

REFLECTIONS ON HOUSING AND LAND USE POLICY 1994-2026

Bruce Gibson

April 20, 2026

THE SHORT VERSION

The basic human need for shelter drives a lot of public conversation these days, especially here in California. Public servants and engaged citizens have talked for decades about housing supply and affordability, now regularly referring to the present-day situation as a crisis. For all the attention paid to housing – within the wider general issue of land use – government actions at the state and local level have seemed largely ineffective. The struggle to afford housing continues.

I've been active in SLO County land use and housing decisions for 32 years – as an advisory council member, community advocate, land conservationist, planning commissioner and county supervisor. Recently, I've wondered a lot about what we should expect from local government efforts to improve our housing situation. Certainly, the housing crisis is a problem [much easier to admire than actually solve](#).

One might reasonably ask what local policy makers have learned during our years of struggle, so I've spent some time looking back at various policy discussions and project decisions (see Attachment 1). From that undertaking, I've developed some thoughts about what's worked and what hasn't, with a desire to more clearly define our current housing issues and have increased impact in the future.

Many folks' response to the full documentation of this exercise will understandably be "[TL;DR](#)." No offense taken. Here are the bullet points:

- Local land use policy and project decisions, especially as regards housing, are often made on strongly held assumptions, impressions and values, reflective of the passionate and emotional concerns that local residents voice regarding their communities and the surrounding landscapes.
- From the 1980s into the 2010s, most land use debate centered on rural land issues – for instance, whether and to what extent ag land should be subdivided for rural residential development.
 - The ag cluster subdivision and transfer of development credits programs tried to balance ag land protection and development (see Attachment 2), but were controversial and are now rarely used.
 - Ag land and open space protection is now mostly accomplished by land conservation (land trust) projects. Rural residential development is largely confined to numerous existing parcels created decades ago.
- As the problem of housing affordability has gotten worse over time, most local land use policy decisions have not had meaningful impact.
 - Over the last decade, the housing affordability index (HAI, percentage of households able to afford the median-priced home) has steadily declined – currently the HAI is about 10%.

- Some success has been seen in the protection to mobile home park affordability with rent control and strict conversion/closure requirements.
- The county's inclusionary housing ordinance was producing steady and growing funding for affordable housing projects through in-lieu fees, until it was discontinued in 2022 (for reasons not fully justified).
- Home builders and others have long advocated for increased density and relaxed site development standards (since 2006); in response, actions such as adoption of planned development (2013) and workforce subdivision (2016) ordinances have not produced many new units.
- In previous cycles of the state-mandated Regional Housing Needs Analysis/Plan (2001-2019), the production of affordable units has not come close to the number planned. A specific goal for actually producing affordable housing units (rather than planning) was not set by the BOS until 2023.
- Recent local policy on funding the production of affordable units is based entirely on receiving grants and selling incentives, rather than ordinance-based exactions. The effectiveness of incentives has yet to be demonstrated.
- [Wealth and income inequality in communities are strongly correlated with housing unaffordability](#), especially in desirable locations like SLO County. While local government can't mitigate that bigger societal problem, I don't think we should just give up on local actions. Rather, we should take a careful look at our approach:
 - Local housing policy is not informed by a sufficiently detailed strategic plan or data-informed implementation actions.
 - Reflective of that, local decision makers haven't set specific enough policy goals, nor tracked progress toward them.
 - Project decisions are not analyzed as to their contribution to achieving what specific goals do exist.
 - Policy decisions have typically been deferential to the wishes of the development community to encourage a supply-side solution that has not been realized.
 - Setting new policies to address current problems could benefit from historical data that are not easily accessed (if available at all).
- Our local policy-making and project decisions could be improved by setting more specific goals as part of a detailed strategic plan to address housing or other land use decisions.
- A significantly expanded and updated database of local housing, demographic, economic, geographic and other information could inform more effective decision-making. Key elements of such a database would include:
 - Detailed up-to-date information on housing stock, such as the distribution of unit size, unit age, estimated market price, geographic distribution, etc.
 - Detailed up-to-date demographic information, such as population age distribution by community, household size, household income, etc.
 - A database of local decision-making bodies' agendas, staff reports, minutes and video recordings, which would document previous policy and project discussions and decisions.

- Effective access to these data would likely benefit from a well-defined and properly controlled artificial intelligence (AI) interface.
 - A robust AI application, informed by appropriate economic models and the housing/demographic database above, could allow the impacts of potential policy approaches to be tested before implementation.
 - Currently, public records for the SLO County Board of Supervisors (BOS) and Planning Commission are online in digital form for the years 2006-present, but the search function is cumbersome and inefficient. AI access could, for instance, allow the history of specific policy and project decisions to be quickly summarized.
 - AI would be especially helpful in documenting what the BOS *actually* discussed and decided on a given item (as opposed to what was analyzed and recommended in the staff report), by directly summarizing the video recording, as well as the official minutes.
- Summary:
 - Building more housing is a good idea. Data show that housing production in California has not kept up with population growth and that imposes social and economic costs.
 - Overarching economic forces – especially wealth and income inequality – appear to dominate the affordability metrics.
 - Supply-side policies alone – simply building more housing of all types – have not been shown to improve housing affordability. Similarly, [a recent assertion](#) that the creation of high-end housing makes lower-cost units available and affordable to lower-income families is contradicted by local experience and affordability metrics.
 - SLO County is such a desirable place to live that market-rate housing will get bid up to prices that workforce-income households can't come close to affording.
 - Currently, only a very limited set of housing types – mobile and manufactured home parks and certain apartment developments – will be affordable by design.
 - Local government can have the most direct impact by developing a robust, diversified revenue stream to fund deed-restricted affordable housing developments. Non-profit housing developers can leverage local government investments many times over to actually get such housing built.
 - Policy development and oversight on policy outcomes should be informed by a significantly expanded database of housing and economic information, as well as an easily accessible public record of decisions made by public agencies. Access to all this information – and potentially the testing of new policy initiatives – might be aided by a carefully designed artificial intelligence application.

BACKGROUND

When our Board of Supervisors (BOS) chambers are packed to overflow with passionate members of the public, the hearing item before us is most often a land use decision – and recently, almost all of our land use issues involve housing. The public’s interest in housing decisions has been sharpened in recent years as housing costs have soared.

Yes, other issues have drawn crowds (think ICE raids and nuclear power), but for many decades, SLO County residents’ passion for their communities and our extraordinary landscapes has regularly focused fierce energy on local decision makers. That’s perfectly reasonable, as local government is, after all, the front line of land use decision making in California – both in terms of setting policy and rendering specific project decisions.

The stakes of good land use policy have been raised as our communities have confronted a variety of challenges:

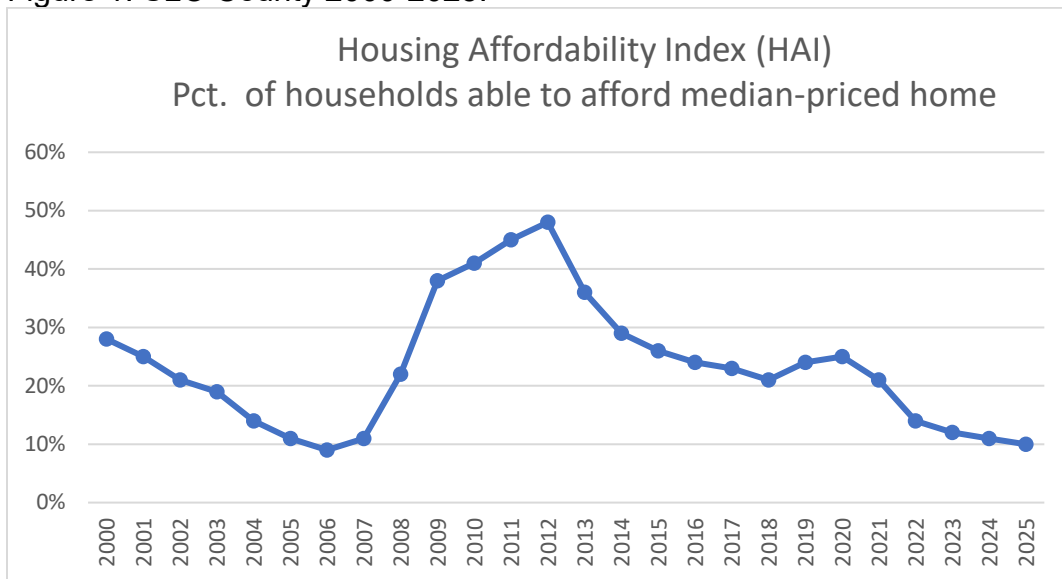
- The increasing unaffordability of local housing is a huge issue for both families and businesses, and is reflective of a much wider trend of wealth and income inequality.
- For some time, both residential and commercial development in certain communities have been constrained by natural resources (notably, drinkable water) and infrastructure (like wastewater treatment).
- Good land use decisions increasingly have to reckon with hazards accentuated by the changing climate: for example, wildfires, storm surge and sea level rise.

The track record of local jurisdictions in addressing these many challenges has been variable.

GAUGING THE HOUSING PROBLEM

Various metrics can be used to illustrate our housing problem. The “housing affordability index” (HAI) is defined as the percentage of households that can afford a median-priced home. Figure 1 shows the HAI in SLO County for 2000-2024. Over the last 15 years, the HAI has trended steadily downward, now heading below 10% – a Mar. 12, 2024 Board item states the HAI is even lower, at 5.4%. This decline occurs despite nearly continuous local efforts to address the housing problem and a generally steady rise in median household income (Figure 2).

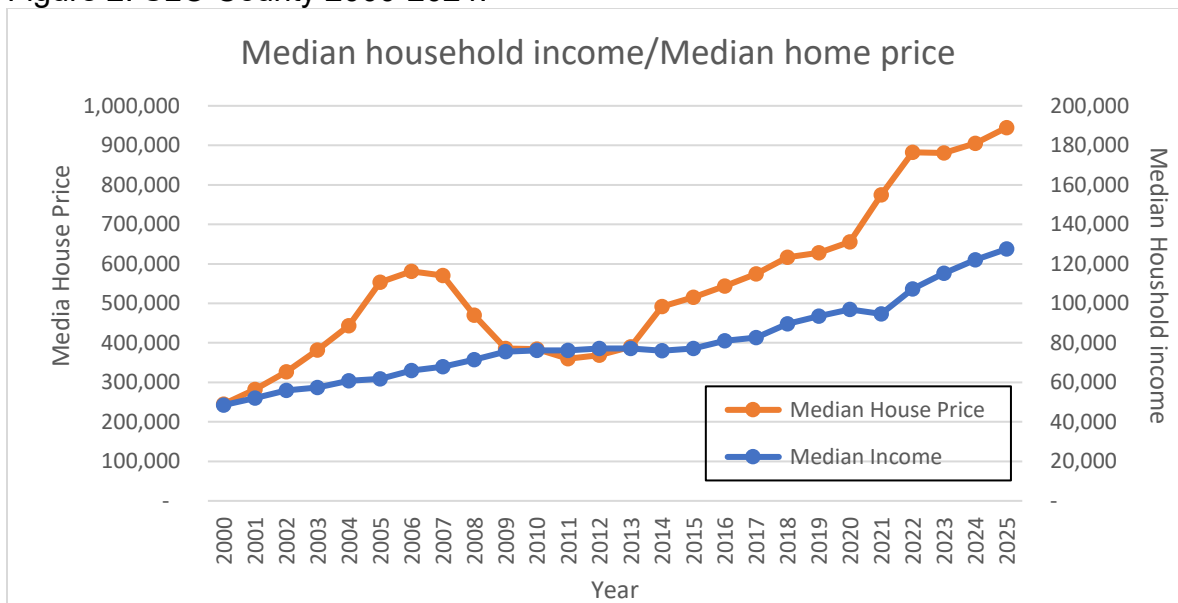
Figure 1. SLO County 2000-2025.



