

OCTOBER 2020 | FINAL DRAFT

CITY OF PISMO BEACH 2020-2028 HOUSING ELEMENT UPDATE

FOR THE
CITY OF PISMO BEACH

PLACEWORKS



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Chapter 1

Introduction



The 2020–2028 Housing Element addresses the City of Pismo Beach's (the City's) plans to meet its housing needs, particularly the availability, affordability, and adequacy of housing supply. The Housing Element defines strategies and programs that will serve all socioeconomic groups. To these ends, the Housing Element accomplishes six objectives:

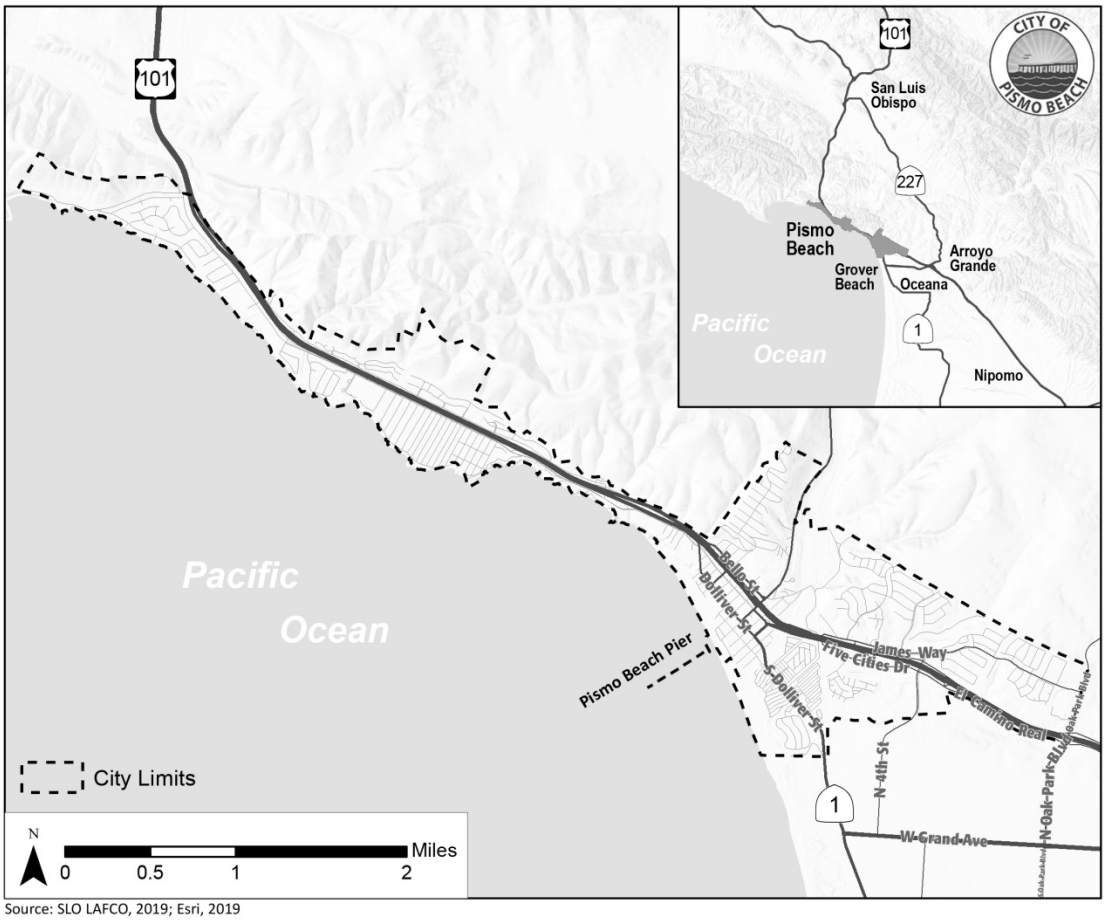
1) Identifies adequate sites for a range of housing options;
2) Provides guidance for developing adequate and affordable housing;
3) Addresses constraints to meeting the City's housing needs;
4) Defines approaches to conserve and improve housing conditions;
5) Promotes housing opportunities for all persons; and
6) Preserves and enhances Pismo Beach's natural environment.

The following discusses the context for housing policy in Pismo Beach, the organization of the Housing Element, the element's relationship to other elements of the General Plan, and the public participation process employed in the preparation and adoption of the Housing Element.

A. Community Context

Pismo Beach is a coastal community of approximately 8,200 persons in San Luis Obispo County, midway between San Francisco and Los Angeles (see **Figure 1**). The City was founded in 1891 and incorporated in 1946. Pismo Beach is well known for its natural beauty and spectacular ocean views, tourism, and small-town character.

