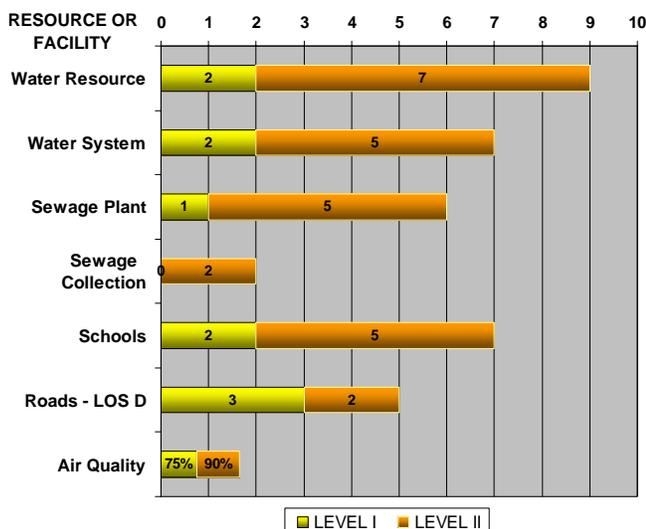
A Growth Management Ordinance (GMO) has been in effect since 1990 for the unincorporated county. It was adopted to balance residential growth with five necessary and supporting features:

- Water supply and delivery,
- Sewage collection and disposal,
- Roads,
- Schools and
- Air quality.

The GMO sets the annual residential growth rate, considering an annual report on the adequacy of these features by the Resource Management System (RMS). An Annual Resource Summary Report provides information on foreseen shortages or deficiencies. When they are projected to occur within designated time frames, as shown in the chart on this page, the Annual Resource Summary Report identifies one of three Levels of Severity, with Level III being the most critical. The less time there is until a resource capacity is reached, the higher the Level of Severity.

Currently, an overall growth “cap” of 2.3% is set for the unincorporated area, which is a compromise between historically high local rates and the lower statewide rate. While the demand for residential growth has rarely exceeded this rate, some sub-regions or communities have grown faster. Resource and facility shortages have emerged in some of these higher-growth areas. As a result, a lower growth rate has been established on the Nipomo Mesa. The County does not have a commercial growth rate limitation.

RMS LEVEL OF SEVERITY TIME FRAMES
(Cumulative years before a Level III decision)



Moving in the Right Direction?

A telephone survey by the San Luis Obispo Council of Governments recently asked over 600 county residents about growth. The following top concerns about growth were the most related to land use¹:

- Adequate roads, infrastructure and safety services
- Cost of housing
- Adequate water supply
- Protecting our clean air and climate

These responses coincide with the ongoing concerns of decision makers that solutions are needed in order to maintain our quality of life.

In a preliminary review of the Growth Management Ordinance on January 29, 2008, the County Board of Supervisors directed staff to study improvements in the ordinance, engage the public and return for a **study session**, which will be held on **July 15, 2008**.

The following major topics are being considered:

- How can growth be managed to assure that adequate resources and services will be sustained for future generations and provided with adequate funding?
- How can growth be managed to encourage more compact and efficient development that costs the public less than large-lot development?
- How can growth be managed to encourage more development in urban areas where jobs, resources and services are generally located, and to discourage inappropriate rural development and sprawl?



Lopez Lake

¹ Opinion Studies, *San Luis Obispo Region Public Opinion Surveys, SLOGOG Report* (San Luis Obispo Council of Governments, 2008) p. 8.

How can we sustain our natural resources for future generations?

Issues:

- County zoning allows more development than resources such as water supply can serve.
- The Growth Management system does not provide enough time to protect and supplement resources before a crisis.
- Although options are available, none are required in the GMO to curtail growth or consumption.
- The public is reluctant to pay the costs of protecting or obtaining additional resources.
- Serious conflicts arise over resources needed for both residential development and agriculture.
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Our natural resources include but are not limited to water supplies, clean water, clean air, plant and animal habitats, geology

Ideas:

- Identify resource capacities, determine the impacts of projected growth, and establish time frames that are needed to sustain resources.
- Provide earlier warnings of resource constraints in the RMS, to be met with specific growth management and planning measures.
- Establish an efficiency bonus to gain more units for resource-efficient projects.
- Identify specific areas without resource constraints where efficient compact growth is appropriate, and focus more growth within these areas.
- Establish disincentives for development in more resource-constrained areas.
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Should growth be tied to adequate infrastructure?

Issues:

- The planning and delivery time for infrastructure is getting longer, causing costs to go higher than anticipated and growth to be stalled.
- The major funding necessary to pay for infrastructure is not available without voter approval of a special district.
- New growth does not pay for its infrastructure needs in time to catch up with needed improvements.
- Large-scale development proposals can develop their own infrastructure while existing neighborhoods are left short.
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Infrastructure includes basic facilities and equipment such as water supply and service, sewage disposal, electric and gas connections, storm water runoff, and transportation.

Ideas:

- Use realistic design and construction time frames in the RMS and GMO.
- Create infrastructure funding programs in coordination with districts and cities.
- Focus development only when and where infrastructure is available and not near capacity.
- Focus growth in areas with complete infrastructure, close to schools, parks, commercial uses and jobs.
- Link growth management to a timing and sequencing plan (capital improvement plan) that reinforces strategic growth concepts.
- Create an infrastructure planning, development and funding program to help form facilities districts.
- Modify urban and rural subdivision standards to relate to infrastructure capacities.
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Should we manage growth to deliver more affordable housing?

Issues:

- Most households cannot afford the median-priced home.
- About 8 out of 10 homes built since 2001 were not affordable to people with moderate or lower incomes.
- Rural development on large lots comprises about four of ten new homes in the unincorporated areas, but does not account for much affordable housing.

Ideas:

- Prioritize affordable and/or “smart growth” projects in urban areas, or exempt them from the GMO.
- Focus growth in “smart growth” infill locations along corridors with transit connections.
- Reduce the rate of new rural residential development in the GMO.

New Strategies for Growth Management

- Existing community plans emphasize large-lot detached housing.
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- Designate more buildable land within and next to urban areas where infrastructure is planned to meet market demand.
- Establish priorities in the GMO for workforce housing and very low, low, and moderate-income housing.
- Encourage urban area expansion through higher density, more affordable “smart growth” neighborhoods.
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How should we deal with rural residential development?

Issues:

- Rural residential development can conflict with our fabled agriculture and character.
- Four out of 10 new homes in the unincorporated parts of the county are in rural areas, where at least 24,000 parcels exist, and more can be subdivided.
- In general, rural development incurs higher costs of public services for every dollar of revenue raised compared to urban areas
- In general, rural development uses more water per dwelling unit than urban development.
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Ideas:

- Establish a lower rate of development in the GMO for rural areas.
- Establish fees that reflect the higher cost of providing services to rural areas.
- Identify greenbelt areas near communities from which rural development rights (credits) can be transferred to urban expansion areas.
- Increase the rate of urban development to “absorb” development transferred from rural areas.
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New Strategies for Growth Management in San Luis Obispo County

The rate and location of residential growth can be managed to coordinate with the timely provision of facilities and services. We are looking for ways to grow that will avoid shortages of resources, facilities and services. We are looking for the best ways to grow in a sustainable manner. Please provide us with your thoughts and ideas.

What do you think?

- ✓ Contact us: GMO@co.slo.ca.us
- ✓ Go online: www.planning.org >What's New
- ✓ Be included in our email list.
- ✓ Write GMO at the address below:

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