Note: These data provided by AI (Gemini), attributed to California Association of Realtors, from prompt: "Please provide yearly data since 2000 for the percentage of households that can afford the median priced house in San Luis Obispo County, California, based on the standard that no more that 30% of household income should be spent on housing costs."

Certainly, larger economic forces are at work here: The HAI clearly reflects house prices (Figure 2) rising in the national real estate bubble of the early 2000s, declining markedly during the Great Recession, rebounding during the COVID pandemic and now rising at a rate greater than the increase in household income.

Figure 2. SLO County 2000-2024.



Note: Data provided via Gemini, using prompts similar to that used in Figure 1.

The SLO County Planning Department website's [Housing Hub](#) presents another type of affordability metric. [Current data](#) show that 75% of very-low income and 71% of low low-income households are "housing cost burdened" – that is, they spend more than 30% of their gross income on housing. That metric has worsened for low-income households over the last 15 years.

Another measure of the problem is what I call the "affordability gap." From [recent county data](#), a moderate-income household having four members sees an income of \$150,700 per year (20% more than the median income)¹. Using the typical standard of housing affordability (housing cost capped at 30% of income), that household could afford a 3-bedroom house costing \$506,000. The current median house price in SLO County is \$950,000, leaving an affordability gap of \$444,000. We've seen that gap grow in recent years.

One other sort of gap was recently [referenced in a BOS discussion of housing policy](#). A study has shown that it costs \$87,000 more to build a low-income affordable unit than the builder can recover in the capped sale price. The gap for a very low-income unit is \$124,000. Those numbers were used to frame the income stream needed to fund deed-restricted affordable housing development.

One other piece of housing data is indirectly related to housing affordability. As [reported April 2025](#), SLO County's housing unit vacancy rate is 13%, about twice that of neighboring counties. It's striking to note that 60% of the vacant units (totaling about 8,000 units countywide) are second homes. This reflects both a constraint on supply for local residents and a consequence of wealth and inequality that must put upward pressure on local home prices.

WHAT EXACTLY HAVE WE ACCOMPLISHED?

Notwithstanding the fact that overarching economic forces might dominate the continuing drop in housing affordability, we can reasonably ask whether our local efforts have made any difference. Over the last 20 years, the BOS has certainly spent a lot of time talking about housing and we've taken a number of actions.

That question prompted me to look back at county land use and housing initiatives over the last couple decades. My thought is that some historical perspective might help us understand the present and craft more effective measures in the future: What's worked and what hasn't? How clearly have we set our goals and how well have we followed through? How have we approached this seemingly intractable problem and what other strategies might we consider?

My map for this exercise is the public record of BOS meetings – the agendas, staff reports, video recordings and minutes – that are [available on the county website](#) from 2006 to the

¹ "Moderate income" is an amount that is 120% of the countywide median income for a same-sized household. The median income of a 4-member SLO County household is currently estimated at \$125,600.

present. My approach was to start with our most recent discussions and actions on housing and land use and track back in time to see the context of how those items were framed by past events. Following one thread led to many others, as I explored the fabric of our work over the past two decades and more.

I compiled the raw notes of this exercise as an annotated timeline, which can be found below as Attachment 1. The annotations include links to staff reports, as well as some minutes and video recordings to document certain decisions. The timeline is far from complete and the annotations include personal opinions, with which I expect some will disagree. I take any such disagreements as opportunities to discuss the path forward.

I've likely missed some policy discussions and project decisions that could be relevant to the conversation. Also, I've picked up information in specific versions of items that recur periodically – for instance, we regularly assess Planning Dept. priorities, hear General Plan progress reports, pass action plans for federal funding sources – and the timeline only references a few of them.

Filling out that record would be an interesting and probably useful exercise – and a huge time sink. As I meandered through these archives, it would have been great to have the assistance of artificial intelligence (AI) to identify and summarize policy and project decisions that have evolved over many years. The current archive search engine is rudimentary, at best.

Another benefit of AI would be to document what the BOS *actually* discussed and decided on a given item (as opposed to what was analyzed and recommended in the staff report), by directly summarizing the video recording, as well as the official minutes.

Developing AI access to this important public record for this – and many other types of BOS decisions – should be a priority project.

POLICY THEMES

Looking at the public record, SLO County housing policy approaches can be grouped into four main themes:

Encourage the building of more housing of all types and price points. This supply-side approach asserts that simply having more units will improve affordability. This view is strongly supported by the development community, whose preferred policy proposals seek to streamline permitting, reduce fees, increase unit density and relax development standards. The potential success of this approach is limited by resource constraints and the durably high demand to live here.

Encourage strategic regional planning and investment actions. This approach seeks to build housing in the best locations (e.g., near jobs) in order to minimize costs (e.g., infrastructure) and mitigate impacts (e.g., traffic, GHG emissions). Efforts on this front have

been active for decades and its potential accomplishments are constrained by the available political will to make strategic (i.e., difficult) decisions on where to invest scarce resources.

Encourage the expectation that affordability by design can produce significant progress on our housing challenges. The main aspiration of the first two policy themes above is that by building more of the right housing types in the right places we might see a significant fraction of housing become “affordable by design.” A relatively recent study suggests that is possible for only certain housing products – manufactured homes (for purchase) and 3-story walkup apartment buildings (for rental). Accessory dwelling units (ADUs) and tiny homes are assumed to contribute to overall affordability, without clear supporting evidence. The affordability of mobile home parks (MHPs) has been strongly protected in SLO County for decades.

Continue funding non-profit, deed-restricted affordable housing projects with public agency revenue. This long-standing approach creates units guaranteed to be affordable to households having various income levels -- takes advantage of non-profit housing developers’ ability to leverage public investments many times over as part their overall funding package. This approach produces relatively few units (compared to the need), as it is constrained by limited public and developer-paid funding streams. Developers in some jurisdictions have the option of actually building some number of deed-restricted affordable units as part of a project, but most find it more advantageous to pay a fee in-lieu to be relieved of that requirement.

Sections that follow will examine the record of actions on each of these policy themes, assessing results and identifying challenges for future work.

Theme 1: Supply side solutions – efforts to encourage the building of more housing.

As indicated above, this is the development community’s favored approach – and one that has received national discussion in the emergence of the “abundance” agenda. Housing developers’ main issues are permit streamlining, fee reductions, density increases, development standards and incentives, all of which we’ll look at below (with references to the timeline in Attachment 1). First, let’s document interactions and conversations that decision-makers have had with the development community over the last two decades.

Policy discussions and decisions – engaging the development community

For as long as land use has been regulated, SLO County elected officials and staff have discussed land use policy regularly and at length with members of the development community (builders, architects, engineers, land use consultants). The development community’s interests are well-understood: less-restrictive regulation, lower-cost and faster permitting and support for infrastructure and resources are all matters that contribute to their profitability. Fair enough.

Engagement with developers has been both casually and formally organized. As various proposed actions come before the BOS, we receive considerable input – permit fees and streamlining, rural/ag land use and inclusionary housing always receive a lot of comments. On several occasions over the years, the conversation has been more organized. For example:

- In 2007, the Planning Dept. organized a design competition for secondary dwelling (now ADU) plans that could be pre-approved and are now available to applicants.
- In 2009, the TDC Blue Ribbon Committee provided recommendations for modifying the long-standing transfer of development credits program.
- In 2010, the BOS agendaized an item to receive feedback on workforce housing development that led to adoption of ordinances for planned development (2013) and workforce housing (2016) projects.
- In 2019, the county provided resources to convene a conversation that resulted in the Regional Housing Compact, now adopted (2020) by all eight SLO County jurisdictions.
- In 2022, the county provided resources to convene another conversation that resulted in adoption of the Regional Housing and Infrastructure Framework in 2023.
- Most recently, in 2024, the BOS established the Ad Hoc 2020-2028 Housing Element Implementation Steering Committee (chaired by Sups. Ortiz-Legg and Paulding) to work with stakeholders on the current Housing Element’s implementation action plan. The Steering Committee’s recommendations were included in consideration of various actions during 2025.

This review of stakeholder engagement (also noted in the annotated timeline), are offered to characterize the breadth and depth of input received.

In the subsequent policy and project decisions of the BOS, we’ve seen the following supply-side issues regularly discussed over the last 20 years under the theory that, if addressed, developers could build more units and thus improve housing affordability.

Permit streamlining

Getting projects permitted efficiently and economically is naturally an interest of the development community and has been regularly discussed for a long time. A BOS/Planning Commission (PC) committee started studying the issue of streamlining the public hearing process in 2008 and reported to a joint BOS/PC meeting 2009 (Sep. 8). In a 2016 (Oct. 4) housing policy item, “time-consuming processes” are noted as the biggest impediment to housing development and permit streamlining is listed a desired future effort.

The current Housing Element (2020-2028) contains an implementation action on permit streamlining (HE-07), discussed in 2024 (Mar. 12) and again in 2025 (Nov. 4). The central idea in action HE-07 is that ordinance amendments could allow certain housing projects to qualify for a ministerial permit rather than be subjected to the longer discretionary permit

process². In April 2026, the BOS will be asked for general direction on what sorts and sizes of projects might qualify for a ministerial permit and what aspects of that process might differ from one community to another.

In reviewing the BOS record, it appears that incremental improvements to permit processes have been made over the years based on 1) educating applicants (and their agents) on permit requirements and processes so that applications are more complete, 2) setting expectations on timelines and the consequences of changes after submission (e.g., on CEQA determinations), and 3) internal Planning and Building Dept. staff training and process improvements. The recent department process review by consulting firm KPMG (summarized in Dec. 16, 2025 BOS item #33) indicates future opportunities for improvements.

Given the basic requirements of land use regulation, especially as constrained by state statutes, it's unclear how much faster the permit process for large projects can be – although the development community is likely to continue calling for it to be sped up. It's also uncertain what the level of community acceptance might be if significant projects were proposed to qualify for a ministerial permit.

Fee reductions

The issue of reducing fees for housing developments arises in virtually every item where permit streamlining is discussed (see above). While the development community contends that fees are a major driver of unaffordability, data presented at various times have shown that fees for projects in unincorporated SLO County are low compared to those in our cities and neighboring counties.

A few notes on various attempts to mitigate the impact of the fees charged:

- Permit processing fees – These fees are set (using time and motion studies) to recover the staff cost of permit processing. Potential reductions can come from improving staff efficiency, lowering the permit level required and, in some cases, using real-time billing rather than a flat fee.
- Public Facilities and Road Impact Fees – These fees are charged to pay for the public improvements (roads, parks, libraries, public safety and general government offices) that should be expanded as communities grow. School districts also charge impact fees to fund new schools as needed. These fees have to be proportional to the impact caused by the new development. One mitigation approach has been to defer collection of certain impact fees until new dwellings are ready to be occupied, saving the developer financial carrying costs.

² A ministerial process approves a project without a public hearing if it meets certain defined quantitative standards (height, setbacks, etc.). This approval generally takes far less time than a discretionary process, which requires environmental review, policy analysis and a public hearing.

- Infrastructure connection fees – These fees are charged for new development to pay their share of costs for infrastructure like water and wastewater systems. The fee amount is calculated on actual cost of facilities in place, and can be substantial.

While these fees are not beloved by the development community, it's well established that new development must pay its share to support public benefits. If any of these development-related fees are to be lowered or waived, it's a public policy question as to whether these costs should be borne by general taxpayers – or whether we should forego the desired public improvements.

Increased density

The development community has long held that if more housing units could be built on a given parcel, they could be both more affordable and more financially attractive to the builder. That interest aligns with the principles of “smart growth” that emerged in the 1990s – the efficient land use of compact development produces more livable communities, reduces infrastructure costs and lowers environmental impacts.

The first BOS discussion of residential density in the digital archive occurred in 2006. The Planning Commission raised the issue, having seen land zoned for multi-family residences (e.g., apartments) being under-developed with lower-density, detached single-family units. While developers found attached housing product financially unattractive then, the BOS directed further discussion on possible solutions.

In 2009 (April 14), the BOS formally adopted “strategic growth” (smart growth) principles, goals and policies that were meant to encourage development of more compact communities with smaller, denser homes that might be affordable by design. These policy choices – which did not mandate specific project decisions – also pointed to the desirable goal of preserving ag land and open space surrounding communities and thus directed housing development toward already urbanized areas.

A BOS discussion item in 2010 motivated an effort to provide an option for increased density. The “planned development” ordinance was first adopted in 1995. In 2013, the BOS adopted amendments aimed at increasing density by lowering minimum lot size and relaxing other site development standards. A total of 814 units have been developed under the ordinance from 1995 to 2023 (about 45 per year). The number of units developed since the 2013 amendments is unclear and currently being researched, but there does not appear to be wide use of these provisions.

Another effort to allow increased density was adopted in 2016 with approval of the “workforce housing package.” This set of amendments allowed decreased lot size for development of smaller single-family dwelling units and allowed use of these provisions in Office Professional and Commercial Retail (OP/CR) land use categories. Workforce affordability was addressed by restricting the sale price only on the first sale, as opposed to

a traditional deed restriction. To date, only ten units have been developed using its provisions.

The growing popularity of building accessory dwelling units (ADUs) on parcels with preexisting residential and commercial developments is another approach to increasing density. One benefit of this approach is that density increases are relatively modest and are distributed in the already built environment – although some communities have raised concerns regarding impacts like parking and traffic. The effect of ADUs on housing affordability is unclear and is further discussed in Theme 3 (affordability by design) below.

The latest density increases came with implementation actions HE-01 and HE-02 in the current (2020-2028) Housing Element, directed at residential multi-family (RMF) projects. In September 2025, the BOS adopted amendments to RMF standards that allowed for increased allowable density and relaxed site development standards (see below). In October 2025, the Board adopted the Regional Housing Incentive Program (RHIP), that allows developers to pay for further increases in density (see discussion below).

While results from the latest BOS actions (2025) have yet to be realized, the approaches described above have not produced obvious results in either the number of units or their affordability.

Relaxed development standards and incentives

As inferred in the density discussion, relaxed development standards are logically linked with the effort to get more dense housing built: In addition to unit sizes, required lot line setback distances and open space areas, among other standards, constrain the resulting housing density.

Two related Housing Element implementation actions have started to address the development standard issue. Ordinance changes pursuant to action HE-01 reset baseline standards for RMF projects, allowing increased density (see above) and decreased parking, among several other adjustments. The overall impact of these relaxed standards is difficult to predict³.

The Regional Housing Incentive Program (RHIP) created under action HE-02 provides a path for further easing of development standards. Builders can now buy “incentive points” that allow further modifications. Revenue from these purchases would be directed to funding housing guaranteed to be affordable (see Theme 4, below).

Given that it’s brand new (October, 2025), the RHIP’s effectiveness can’t yet be determined, but I have serious concerns about its formulation:

³ When these revised development standards were under consideration for certification by the Coastal Commission, their staff recommended and the Commission approved them as *de minimus* amendments.

- The established price of an incentive point was not based on any market or economic analysis – rather, it was set arbitrarily at \$30,000 after development community members complained that staff’s recommendation of \$50,000 was too high.
- Similarly, the benefit gained from one incentive point is not logically determined – for instance, purchase of one incentive point removes all guest parking from an RMF development, no matter how many units it creates.
- Finally, RHIP revenue expectations are low relative to the need and previous funding sources (e.g., inclusionary housing in-lieu fees) – with 25% of RHIP revenue being directed to SLOCOG, the remaining funds would be at most 30% of the minimum amount desired for investment in deed-restricted affordable housing projects.

An historical note on another incentive program

The need to carefully craft incentive programs is evident in SLO County’s experience with “transfer of development credits” (TDC) programs. TDC programs allow development to be directed or intensified by buying off development rights from one location and using the “credit” that’s created to gain some benefit at a more-desirable development site.

In essence, TDCs are an incentive program. Over the years, the county has seen two TDC programs – one has worked well and one didn’t:

- A countywide TDC program was created in 1996 to protect ag and open space (see Attachment 2). Credits were created by retiring the development potential of desirable rural land (the sending site). The credits were then to be used to intensify development in other locations (receiving sites). The main problems were,
 - the price of a TDC was left to negotiation between the sending site credit owner and the developer wishing to use the TDC, and
 - communities didn’t want TDCs used to intensify development at the receiving sites. The countywide program was essentially abandoned by major revisions in 2011 (see Attachments 1 and 2).
- In contrast, a successful TDC program ([see North Coast Area Plan](#)) has operated in the Lodge Hill neighborhood of Cambria since the early 2000s– driven by the community’s desire to retire the development potential of certain small, vacant lots. The program is administered by the Land Conservancy of SLO, who sets the price of a TDC according to specific guidelines. TDCs can then be purchased by builders to allow residential development to increase its footprint by up to 10% – a modest amount not generally visible to the casual observer.

From that experience, it’s clear that the cost of an incentive and the benefit it confers must be carefully analyzed and controlled in order for the program to be successful.

Conclusions

- Issues of interest to the development community have been thoroughly discussed over the last 20 years under the assertion that if addressed, developers could build more units and thus improve housing affordability.
- Increasing the efficiency of permit processes is an ongoing effort that has made incremental progress. Shifting significant projects from discretionary to ministerial permitting may further streamline processing but may face community resistance.
- Project fees are based on cost recovery and the need for new development to support expanded public facilities. Any reductions would likely require general taxpayer subsidies.
- Ordinance amendments to increase density – including those encouraging ADUs – have been implemented over the years, but have not apparently produced noticeable impacts to affordability.
- The most-recently adopted programs for increased density and relaxed development standards have not been active long enough to be evaluated.
- Incentive programs need to be carefully crafted and market prices analyzed in order to be successful.
- Many BOS decisions have favored the development community’s views – and yet housing remains unaffordable.

Theme 2: Strategic regional planning and investment actions will be required to solve our housing problems.

Local elected officials have long talked about strategic regional planning and investment as an important piece of addressing our housing challenges. Taking any action on this idea has been less of a priority. A regional approach to housing certainly makes sense, given the geographic and economic landscape of our area, the tenets of “strategic growth” adopted by the BOS in 2009 and the limited resources available to construct the transportation infrastructure that links us together.

To date, however, the results of discussions among the county and its seven cities – often coordinated thorough our regional transportation planning entity, the San Luis Council of Governments (SLOCOG) – has produced only general policy aspirations. Making project and investment decisions that benefit our whole region requires vision and political will to reconcile challenging, more-local jurisdictional interests.

A good example of this challenge came in 2008, during SLOCOG’s discussion of our Regional Housing Needs Allocation (RHNA, further discussed below). The state required the county and its seven cities to demonstrate a plan to accommodate a total of 4,885 housing units during the next seven years. The SLOCOG Board of Directors (comprised of the county supervisors and seven city delegates) had the job of determining how many units each jurisdiction would be allocated – a somewhat controversial issue at that time.

The City of Paso Robles proposed that it would take an extra allocation of housing if it could receive an increased amount of transportation funding and property tax to support the extra development (as reported by the Tribune on Feb. 11, 2008, with a supportive editorial on Feb. 24). That bold regional proposal was ultimately rejected by SLOCOG, as individual delegates were concerned about the loss of revenue to their own jurisdictions. Since then, I can't recall a similar proposal being discussed in subsequent RHNA cycles.

We should note that SLOCOG has documented regional development issues in the Sustainable Communities Strategies (SCS) included in their Regional Transportation Plans since 2010⁴, as required by SB 375 (passed 2008). An SCS identifies areas in all county jurisdictions that are intended for development, allowing the modeling of transportation impacts under various future growth scenarios. Notably, the SCS explicitly does not supersede the local land use control of any jurisdiction. The SCS is meant to provide a basis for funding transportation projects that support both housing and greenhouse gas reduction goals. It is less clear exactly how the current SCS actually factors in to SLOCOG's funding decisions.

In 2020, the BOS, the seven cities and SLOCOG itself all adopted the Regional Housing Compact, a set of aspirational (read, uncontroversial and non-binding) policy pronouncements indicating our desire to work together on our housing challenges. The Compact indicated that each jurisdiction would include these policies in their updated Housing Elements (which the county did in November, 2020) and that SLOCOG would develop a Regional Infrastructure and Housing Strategic Action Plan (RIHSAP) to support future investment decisions. The RIHSAP has not yet been produced and is not currently under development.

In 2023, the BOS adopted a Regional Housing Infrastructure Framework (RHIF), prepared by SLOCOG with funding from an SB 2 state grant. Overall, the RHIF was a long list of projects of interest to the eight jurisdictions, many (perhaps most) of which were not directly related to housing. Notably, the estimated total cost to accomplish these projects was over \$1 billion, with only \$91 million in funding identified. The RHIF (like the SCS, above) explicitly states that nothing in its adoption "mandates action" by any jurisdiction and to date it has not been referenced in any BOS decision-making process.

Conclusion

- Strategic regional planning and investment initiatives are easier to talk about than execute. Regional housing efforts have produced little obvious return for the time invested.

⁴ In the 2010 RTP, SLOCOG actually included a "preliminary" SCS (PSCS), since that was not technically required by the deadlines of SB 375.

Theme 3: We have a preference for housing solutions that aspire to be affordable by design.

Having housing be affordable by design is a reasonable and long-held desire, harkening back to the opportunities presented to baby-boom families post World War II. Given current economic and demographic forces, achieving that result has become increasingly difficult. That is, the supply-side approach of simply building more housing hasn't, by itself, affected affordability. The type of housing (size, style, location, construction method) makes the difference. A recent study pointed to two housing types that might have promise. Two other housing types have appeared often in the timeline (Attachment 1).

Affordable by design housing study – 3-story apartments and manufactured housing

Part of SLOCOG's effort to develop the Regional Housing Infrastructure Framework (RHIF) (BOS-adopted in 2023) was to commission [a study on what types of housing could be affordable by design \(ABD\)](#) for both rental and purchase. Only two housing types were determined as possibly ABD -- it's worth quoting the study's summary conclusions:

- Rental housing examples: The available data suggests a few newer apartment buildings may meet the affordability criteria for some or all units. Among these example apartments, many of the unit types that met the affordability criteria were for smaller units (e.g., relatively small studios and one-bedroom units). In some cases, larger units within the same development did not meet affordability criteria even when smaller units did. The example developments all were three-story walk-up apartments, but other three-story apartment developments built around the same time did not meet the affordability criteria.
- For-sale housing examples: The only recently built for-sale housing identified as meeting ABD criteria in SLO County were newer manufactured homes in manufactured home parks.² Although there have been some recent for-sale housing developments that were intended and marketed as "affordable by design," their sales prices exceeded the limit set by SLO County for moderate income households.

Since that study was discussed (briefly) during the Board's adoption of the RHIF, there has not been consideration of these specific ABD housing types in discussions of the Housing Element implementation actions during 2024 and 2025. Similarly, these housing types were not discussed in authorizing amendments to the specific and general plans heard in November and December, 2025.

Mobile home parks

Mobile home parks (MHPs) have long been considered a bright spot in housing affordability. While precise current data on purchase prices are not available in one place, a quick internet search suggests that prices are notably lower than the overall county median, ranging from perhaps as low as \$250,000 for smaller units in modest MHPs to \$750,000 for luxury units in more-desirable locations.

SLO County has done a relatively good job protecting MHPs. The current General Plan Housing Element and previous versions going back to at least 2004 include programs aimed at preserving them.

In 1984, voters passed a measure to protect mobile home residents from rapidly rising space rents. Following the initiative, the Board of Supervisors formally enacted [the controlling ordinance](#) in 1986 as Title 25, which included the creation of the Mobilehome Rent Review Board (MRRB). Various appeals of MRRB decisions to the BOS by MHP owners have been rejected over the years, most recently in late 2025.

In 2007, the BOS passed an urgency ordinance to restrict the conversion of rented-space MHPs to owner-occupied, as various MHP owners showed interest in such conversions to take advantage of land appreciation. In 2008, the Board followed up by adopting strict rules for the closure of an MHP or its conversion to another use, to make sure that tenants' financial interests were protected. In 2009, the BOS replaced the interim ordinance with strong rules on subdivision of a rental MHP to resident-owned or condominium ownership.

Also in 2009, a BOS item notes interest in expanding the number of MHPs by creating a specific land use category (zoning). Another reference to that idea is seen in 2016, but by 2018 that idea appears to have been abandoned in favor of accessory dwelling units (ADUs) and tiny homes. To date the new MHP zoning category has not been established.

The traditional MHP model – resident-owned MHs on rented land – presents serious challenges when MHPs are effectively full and MHP-developable land is scarce. The sense that residents are “captive tenants” motivated the rent control initiative.

The establishment of a community land trust (CLT) might offer a new model for MHPs. First mentioned in the interim ordinance discussion in 2007, the CLT would be a non-profit organization (similar to a land conservancy) that would hold the MHP land ownership and provide space rental at an affordable level.

One MHP in Los Osos (Daisy Hill Estates) operates similarly, as a resident-owned cooperative: The residents of the park own equal shares in the corporation that owns the land. Rather than pay space rent, residents pay a lower fee to cover services and maintenance.

ADUs and other alternative housing types

Interest in accessory dwelling units (ADUs) has peaked in recent years. These housing units, associated with larger primary (usually) single family dwellings, have been promoted as an affordable housing option, although detailed data on their impact is hard to find. As a form of density-increasing, infill development, they have raised concerns from some existing residents regarding neighborhood character, traffic and parking. The state has

actively promoted ADU construction through rules that override certain aspects of local land use control.

SLO County has allowed ADUs (formerly called secondary dwellings, SDs) for many years. The online archive shows the BOS taking action to refine the rules for SDs in 2006, as the housing affordability issue gained visibility.

In 2020, BOS amended the inland and coastal zone LUOs to adopt state laws and update rules on development of ADUs (renamed from SDs). In 2025, the BOS updated the ADU ordinances to include current state requirements and to implement action HE-04 (encourage ADUs) from the current Housing Element.

To encourage the development of SDs, the Planning Dept. initiated a competition for design of pre-approved SD plans that could be provided to applicants essentially free of charge. The approved plans program was adopted in 2007, but did not yhen see much participation, likely due to the Great Recession.

In 2020, the BOS directed revival of a pre-reviewed plans program to again encourage development under the new rules for ADUs. In 2022, a new set of [pre-reviewed plans for ADUs](#) were released. Four different designs are currently available, ranging in size from 200-1200 square feet.

The development of ADUs is counted toward progress in meeting the Regional Housing Needs Assessment (RHNA) numbers for affordable units (see below). For current RHNA Cycle 6 (2019-2028), a recent BOS item (June 3, 2025) notes that a total of 452 ADUs have been produced, amounting to 80% of units designated low-income and 74% of moderate-income units.

While the development of ADUs is a good thing, their actual impact on housing affordability is unclear. It's unknown whether the produced ADUs are currently occupied full-time (or used as guest quarters or extra space). If they are occupied, the number of occupants is unknown and the amount of rent paid (if any) has not been reported. This lack of specific information is a significant data gap that should be closed.

In recent discussions, the BOS and the public have also been expressed interest in other forms of housing, such as tiny homes. The integration of tiny homes into our affordable housing policies is under development (see framing discussion from Aug. 21, 2018, Item #30).

Conclusions

- For rental housing, only studio and 1-bedroom units in 3-story walkup apartment buildings possibly appear to be affordable by design (ABD).
- For purchased housing, only manufactured homes in manufactured home parks appear likely to be ABD.
- No direct policy discussions of the two types of ABD housing have occurred since they were identified in 2023.
- SLO County continues to value Mobile Home Parks (MHPs) as affordable housing.
- Mobile homes, like manufactured homes, appear to offer the best chance for housing to be ABD.
- The land ownership model of an MHP is key to its success. The establishment of a community land trust might be helpful in limiting space rent.
- An up-to-date database on mobile home prices would be useful in assessing their relative affordability.
- SLO County has long encouraged the production of accessory dwelling units (ADUs) in both rural and now urban settings, through reducing fees, easing development standards and providing pre-reviewed plans.
- While ADUs are counted as “affordable” units under the state RHNA process, their actual contribution to improving housing affordability is unknown, as specific data are not collected.

Theme 4: Direct building of or investment in deed-restricted affordable housing.

Creating housing units that are deed-restricted (to rent or sell) at a price that’s affordable to the household that occupies it is certainly the most direct way to address housing affordability. While this approach generally produces relatively few units compared to the need, those units are guaranteed to be affordable over at least 55 years.

There are two approaches that local government uses to create affordable units: 1) require larger projects to build and sell some percentage of the total units as affordable, or 2) designate a revenue stream that can be granted to non-profit housing builders to subsidize the development of such units. In many jurisdictions, an “inclusionary housing ordinance” (IHO) provides a means to address one or both of these approaches. Five of SLO County’s seven cities have IHOs – the county had one from 2008-2022.

The basic provisions of an IHO requires builders to deed-restrict a certain percentage of units in a project (usually 15-20%) to be rented or sold at prices affordable to households having certain maximum incomes. Since the cost of building an affordable unit often exceeds the sale or rental value, those units have to be subsidized. The subsidy comes out of the profits of the other, market-rate units – while developers naturally aren’t thrilled about it, that’s sometimes workable for larger projects.

Most IHOs also have a provision so that instead of actually building units, the developer can pay a fee which can then be used by the jurisdiction to fund separate, deed-restricted projects. Having an “in-lieu fee” also facilitates getting contributions from smaller projects, even down to individual single-family homes – and has generally been the preferred approach to meeting IHO requirements.

The local jurisdiction can also raise revenue for deed-restricted affordable housing projects by means other than an IHO in-lieu fee, including incentives programs, various sorts of impact fees and passage of an affordable housing bond. The following history of the county’s experience with IHO direct-build requirements and in-lieu fees gives some context to the discussion of various other affordable housing revenue streams in the next section.

SLO County inclusionary housing ordinance history

The BOS adopted an IHO for the unincorporated county in 2008, requiring either 20% of the units in residential projects over two units be guaranteed affordable – or the payment of an in-lieu fee. Commercial projects over 5000 sq. ft. were also subject to an in-lieu fee that accounted for their creation of new jobs (and thus new housing needs). The BOS established the Affordable Housing Fund (Title 29 or T29) to receive the revenue from in-lieu fees and disburse them to selected projects.

The full-amount residential in-lieu fees were set at about \$9.50/sq. ft. for each market-rate unit (units under 900 sq. ft. were exempt) – commercial fees varied from about \$1-2/sq. ft., depending on project type. As the IHO was adopted at the start of the Great Recession, it was decided to phase in the full impact of the building requirements and fees over five years.

Fees for Year 1 of the phase-in were set at 20% of the full amount and the BOS directed there be an annual item brought to adjust the in-lieu fee (for both phase-in and construction cost increases). Given the severe impacts of the Great Recession, the Year 2 fee (40% of full) was not adopted until December, 2016, although the BOS did adopt some construction cost increases before then.

In 2012, the BOS adopted a major realignment of the in-lieu fee structure, cutting residential fees by about 65% and raising commercial fees by 30-50% (depending on project type), but staying at Year 1 of the phase-in. The new fee structure was supported by nexus studies for both residential and commercial properties.

In 2019, the BOS adopted another major revision to the in-lieu fee structure, based on a nexus study conducted and discussed in 2017 (see Item #30, Dec. 12) and direction to proceed approved in 2018 (Aug. 21). The new residential fee structure applied to all new market-rate homes larger than 2200 sq. ft. and was charged per square foot, with the rate increasing in tiers, but capped at a total of \$7/ sq. ft. for the whole structure. Per the staff report (Item #36, Mar. 12, 2019), the revised fee schedule was expected to significantly increase revenue (see discussion of funding streams below).

The BOS conducted a scheduled review of the IHO and Title 29 Affordable Housing Fund (in-lieu fees) in 2022 (Mar. 15). At that hearing, the development community sought complete repeal of the IHO and its in-lieu fees, claiming it unfairly “taxed” their projects. Despite findings in the 2017 nexus study confirming them as impact fees (not taxes) and housing data showing that the fees had negligible effect on market-rate housing affordability, the BOS repealed the IHO, and its in-lieu fees, in June 2022.

Affordable housing investment needs and funding streams

The Board has funded deed-restricted housing projects for many years because this approach creates units guaranteed to be affordable to households having various income levels – and takes advantage of non-profit housing developers’ ability to leverage public investments many times over as part their overall funding package.

How much is enough for the County to invest annually in deed-restricted affordable housing? Setting a target amount should balance the projected impact (units to be developed) with the capacity of the various group to achieve the goals set. A group called the Coalition of Housing Partners was convened in 2018 to assess that issue. [Their report](#) (in Item # 35 on Dec. 4, 2018) concluded that the County should target a minimum investment of \$2 million per year – and as much as \$4 million per year could be effectively deployed. The Coalition outlined a diversified revenue stream that could meet those goals (see below).

More recently, the overall revenue need is thought to be higher, but the County’s target contribution has been revised downward ([see Item #32, Sep. 23, 2025](#)). At that time, a group called the SLO County Affordable Housing Task Force opined that the unmet countywide funding need was \$4-5 million per year. The County’s contribution to that target was set at \$1.35 million (30% of the mid-range \$4.5 million) based on the observation that the unincorporated county received 30% of the state-set Regional Housing Needs Allocation (RHNA, see below).

A complete accounting of available affordable housing fund sources is challenging to assemble, as the data are scattered over numerous reports and websites. The main revenue streams are and have been:

- US Department of Housing and Urban Development (HUD) funding, most often Community Development Block Grants (CDBG) and HOME Investment Partners Program (HOME) allocations.
- State funds from the Permanent Local Housing Allocation Program (PLHA, accrued from real estate transaction recording fees) have been available since 2020. These funds can be spent on affordable housing and homeless services.
- Until its repeal in 2022, the Title 29 Affordable Housing Fund provided funding for projects in four separate sub-regions of the county (North, Central, South and North Coast).

- A newly established Regional Housing Incentive Program (RHIP, discussed above) established the Title 31 Regional Housing Fund, which essentially replaces Title 29 funding.

As noted above, collecting how much from each fund was contributed to affordable housing projects takes a little digging and the record presented here is not complete. A selective sampling provides these numbers:

- HUD funds (CDBG and HOME) – For the period 2021-2025, regular allocations contributed an average of \$1.64 million per year. The federal pandemic response (American Rescue Plan) did contribute additional one-time funding of \$2.43 million in 2021. These numbers can be found in the yearly HUD Action Plans brought to the BOS, but I thank the Homeless Services Division for summarizing them for this report.
- PLHA (state) – PLHA funds are split between affordable housing projects (10%) and homelessness services (90%, including some administrative costs). Over the period 2019-2023, PLHA funds to affordable housing averaged \$73,700 per year. A more-recent staff report ([Item #29, Apr. 8, 2025](#)) suggests the county will receive about \$373,000 for Fiscal Year(FY) 2025-26 (net of funds reserved for homeless services).
- Title 29 (IHO, now repealed) – From 2009 to 2019, in-lieu fees contributed on average about \$100,000 per year to affordable projects (Item #36, Mar. 12, 2019). In 2022, the staff report reviewing the IHO and T29 (Item #32, Mar. 15, 2020) showed that Title 29 collected \$816,000 in FY 2020-21 and was headed to producing about \$1 million/year in revenue. The Title 29 program is now discontinued, with the last allocation of funds made at a recent BOS meeting.
- Title 31 (Regional Housing Incentive Program, RHIP) – The RHIP was adopted in October 2025, with first-year revenue projected to be \$450,000. Of the collected amount, 25% will be allocated to SLOCOG to pursue public transportation projects, leaving a projected \$337,500 to invest in housing projects.

We should also note a few other funding options that have been discussed, but not adopted. A 2019 staff report ([Item #36, Mar. 12, 2019](#)) provides a good list, with some estimates of revenue amounts that could be raised:

- Using existing County revenues (General Fund).
- Using a portion of the cannabis tax.
- Establishing a residential vacation rental impact fee.
- Increasing the unincorporated area Transient Occupancy Tax rate.
- Establishing a property tax surcharge for vacant second homes.
- Placing an affordable housing bond on the ballot.
- Increasing sales tax rates by 0.25 percent (unincorporated only or countywide)

References and discussion of these potential funding sources occur periodically in Planning Dept. items before the BOS, but no action to implement them has been taken.

Conclusions

- The creation of affordable housing units depends almost exclusively on revenue allocated by the county to non-profit builders' projects. The direct building of units is rare and essentially non-existent after repeal of the Inclusionary Housing Ordinance in 2022.
- The currently available revenue stream is comprised mostly of federal (HUD) averaging to \$1.64 million/year⁵ for projects in the unincorporated county and six of its seven cities (not Grover Beach).
- Assuming 30% of affordable units are expected to be in the unincorporated county, we can assume that 30% of HUD funding (or \$492K/year) might be assigned to those projects.
- State PLHA funding for affordable housing averages only \$73,700/year⁶, as 90% of PLHA funding is allocated to homeless services and administration.
- A recent task force estimated that another \$4-5 million/year would be needed countywide to make appreciable progress on affordable housing goals – inferring the unincorporated county share of that to be \$1.35 million/year.
- The RHIP incentive program adopted in late 2025, projects raising \$338,000⁷ in its first year, **leaving an unmet need of just over \$1 million/year**.
- Since at least 2018, the BOS has considered developing other sources of revenue to fill the unmet need, but not taken action on any of them.

GAUGING PROGRESS ON AFFORDABLE HOUSING

One way to benchmark progress on housing is through tracking the local results of a long-standing state program. Since 1980, the state has required local jurisdictions to document that they have zoned enough land to accommodate a certain number of housing units affordable to households of various income levels.⁸

Regional Housing Needs Assessments and Plans (RHNA/RHNP)

The so-called Regional Housing Needs Assessment (RHNA) is determined by the state for SLO County as a whole – the San Luis Obispo Council of Governments (SLOCOG) then determines how the total number of units are allocated to our seven cities and the unincorporated county.

⁵ Annual average of CDBG and HOME funding provided to the Urban County of SLO for the period 2021-2025. Source: Homeless Services Div.

⁶ Annual average PLHA funding to affordable housing (10% of total PLHA awarded) for the period 2019-2023. Source: Homeless Services Div.

⁷ See staff report for RHIP introduction (Sep. 23, 2025, Item #32). Expected revenue \$450,000/year, less 25% directed to SLOCOG.

⁸ Household income is characterized as a percentage of the Area Median Income (AMI): very low income is 0-50% of AMI; low income is 50-80%; moderate income is 80-120%; “above moderate” is over 120%. SLO County also designates a workforce income as being 120-160% AMI, which is used only in our local land use planning.

The RHNA numbers for the unincorporated areas must then be brought into the county’s Housing Element as a Regional Housing Needs Plan (RHNP), used to guide planning over a period of some years (a “cycle”). RHNA numbers for the last four cycles are shown in Table 1.

Table 1. Regional Housing Needs Allocation Cycles 3-6.

Cycle/years→	Cycle 3	Cycle 4	Cycle 5	Cycle 6
	Jan. 1, 2001- Jun. 30, 2008	Jan. 1, 2007- Aug. 30, 2014	2014-2019	2020-2028
Very low		298	336	801
Low	1,807 ⁹	207	211	505
Moderate	929	246	237	585
Above moderate	4,284	544	563	1,365
TOTAL	7,020	1,295	1,347	3,256

Note: The exact time periods for each cycle have varied as the RHNA program evolved. I did not try to reconcile them to a continuous record. These RHNA numbers are taken from the staff reports of BOS Aug. 8, 2008 (Cycles 3 and 4), Planning Commission May 22, 2014 (Cycle 5) and BOS update memo March 10, 2020 (Cycle 6).

While the RHNA process is a planning exercise – that is, the state does not require the units to be built – it’s useful to see how close we came to achieving the planned numbers in each cycle. Not unexpectedly, SLO County fell short of the planning goals for building affordable units and exceeded the goals for market rate units. Table 2 shows the percentage of units constructed in each category.

Table 2. Percentage of units completed relative to RHNA planning goals.

Cycle/years→	Cycle 3	Cycle 4	Cycle 5	60% of Cycle 6
	2001-2008	2009-2013	2014-2018	2019-2024
Very low	21%	22%	15%	<1%
Low	81%	50%	42%	45%
Moderate	46%	7%	66%	42%
Above moderate	149%	247%	278%	83%

Note: The time periods are a bit different than in Table 1. Data taken from the BOS update memo of Mar. 10, 2020 (Cycles 3-5). Cycle 6 data from the General Plan Progress report on BOS meeting Dec. 16, 2025 shows built units for 2019-2024 (60% of a nominal 10-year cycle).

Table 2 shows a familiar pattern: SLO County has consistently fallen short of producing the planned number of affordable units for moderate, low and very low-income levels. The shortfall in very low-income units is notable, especially in the current cycle. In contrast, the county has consistently exceeded the planned number of units for above-moderate income levels.

⁹ In the staff report for Aug. 26, 2008, Cycle 3 numbers for very-low and low were not separated.

The Cycle 6 data infer that 70-75% of the low and moderate-income category units might get built by the end of the cycle in 2028. While that projection is somewhat encouraging, we should note that 75-80% of units in those categories are ADUs (see BOS June 3, 2024). As discussed above, while ADUs are counted toward meeting RHNA goals, they are not deed-restricted units and their actual usage and affordability is unknown.

Conclusions

- The unincorporated county has consistently fallen short of producing the number of affordable (very-low to moderate-income) units specified by RHNA, while consistently exceeding the production of market-rate housing.
- ADUs represent the vast majority (75-80%) of low and moderate-income units built. While ADUs are counted by RHNA as low and moderate-income housing, their actual usage and affordability is unknown. Research on that question is warranted.
- The reporting of RHNA and housing production numbers are challenging to find and are presented inconsistently.
 - The time frames of RHNA cycles and Housing Element updates are variable and confusing.
 - Housing production numbers vary from one report to another – sometimes reported as the number of units permitted and in other cases as the number of units actually built.
- Having standardization of data reporting and an AI-accessible database would be helpful in tracking progress.

SOME FINAL THOUGHTS

My purpose in looking over these 20-plus years of housing and land use decisions was to develop some context for the policy decisions we are wrestling with today, in an effort to better-inform our future policy and project decisions. I've been struck by how long we've been discussing some of these topics – and I'll bet that a few of them (e.g., permit fees and processes) will always be with us.

Digging into this archive was a fascinating, but time-consuming and sometimes frustrating process. As I've noted above, investing in an expanded, up-to-date, better-organized and AI-accessible database of housing and economic data – and our public record – could both better inform our policy decisions and allow us to better track their outcomes. Developing this improved data set and keeping it current would seem a promising joint project for local governments to develop with Cal Poly's City and Regional Planning and Economics departments.

So, having wandered around in the archive (and gone down a few rabbit holes), here's what I've found.

Housing affordability has continued to worsen despite local efforts policy and project decisions.

The Housing Affordability Index (HAI, Figure 1) tells the tale: Despite all our policy discussions, ordinance amendments and project decisions, housing has gotten consistently less affordable over the last ten years. National-scale economic factors – such as the housing bubble of the early 2000s and the resultant Great Recession – are clearly dominant factors. The current, historic level of wealth and inequality (reflected in the current debate about taxing billionaires) is the crux of any solution moving forward.

Our local policy decisions have not generally been based on data or economic models.

Housing policy discussions at the Board of Supervisors have been dominated by the expressed desire to improve affordability. Supply-side solutions have been commonly adopted due to advocacy by the development community under the implicit (and sometimes, explicit) assumption that building more housing will reduce price.

I certainly support building more housing – our region and our state need it after years of underproduction. Let's not fool ourselves, however, that simply increasing the supply of market-rate housing will improve affordability: The demand to live here from high-income/high-wealth households has historically overwhelmed any feasible supply increases. And to be clear, we have never studied the supply/demand price impacts of our local housing market.

The lack of data analysis also shows up in specific policy decisions:

- Measures to increase housing density have been discussed since 2006 and adopted at various times, but no analysis has been offered to predict the effect of these changes. Some specific density-related ordinance amendments (e.g., planned development, workforce subdivisions) have not been widely utilized after adoption – and tracking their use has not been closely studied until recently.
- ADUs have been strongly encouraged, but their utilization and affordability are not tracked.
- The Inclusionary Housing Ordinance was repealed without any prior analysis of its effect on the sales prices of the units that were subject to it.
- The Regional Housing Incentives Program (RHIP) was adopted without any market analysis of the cost or impact of the incentives that are offered.

My experience has been that most of our housing policy decision were based on assumptions, speculation or ideology. The impact of these decisions isn't evident in the HAI, and we haven't often collected the data to analyze their impact over time.

Our local housing policy decisions have not generally adopted specific goals.

As noted above, various supply-side approaches (e.g., increased density) have been proposed and adopted over the years, without including any goals or quantitative expectations of what impact they might have. Similarly, regional collaboration among the county, the seven cities and various special districts has been widely discussed as a desirable housing policy approach. The various expressions of the desired results, however, are all general and non-binding – no specific project or timeline goals have been adopted.

Notably in August 2023, the Board of Supervisors did adopt the specific goal of actually seeing enough affordable units built to meet the RHNA numbers in all income categories. Based on my research and memory, this was a first: No such goal had previously been adopted, as the RHNA process was addressed only as a planning exercise. Since then, as I'll note below, that goal's existence has not been part of the Board's consideration of policy or project decisions.

I should note that the RHIP was adopted in late 2025, with a goal of selling enough "incentive points" to generate \$450,000 in its first year. The program does include provisions to revise the sales price of the incentive points in subsequent years, but these are not explicitly tied to meeting a revenue goal. Tracking how the program results inform any future modifications of this program will be instructive.

Project decisions should more closely connect with policy goals.

Historically, finding a proposed housing project consistent with our adopted housing policies has been a fairly *pro forma* exercise. If the project meets land use ordinance requirements and area plan standards, it is almost assumed to be consistent with the policies included in the General Plan. If our policies are simply to build more housing of any sort, that consistency is not surprising, nor generally controversial.

For affordable housing policies, however, I would submit that a more detailed analysis is warranted. Especially since we have adopted the specific goal of building enough housing in all income categories to meet the RHNA numbers, each project should be assessed as to its contribution to achieving that goal.

My point here is that especially for significant projects, like the Dana Reserve Specific Plan (DRSP), we should explicitly analyze how its approval would contribute to meeting the goal of actually building to meet our RHNA numbers – especially, since we are far behind in the very low-income category. While the RHNA building goal was adopted in 2023, no such analysis was performed when the DRSP was first approved in 2024, nor when it was modified to reduce affordable housing in 2025.

If a particular project doesn't contribute to the adopted goal, we should ask what steps will be taken instead.

The preferred approach going forward should be direct investment in affordable housing.

Considering all of the above, I conclude that our housing policies should explicitly separate the goals of increasing supply and improving affordability as two separate initiatives.

The only assured way to make a measurable impact on affordability is for the Board to develop a robust, diversified and sustainable revenue stream that can then be directly invested through non-profit home builders to create deed-restricted affordable units.

As discussed in the investment needs and funding section of Theme 4 above, our direct investment efforts require at least another \$1 million/year. Thus, the existing revenue stream of:

- Federal (HUD) funds, and
- State (PLHA) funds,

should be augmented by:

- RHIP incentives properly adjusted to reflect market conditions, and
- reinstating the IHO in-lieu fee program.

If we were to get serious about further increasing revenue, we should implement

- vacation rental impact fees, and
- empty second home property tax surcharges, and
- passage of an affordable housing bond.

Such a revenue stream would have a diverse range of sources, including grants, incentives and exactions. While the overall number of units produced might not alone solve our housing problems, such developments would be guaranteed affordable for an extended period and would provide measurable progress on this crucial issue.

ATTACHMENT 1

ANNOTATED TIMELINE OF MAJOR HOUSING AND LAND USE POLICY DECISIONS AND DISCUSSIONS WITH SELECTED PROJECT DECISIONS

2006

- SEP 12 [\(C-2\)](#) – ADOPT SECONDARY DWELLING (SD) RULES
 - Amend Inland and Coastal Land Use Ordinances (Titles 22 and 23) re building of what are now called ADUs.
 - Eased permit requirements, adjusted unit size relative to parcel size, provided design guidelines, set parking requirements.
- NOV 21 [\(E-1\)](#) – STUDY SESSION ON RESIDENTIAL DENSITY
 - The BOS was informed of a trend that lower-density detached dwelling units were being built on land zoned Residential Multi Family (RMF). The Planning Commission was concerned about the underutilization of residentially zoned land.
 - Development community indicated that building attached housing products was financially unattractive unless density was increased, among other challenges.
 - Study session outlined a variety of relevant issues; BOS directed further conversation with the development community on solutions.

2007

- FEB 27 – [\(C-4\)](#) – MOBILE HOME PARKS (MHP) CLOSURE ORDINANCE
 - Passed interim urgency ordinance to restrict MHP conversions to owner occupied parks (4-1 vote)
 - Ordinance renewed on MAR 27, 2007 with expiration set for FEB 15, 2009.
 - MHPs acknowledged as one bright spot in affordable housing.
 - Establishment of a community land trust was noted as potentially useful for preserving affordability.
- JUN 5 [\(A-1B\)](#) – ADOPT/AWARD SECONDARY DWELLING PRE-APPROVED PLANS
 - Planning Dept. initiated SD design competition, gave awards to 10 different designs, now to be provided free (plus printing costs) to applicants.
 - Staff report noted that SDs are more common on rural parcels than urban.

2008

- AUG 26 [\(#D-1\)](#) – AUTHORIZE HOUSING ELEMENT UPDATE
 - Authorized processing of Housing Element amendments for Regional Housing Needs Assessment – 1,295 units needed for RHNA 2007-2014
 - Final action taken AUG 25, 2009
 - Reported on RHNA 2001-2008 – less than 50% accomplished

- AUG 26 [\(F-1\)](#) – AG CLUSTER ORDINANCE DISCUSSION
 - Convened in response to Planning Commission letter dated Aug. 26, 2008.
 - Ag cluster ordinance was adopted in 1984.
 - Ag cluster subdivisions increasingly controversial, concerns about promoting sprawl and not adequately protecting ag land.
 - Discussed consideration of an urgency ordinance to suspend, revoking the ordinance, amending policies in the Ag Element

- NOV 4 [\(C-5\)](#) – MOBILE HOME PARKS (MHP)
 - Amended the Inland and Coastal Zone Land Use Ordinances (Titles 22 and 23, respectively) to adopt enhanced measures for closure or conversion of a mobile home park to another use (22.30.440 and 23.08.164).
 - Require finding that closure won't negatively impact affordable housing and require relocation assistance for residents if displaced.

- DEC 9 [\(C-5\)](#) -- ADOPTED INCLUSIONARY HOUSING ORDINANCE (IHO) AND TITLE 29 AFFORDABLE HOUSING FUND (T29)
 - Amended both Titles 22 and 23; required 20% inclusionary housing or payment of in-lieu fee; applied to residential developments of two or more units.
 - Established in-lieu fee at set cost/square foot; included an "linkage" fee for commercial projects.
 - Agreed to a 5-yr phase-in to full cost; that never happened due to Great Recession.
 - Supported by Home Builders Association.
 - Established yearly BOS item to set rate.

2009

- JAN 13 [\(D-2\)](#) – RECOMMENDATIONS FROM TDC COMMITTEE
 - Received recommendations from Blue Ribbon Committee re Transfer of Development Credits (TDC) program, which was designed to protect rural sending sites by allowing increased development at other (more urban) receiving sites.
 - Staff report includes extensive history of TDC program – first studied in 1989, adopted Oct. 8, 1996, amended four times 1999-2007.
 - Gave direction to wind down countywide TDCs, noting problem that the receiving sites needed to have some connection with receiving sites or public opposition was likely.
 - Subsequent discussion of phasing out countywide TDCs held Jan. 27 [\(F-2\)](#)
 - Revisions adopted May 10, 2011 (see below).

- JAN 27 [\(F-2\)](#) – AG CLUSTER ORDINANCE DISCUSSION
 - Continued to Feb. 17, 2009.

- FEB 10 [\(C-4\)](#) – MOBILE HOME PARKS (MHP)
 - Amend Subdivision Ordinance (Title 21,21.02.050) to adopt stricter rules on subdivision of a rental MHP to resident-owned or condominium ownership.
 - Keeps residents from being displaced when park owners seek to maximize profit of land.
 - Another item [\(A-8\)](#) summarized other steps taken (i.e., closure/conversion ordinance adopted NOV 4, 2008) to relieve conditions that led to adoption of interim ordinance above. The 2004 Housing Element was noted as including a program (2.3) to protect MHPs.

- FEB 17 [\(A-3\)](#) – AUTHORIZED AG CLUSTER AMENDMENTS
 - Authorized processing amendments to Ag Element and the Inland Land Use Ordinance (Title 22) to improve ag cluster subdivisions.
 - Discussion regarding making ag clusters actually protect ag land, check density of housing, locations where appropriate, prevent intensification to get more housing, impacts on water supplies.

- APR 14 [\(C-3, C-3a\)](#) – ADOPTED STRATEGIC GROWTH PRINCIPLES, GOALS, POLICIES
 - Amended General Plan Framework for Planning for both Inland and Coastal Zone; included implementation strategies.
 - Primary idea: We should be encouraging more compact communities of smaller, denser homes that might be affordable by design.
 - Walkability important for efficiency and meeting environmental goals; also protects ag land and open space.
 - Notes the goal to have infrastructure in place coincident with housing need.

- JUN 9 [\(F-2\)](#) – AG CLUSTER OPTIONS DISCUSSION
 - Considered options for tightening ag cluster ordinance (see Feb. 17 above).
 - Options addressed density bonus, lots needing to be contiguous, protecting ag water supplies, ag buffers for residences, proximity to urban reserve lines, etc.
 - Specific direction given in [minutes](#).

- AUG 25 [\(C-2\)](#) – ADOPTED HOUSING ELEMENT 2009-14
 - First heard/continued from [AUG 11, 2009 \(C-2\)](#).
 - MHP – Program HE 2.B adopted to create new MHP land use category.
 - Staff report (pg. 161) discusses continuing incentives for deed-restricted units in market rate projects, permit streamlining.
 - Adopted Regional Housing Needs Plan 2007-2017 (adopted by SLOCOG Aug., 2008). RHNA sets 1,295 units for unincorporated county.
 - Adopted HE has evaluation of previous HE programs (Appendix H), showing quantitative goals.
 - BG file has paper copies of HE public hearing draft, RHNP.

- SEP 8 - JOINT MEETING BOS & PLANNING COMMISSION
 - [\(A-4\)](#) – Report from process streamlining committee (started AUG 12, 2008).
 - [\(A-1\)](#) – Information on discretionary permit process
 - [\(A-5\)](#) – Planning Dept. priorities

2010

- JUN 8 [\(D-3\)](#) – FEEDBACK REGARDING WORKFORCE HOUSING
 - Study session resulting from BOS discussion with development community (see Nov. 21, 2006 above). Received feedback from development community re enabling workforce housing.
 - Requested modifications to the planned development ordinance (subsequently adopted Jun. 18, 2013 below).
 - Suggested adoption of form-based codes.

2011

- FEB 11 [\(C-2\)](#) – IHO AND T29 ANNUAL UPDATE
 - Applied 4.1% construction cost increase, stayed at Year 1.
- MAY 10 [\(C-3\)](#) – AMENDED TRANSFER OF DEVELOPMENT CREDITS PROGRAM
 - Update to TDC program per direction Jan. 13, 2009 (above).
 - Restrict sending sites to community-based plans; allow use as incentive in General Plan Amendments.
 - Proposal to use TDCs to affect development in constrained groundwater basins was rejected May 20, 2014 [\(24\)](#).
- DEC 6 [\(#17\)](#) – IHO AND T29 ANNUAL UPDATE

2012

- NOV 13 [\(#7\)](#) – IHO AND T29 ANNUAL UPDATE
 - Adopted a major realignment of in-lieu fee structure.
 - [Residential nexus study](#) recommended reducing those in-lieu fees by about 65% (\$10.00/sq. ft. to \$3.55/sq. ft.).
 - [Commercial nexus study](#) recommended increasing those in-lieu fees by 30-50%, as detailed in the staff report.
 - Phase-in remains at Year 1 (20% of full fee).

2013

- FEB 19 [\(#4\)](#) – AG CLUSTERS/PLANNING DEPT. PRIORITIES
 - Considered ag cluster issues as part of Planning Dept. priorities.
 - Ag clusters: draft amendments were ready early 2011; considered by the PC (with EIR) on Aug. 30, 2012.
 - Amendments heard by BOS in Nov. and Dec., 2012 and continued off calendar. Recommend dropping from priorities now -- staff expects to return with these in 18-24 months.
 - It's not clear ag cluster amendments were ever heard or adopted.

- FEB 19 ([#4](#)) – PLANNING DEPT. PRIORITIES.
 - Discussion of permit process improvements/streamlining and infrastructure development.
- JUN 18 ([#53](#)) – ADOPT PLANNED DEVELOPMENT ORDINANCE
 - Inland LUO only (22.22.145); also called “planned unit development”.
 - Developer driven: allows more density, relaxed development standards.
 - Benefits noted: compact neighborhoods, financial feasibility, energy/water efficiency.
 - Apparently rarely used (check exact numbers) – although four project appeals at BOS Nov. 4, 2014; Aug. 21, 2018; Feb. 27, 2024 (2); Aug. 20, 2024.
- NOV 5 ([#33](#)) – IHO AND T29 ANNUAL ITEM
 - Consider IHO fee adjustment, T29 funds disbursement
 - Fees were at Year 1 (20%), residential \$0.71/sf; revenue ~\$4K
 - Most revenue from commercial (~\$50K)
 - Result: stay at Year 1, add 0.7% construction cost increase.

2014

- JUN 17 ([#43](#)) – ADOPT HOUSING ELEMENT 2014-2019
 - Includes Regional Housing Needs Plan.
 - Staff report does not include a complete copy of HE, no RHNA numbers obvious, has some data on vacancy rates, etc.
 - Total 1,347 units RHNA, from SLOCOG 2013 adoption.

2015

2016

- OCT 4 ([#18](#)) – AFFORDABLE HOUSING UPDATE AND POLICY DISCUSSION
 - The staff report included a [major data report](#), with median house prices, affordability metrics, vacancy rates, regional housing needs plan, state legislation, etc.
 - MHP – in deliberations, BOS endorsed creating MHP land use (zoning) category.
 - Endorsed various other policy options ([minutes, pg. 5](#)): permit streamlining and education, zoning more land, increased density, farm support quarters.
 - Rejected: full implementation of Inclusionary Housing Ordinance (IHO); minimum density in Residential Multi Family (RMF); raising sales tax or TOT for affordable housing.
- OCT 4 ([#20](#)) – ADOPTED COUNTY FAIR HOUSING PLAN 2015-2020
 - Required for HUD funding; analyzed impediments, drafted action plan.
 - Plan gives a good overview of the housing situation in SLO County.
 - Hearing continued over 3 previous BOS meetings (7 months).

- Noted that increased density and reduced parking requirements were potentially beneficial.
- NOV 22 [\(#27\)](#) – ADOPTED WORKFORCE HOUSING PACKAGE
 - Amended Title 22 (22.30.477); aim to be affordable at workforce income level (120-160% MHI).
 - BOS appointed an ad hoc committee to study on Nov. 5, 2013 during an IHO item; BOS authorized processing on Jul. 15, 2014 [\(#21\)](#).
 - Driven by development community and Economic Vitality Corp.(EVC); EVC 2013 survey of businesses and developers; see also county survey from [Oct. 4 \(#18\)](#), above).
 - Purpose: to create smaller residential lots, enable workforce-affordable housing
 - Allowed increased lot density and use in OP/CR zoning.
 - Requires first sale to be at workforce-income affordable price; no deed-restricted pricing after that.
 - 5-year sunset -- sunset removed Dec. 14, 2021 – at that time, county had seen one Peoples’ Self-Help Housing project (10 units) permitted using the ordinance.
- DEC 6 [\(#27\)](#) – IHO/T29 ANNUAL ITEM
 - Includes chart of total housing production in the unincorporated county FY05-06 to FY15-16
 - Approved IHO fee increase to Year 2 (40% of full value).
- DEC 13 [\(#35\)](#) – SECONDARY DWELLINGS (SD) FEES
 - Cut trip generation of an SD to 2/3s of single family residence, cutting road impact fee amount.

2017

- JUL 18 [\(#20\)](#) – UPDATE SECONDARY DWELLING (SD) RULES IN TITLES 22 AND 23
 - Removed road surface requirements.
 - Removed requirement that owner occupy one of the units.
- DEC 12 [\(#30\)](#) – IHO AND T29 ANNUAL UPDATE
 - Study session for future revisions
 - IHO fees now in Year 2 (40%)
 - [Review of nexus study re IHO fees](#)
 - [History of T29 revenue](#) (\$1.1M, 2009-17)
 - Notes that for 2014-19 RHNA, only 186 of 784 affordable units produced.

2018

- FEB 20 ([#27](#)) – PLANNING DEPT. PRIORITIES
 - Created IHO ad hoc (Peschong, Gibson) to consider revised IHO fee structure.
 - Direction given during [deliberations](#) – because affordable housing was not listed as a top-tier priority.
 - Also gave direction re cannabis program.
- AUG 21 ([#29](#)) – IHO AND T29 FEE UPDATE
 - BOS directs staff to pursue Option 3: Ad hoc committee to continue to work with stakeholders to research affordable housing revenue needs and sources and to bring back options for T29 fee restructuring.
- AUG 21 ([#30](#)) – HOUSING INITIATIVES PACKAGE
 - MHP – no mention of creating MHP land use category
 - [Other actions](#) – Adopted waiver of land use and construction permit fees for affordable housing projects; adopted scope of farmworker housing ordinance; adopted scope of ADU ordinance and support for tiny homes; considered and rejected housing constraints analysis as unhelpful.
- DEC 4 ([#35](#)) DISCUSS HOUSING INITIATIVES PACKAGE/REVIEW OF IHO IN-LIEU FEE STRUCTURE
 - Staff report includes list of programs to promote housing (Table 1).
 - Coalition of Housing Partners recommends that \$2-4 million/year be provided by the county for affordable housing.
 - Coalition recommends update of IHO in-lieu fees; apply to individual housing projects; tiered as houses get bigger.
 - Other potential sources of affordable housing funding analyzed:
 - vacation rental impact fee,
 - transient occupancy tax increase,
 - sales tax increase,
 - property tax surcharge on vacant homes,
 - affordable housing bond;
 - None yet adopted

2019

- MAR 12 ([#36](#)) – ADOPTED UPDATE OF IHO/T29 IN-LIEU FEE STRUCTURE.
 - Adopted tiered rate for houses over 2200 sq. ft.; applies to individual projects.
 - Fees based on [nexus study \(2017\)](#) – new house means new jobs, bigger house produces more housing need for workers.
 - Set 3-year review (see Mar. 15, 2022, below).
- NOV 5 ([#43](#)) – PLANNING DEPT. PRIORITIES/GENERAL PLAN PROGRESS REPORT
 - Authorized update of Housing Element 2020-2028, including RHNA.

2020

- JAN 28 [\(#35\)](#) – APPROVED FAIR HOUSING PLAN 2020-2025
 - The plan gives a good overview of the housing situation in SLO County.
 - Goals include continued grant to California Rural Legal Assistance (\$50K) for fair housing services.
 - Promote various means to generate more revenue for affordable housing.
- JAN 28 [\(#36\)](#) ADOPTED ADU ORDINANCE IN TITLES 22 & 23
 - Streamlined process, adopted state law, to ease restrictions on development of ADUs.
 - Directed development of pre-reviewed plans.
 - Staff report includes history of state regulation changes (2016-2019).
 - Rename from “secondary dwelling.”
- FEB 25 [\(#32\)](#) ADOPTED REGIONAL HOUSING COMPACT (RHC)
 - Soft language about regional (city) collaboration.
 - Desire to protect ag and open space means we need infill, consistent with strategic growth principles.
 - RHC plans to develop a “Regional Infrastructure and Housing Strategic Action Plan” (RIHSAP).
 - Regional Housing Infrastructure Framework (RHIF) is what comes back on Aug. 8, 2023 (see below).
 - Each jurisdiction (7 cities + county) to include a “regional chapter” in their Housing Element – expressing “aspirational” goals.
- MAR 10 [\(#20\)](#) – AFFORDABLE HOUSING UPDATE AND POLICY DISCUSSION
 - Update on affordable housing policy and funding initiatives.
 - [Staff report has major memo with data and options](#). Includes data on total market/affordable housing production 2001-18 and county funding for affordable housing 2015-19. Memo reviews the updates from October 2016, August 2018 and 2019
 - Minutes do not indicate significant deliberations.
- MAR 10 [\(#21\)](#) – AFFORDABLE HOUSING FUNDING
 - Consider information re affordable housing bond ballot measure
 - Directed staff to move forward on stakeholder outreach and surveys relevant to placing housing and libraries bonds on Nov., 2022 ballot.
- NOV 17 [\(#26\)](#) – ADOPT HOUSING ELEMENT 2020-2028
 - [Adopted Housing Element](#) includes RHNP 2019-2028.
 - HE includes programs to uphold MHP closure ordinance (R) and allow MHPs in other zonings (W).
 - Includes program to preserve affordable housing (Q) and “facilitate strategic regional residential development” (T).
 - Includes Regional Housing Compact soft language (pg. 3-1).

- NOV 17 ([#28](#)) – ADOPTED STATE DENSITY BONUS REQUIREMENTS
 - Amended Titles 22 and 23.
- NOV 17 ([#30](#)) – PLANNING DEPT. PRIORITIES
 - Includes General Plan annual progress report.

2021

2022

- MAR 15 ([#32](#)) – IHO 3-YEAR REVIEW/DIRECTION TO REPEAL
 - Generated \$723,197 residential, \$93,038 commercial, in FY 2020-21
 - Projected to generate \$875K/yr, per [2017 nexus report](#); headed toward \$1M/yr
 - Direction given to repeal; deemed a “failure” without referencing a standard for success.
 - See [video](#) (starting at 3:43) for discussion of data showing in-lieu fees had an insignificant impact to overall housing cost and impacted only for large, unaffordable houses.
- JUN 7 ([#53](#)) – REPEALED IHO AND T29 IN-LIEU FEES

2023

- AUG 8 ([#35](#)) – ADOPTED REGIONAL HOUSING INFRASTRUCTURE FRAMEWORK
 - [Regional Housing and Infrastructure Framework](#) (RHIF).
 - Renamed from “Plan” to “Framework” at meeting because substance and action was lacking; weak staff recommendation was to “stay engaged.”
 - Listed \$1.015B of infrastructure projects (many not directly relevant to housing), with \$91M possible grants identified.
 - The [SLOCOG page](#) on the RHIF has summary of effort but shows no action – e.g., the [finance plan](#).
 - Nothing in RHIF “mandates action” by any city of the county (staff report, pg 8).
 - Have not yet created Regional Infrastructure and Housing Strategic Action Plan (RIHSAP).
 - SLOCOG has never programmed funds with reference to the RHIF
 - Part of developing the RHIF was to outline what sorts of housing would be affordable by design (ABD).
 - [The resulting study](#) concluded that the only rental product that was ABD was 3-story walkup apartments (studio/1-bedroom) – the only for-purchase product was a modular manufactured home.
 - In discussion Board adopted a specific goal to actually accomplish the current RHNA goals in all categories.

- Motivation was that RHIF was so weak and we needed concrete goal to drive action. See comments starting at [meeting video](#) 2:50, with Paulding comments at 2:47 or so.

2024

- MAR 12 ([#31](#)) – REVIEW 2020-2028 HOUSING ELEMENT (HE) IMPLEMENTATION ACTIONS
 - Staff report is relatively light on data and analysis, compared to major memos previously presented [Oct. 4, 2016 \(#18\)](#) and [Mar. 10, 2020 \(#20\)](#).
 - Housing data show 5.4% households can afford the median-priced home.
 - Staff report includes RHNA progress (Table 1, pg 3).
 - HE implementation actions largely developer-driven.
 - Directed work on Housing Element Implementation Plan actions
 - HE-01 Encourage multi-family housing: update development standards, permitting, in what zoning it should be allowed.
 - HE-02 Develop strategic housing incentive program
 - HE-03 Preserve housing stock
 - HE-04 Encourage ADUs
 - HE-05 Expand density bonus program
 - HE-06 Update Nipomo Community Plan
 - HE-07 Permit streamlining
 - HE-08 Amend land use categories (zoning)
 - HE-09 Align infrastructure, funding, resource goals
 - Directed staff to compile list of county-owned property
 - Directed staff to analyzed deed restriction provisions
- APR 24 ([#28](#)) – APPROVED DANA RESERVE SPECIFIC PLAN
 - 1,370 housing units plus 100 ADUs, only 11% of units deed-restricted (and the project only provided the land).
 - Included a buyer assistance program.
- SEP 10 ([#39](#)) – T29 AFFORDABLE HOUSING FUND REPORT/HOUSING ELEMENT IMPLEMENTATION DISCUSSION
 - Only \$121K left in T29; some unspent funds may need to be refunded to applicants.
 - Discussion (see [minutes](#) and [video at approx. 3:41](#)) veered to other means of achieving Housing Element implementation goals; appointed ad hoc committee (Ortiz-Legg, Paulding) to engage community on solutions.

2025

- APR 8 ([#29](#)) – APPROVE 2025 HUD/STATE/T29 ACTION PLAN
 - Staff report shows distribution of funds from HUD, PLHA and T29 sources for affordable housing and related homelessness services.
- APR 29 ([#44](#)) – PLANNING DEPT. PRIORITIES DISCUSSION

- Staff report has discussion of housing vacancy rate, as Board directed as part of considering HE-03 (preserve housing stock) implementation action see Mar. 12, 2024, Item #31, above).
 - Data show SLO County vacancy rate (13%) is notably greater than that in Santa Barbara (8%) or Ventura Counties (5%).
 - In SLO County, about 60% of vacant homes are second homes, amounting to about 7,800 units. The balance are actually vacant or are short-term rentals.
 - In the other counties, the second home rate is 30-35% of all vacant units.
- JUN 3 ([#30](#)) – AMENDED ADU AND DENSITY BONUS RULES
 - Housing Element implementation actions HE-04 and HE-05.
 - Staff report includes RHNA progress table; far behind pace in producing affordable units.
 - Staff report notes that for 2019-2024, ADUs account for 80% of low-income units and 74% of moderate-income unit produced.
 - ADUs (HE-04): adopted SB 9 urban lots/dwellings; process streamlining; amnesty for unpermitted ADUs; Inland only, CZ currently pending.
 - Density Bonus Program (HE-05): adopted streamlining and state requirements; add extra 15% bonus for very low-income units; Inland only, CZ currently pending.
- AUG 19 ([#34](#)) – INTRODUCE AMENDMENTS TO RMF DEVELOPMENT STANDARDS (HE-01)
 - Staff report includes RHNA progress table, affordability index, cost burden.
 - The revised RMF standards set a new, more development-friendly baseline, and ad hoc majority largely sided with developer requests:
 - Slightly increased density (units/acre allowed);
 - No minimum density imposed (PC recommended);
 - Slightly increased maximum floor area and height;
 - Decreased setbacks, parking, open area, permit level;
 - RMF projects allowed in OP/CR, with a path to delete requirement for commercial (mixed) use;
- SEP 23 ([#32](#)) – FINAL ACTION ON RMF STANDARDS (HE-01)
- SEP 23 ([#32](#)) – INTRODUCE REGIONAL HOUSING INCENTIVE PROGRAM (RHIP, HE-02)
 - Allows applicants to buy additional project density, relaxed standards in RMF projects.
 - The RHIP is established to produce revenue to fund affordable housing projects; essentially a replacement for the T29 in-lieu fees.
 - Meant to address affordability gap per [nexus study \(2017\)](#): building cost exceeds deed-restricted sale price by \$124K per very-low income unit, \$87K per low income unit.

- Creates “incentive points” that can then be purchased to gain various concessions (modifications to standards).
 - The RHIP has several weaknesses:
 - Incentive point price set at \$30K, without market analysis;
 - Developer pressure drove point cost down from \$50K;
 - The logic of what one incentive point can buy is unclear – for instance, a single point allows the deletion of all guest parking in a project, no matter how many units;
 - Projected to produce \$450K/year (33% of target \$1.35M/year);
 - 75% of revenue goes to county, 25% to SLOCOG (for purposes not clearly defined).
- OCT 21 [\(#1\)](#) – FINAL ACTION TO ADOPT RHIP (HE-02)
- NOV 4 [\(#20\)](#) – APPROVED REVISED DANA RESERVE SPECIFIC PLAN
 - Eliminated 100 ADUs, 50 market rate and 78 deed-restricted units from originally approved project (Table 1, pg 5).
 - Revision requested as part of settling litigation; applicant also paid ~\$3 million to plaintiffs.
 - Final action taken Nov. 18, 2025 [\(#1\)](#).
- NOV 4 [\(#22\)](#) – PRELIMINARY SCOPING OF HOUSING ELEMENT IMPLEMENTATION ACTIONS ON PERMIT STREAMLINING AND EXPANSION OF HOUSING OPPORTUNITY AREAS (HE-07 and HE-08)
 - Overview of issues to be discussed with communities regarding how aggressive these changes might be a still have community support. Community discussions are the first step in what is likely a 2-year effort.
 - Housing Permit Streamlining (HE-07, above)
 - How big a project should qualify for a ministerial, rather than discretionary, permit?
 - Would objective design standards (form-based codes) help cut down permit processing times? Where would such standards be appropriate?
 - Expand Housing Opportunity Zones (HE-08)
 - What existing land should be redesignated to allow residential use, where it is not now allowed?
 - What other land should have its land use category (zoning) changed to allow residential development?
- NOV 18 [\(#27\)](#) – AUTHORIZED PROCESSING DEL MAR RANCH GENERAL PLAN AMENDMENT.
 - Conceptual project proposed 20% of units as affordable.
 - Opposed by the City of Pismo Beach
 - Located in the city’s Sphere of Influence; concerns about water and wastewater services.

- Calls into question whether regionalism is working.
- NOV 18 ([#29](#)) – UPHELD MHP RENT CONTROL
 - Denied appeal of Mobilehome Rent Review Board disallowance of a hardship exemption for proposed rent increases.
- DEC 9 ([#41](#)) – AUTHORIZED PROCESSING BLACK LAKE SPECIFIC PLAN AMENDMENT
 - Proposed 125 new housing units, all allowed as short-term (vacation) rentals.
 - BOS majority refused to direct specific analysis of affordable housing alternative as part of processing.
- DEC 16 ([#33](#)) – REPORT ON PLANNING DEPT. ACTIVITIES/PRIORITIES
 - [General Plan Annual Progress Report FY 24-25](#), includes notes on implementation of Housing Element implementation actions (HE-01 to HE-09, above); includes RHNA progress (Table 12).
 - Staff report provides a summary of the department’s operational performance review recently conducted by consulting firm KPMG. Actions on specific recommendations will be brought back to the BOS in the future.

2026

- FEB 3 ([#17](#)) – APPROVE AFFORDABLE HOUSING PROJECT HUD FUNDING
 - Approve a total of \$920,349 in CDBG and HOME funds to two affordable housing projects recommended in the 2026 HUD Action Plan.

Items not in this timeline

There are a number of items that come before the BOS on a periodic basis, often annually. Given the limitations of time and the archive search function, I expect there are many other occurrences of the selected reports and action items that I’ve included here. A short list, with my expectation of their reoccurrence interval, is as follows:

- General Plan Progress Reports (annual).
- Planning Department priorities discussions (roughly annual in recent years, with additions).
- Inclusionary Housing Ordinance (IHO) fee-setting items and Title 29 Affordable Housing Fund (T29) reports (roughly annual for 2009-2022).
 - T29 reports continued until 2025, as funds were dispersed after the IHO was repealed in 2021.
- Action Plans for the distribution of federal HUD funding (annual, usually in April).
 - Action Plan items often also included disbursements of T29 funds.
- Reports on the county’s Resource Management System
 - Developed (and now abandoned?) to gauge resources and infrastructure relevant to housing and other development.

- Fair Housing Plans (FHP)/Analysis of impediments to fair housing
 - The archive has FHPs for 2015-20 and 2020-25, but doesn't show any previous analyses of impediments, which have apparently been required since 1995.
- Sustainable Community Strategies (SCS) that are part of SLOCOG's Regional Transportation Plans (available from SLOCOG)
 - SCSs are created to guide transportation funding and are (or at least should be) useful to regional efforts on housing.

Researching the archive to fill in the occurrences of those and other items could give a more complete picture of progress (or lack thereof) on various housing-related issues and programs.

ATTACHMENT 2

NOTES ON AG LAND AND OPEN SPACE PRESERVATION

In doing this research, it struck me that 20 years ago our land use discussions were much more focused on the tension between rural land preservation and rural residential development, rather than on increasing the supply of affordable housing. Two significant land use ordinance approaches were attempted to address that:

- Ag cluster subdivisions, adopted in 1984, and
- Transfer of development credits (TDCs), adopted in 1996.

Both seemed to hold promise when they were instituted, but practical problems and community opposition arose that led to modifications – and both have now effectively been abandoned.

Part of that might be due to the adoption of strategic growth principles (in 2009) that identified already urbanized areas as the preferred sites for housing development. Ag land and open space protection is now mostly accomplished by land conservation (land trust) projects. Rural residential development is largely confined to numerous existing parcels created decades ago.

For historical context, here are some notes on ag clusters and TDCs.

Ag cluster subdivisions

Our land use regulations allow the subdivision of land zoned for agriculture (the AG land use category) down to minimum parcel sizes based on the soil capability of the land to support ag production. For instance, poorer-quality land (e.g., suitable only for grazing) might have a minimum parcel size of 320 acres – while high-quality soils that could support intensified irrigated crops (e.g., wine grapes) can be subdivided down to 20 acres. The idea – often not realized – is to preserve the land in units that can be farmed or grazed profitably.

In the 1980s and 1990s, ag land prices started to rise markedly, driven by the value of its residential use rather than that of its ag productivity. In inland areas of the county, each parcel zoned AG was allowed two primary residences of any size – in the Coastal Zone only one primary residence was allowed.

As ag has always been a challenging business activity, rural land owners sought ways to take advantage of their increased land values by subdividing and selling for residential use. Conventional subdivisions, however, chopped up ag land into units that weren't economically viable – and also introduced conflicts between new, non-ag rural residents and the ag operations surrounding them (which produced dust and noise).

An ag cluster subdivision worked like this: Suppose an AG-zoned parcel could be subdivided into eight parcels of the about the same size according to the conventional

minimum parcel sizes. A cluster subdivision would allow seven of those to be small (say, 2-5 acre) residential parcels clustered together in one part of the property, with the one other, much-larger parcel intact for ag production. The benefit was thought to be preservation of the potential ag productivity and open space.

Several problems emerged: First, the inland ordinance allowed a “100% density bonus” – since each AG parcel was allowed two primary residences, the number of allowed residential parcels was allowed to double, with only one house each allowed. That seemed reasonable at first, but it also doubled the number of rural residences, leading to more potential ag operation conflicts and thus diminishing the ag land protection.

The other, more general, problem was that ag clusters were driving “sprawl” developments, putting housing in areas far from commercial areas, schools and jobs. In a memo dated April 10, 2008, the Planning Commission laid out this and a number of other concerns. Below is a table taken from their memo, discussed at the BOS meeting on August 26, 2008.

Original Intent	Experience
Cluster to minimize agricultural interface 5% of area used for residential use	Homes spread out with significant interface 5% calculated by “donut hole”
Buffers part of home site	Buffers on agricultural land; crop removal to create buffer on agricultural land
Resulting agricultural parcels not subdivided	“Double subdivisions” proposed
Groundwater reserved for agricultural uses	Homes have water priority
Provide adequate incentive to defer a standard subdivision	Intensive crops planted and soils manipulated to increase the number of homes allowed
Meant to protect agricultural resources, estate planning and housing for agricultural business	Used primarily for expensive rural home sites for non- agricultural residents
Minor clusters provide opportunity for smaller properties	Design features and buffers are difficult to achieve

These concerns led to ag cluster amendments being proposed and the adoption of “strategic growth principles” in 2009 (noted above). The amendments were heard by the Planning Commission in August 2012 and were dropped from the Planning Departments priority list at a BOS meeting on February 19, 2013. Ag cluster subdivision have not been a significant topic of discussion since then.

Transfer of Development Credits programs

Transfer of Development Credits (TDC) programs allow development to be directed or intensified by buying off development rights from one location and using the “credit” that’s created to gain some benefit at a more-desirable development site. In essence, TDCs are an incentive program.

Over the years, the county has seen two TDC programs. A countywide program was developed to protect rural ag land and open space, but ran into problems and has been

discontinued. A smaller-scale program has been effective within the community of Cambria:

- The countywide TDC program was created in 1996 to protect ag and open space. Credits were created by retiring the development potential of desirable rural land (the sending site). The credits were then to be used to intensify development in other locations (receiving sites). The main problems were,
 - the price of a TDC was left to negotiation between the sending site credit owner and the developer wishing to use the TDC, and
 - communities didn't want TDCs used to intensify development at the receiving sites. The countywide program was essentially abandoned by major revisions in 2011 (May 10).
- In contrast, a successful TDC program ([see North Coast Area Plan](#)) has operated in the Lodge Hill neighborhood of Cambria since the early 2000s – driven by the community's desire to retire the development potential of certain small, vacant lots. The program is administered by the Land Conservancy of SLO, who sets the price of a TDC according to specific guidelines. TDCs can then be purchased by builders to allow residential development to increase its footprint by up to 10% – a modest amount not generally visible to the casual observer.

From these experiences, it's clear that the cost and benefit of these sorts of programs must be carefully analyzed and controlled in order for them to be successful.