FIGURE 1 – REGIONAL LOCATION MAP



Source: SLO LAFCO, 2019; Esri, 2019

City of Pismo Beach
Regional Location Map

For the sixth-round planning period of the Housing Element (2020–2028) and beyond, the City faces many challenges: balancing employment and housing opportunities, matching the supply and demand for housing, enhancing the affordability of housing for all segments of the population, ensuring that adequate water and public services are available, and conserving natural resources that distinguish Pismo Beach. The 2020–2028 Housing Element sets forth a strategy to address these issues and provide guidance for local government decision making.

B. Organization of the Housing Element

The Housing Element update is a eight-year plan for the period from December 31, 2020, to December 31, 2028. The Housing Element consists of the following major components:

1) Introduction to the Housing Element, including the planning context in Pismo Beach, General Plan consistency, and the public participation process (Chapter 1).

2) An analysis of the City's population and housing characteristics and trends, including special housing needs (Chapter 2).

3) A review of potential governmental, market, and environmental constraints that impact the City's ability to address housing needs in Pismo Beach (Chapter 3).

4) An evaluation of land and financial resources available to address Pismo Beach's housing goals (Chapter 4).

5) An evaluation of the previous 2010 Housing Element; its effectiveness; progress in implementation; and appropriateness of goals, objectives, and policies (Chapter 5).

6) Housing goals, policies, and programs to address the City's identified housing needs (Chapter 6).

The Housing Element is meant to address the City's housing needs. One of the main goals of the Housing Element is to increase affordability of housing in an equitable manner. This is often referred to as "affordable housing." However, the City recognizes that the high cost of housing in Pismo Beach makes it difficult for the local workforce to afford housing. In fact, teachers or nurses supporting a family could fall into the lower-income categories. Therefore, in order to better describe the housing needs, "affordable housing" and "workforce housing" are used interchangeably in the document.

C. Relationship to General Plan Elements

The California Government Code requires that all the elements of a general plan be consistent, so that no conflicts exist. The most important aspect of consistency among general plan elements is that policies and implementation measures in the general plan elements support one another to achieve the goals and vision of the general plan.

The Pismo Beach General Plan contains 10 elements—seven mandatory elements and three non-mandatory elements. The General Plan was last comprehensively updated in 1993 but an update is underway. The 2020–2028 Housing Element policies and programs are consistent with and build on the policies and programs set forth in the other nine elements of the General Plan. The City is currently updating the General Plan/Local Coastal Program, which will address consistency with the housing element throughout the rest of the General Plan/LCP.

D. Public Participation

The California Government Code states that "the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." While opportunity to connect with the community are more limited due to the COVID-19 pandemic, the City has conducted an online community survey, conducted targeted stakeholder outreach and made the draft housing element available for public review. The City also announced the availability of the Draft Housing Element at a Planning Commission meeting on August 25, 2020.

The Draft Housing Element was published on the City of Pismo Beach website and made available for public comment on July 7, 2020. The draft was then transmitted to HCD for review on July 21, 2020. Since the Draft Housing Element was made available on the City website, it has been viewed 60 times online.

1. Community Survey

The City conducted public outreach via an online community survey. The survey was launched on the City's website in early April 2020 and was open until mid-June 2020 to allow for a long time period for input to be provided due to the impacts of the COVID-19 pandemic. A total of 43 responses were recorded. The survey questions below are italicized and are followed by a summary of the responses:

Demographic Information

1) *Which gender do you identify with?*

   Approximately 49 percent of respondents were female, 35 percent were male, and 7 percent did not indicate their gender identity.

2) *How old are you?*

   The median age of the respondents was 50 years. The youngest respondent was 28 and the oldest respondent was 100. Forty percent were between the ages of 25 and 50, 37 percent were 51 to 74 years of age, and one percent was older than 75 years of age.

3) *Do you identify as Hispanic/Latino? Choose one.*

   Most respondents (approximately 77 percent) did not identify as Hispanic or Latino. Approximately nine percent reported Hispanic or Latino ethnicity. Approximately 15 percent did not disclose their ethnic background.

4) *What race do you identify with? Choose one or more regardless of ethnicity.*

The majority of respondents identified as white (approximately 81 percent). Equal amounts reported as Asian or Native Hawaiian/Pacific Islander (approximately 6 percent each). Approximately two percent reported American Indian or Alaska Native racial background. Nearly 11 percent of respondents did not disclose their racial identity.

5) *Do you own or rent your current home?*

Sixty-five percent) indicated that they owned their home while approximately 33 percent said they paid rent for their home. Two percent of respondents indicated other housing arrangements such as being in the military or experiencing homelessness.

6) *Which of the following best describes you? Check all that apply.* This question posed a list of demographic information for the respondent to choose from, which included the following:

- I live in Pismo Beach
- I work in Pismo Beach
- I commute out of Pismo Beach for work/school
- I commute into Pismo Beach for work/school
- I own property in Pismo Beach
- I'm a landlord in Pismo Beach
- I'm a business owner in Pismo Beach
- Other (please specify)

A majority of respondents (63 percent) lived in Pismo Beach. More than a quarter of respondents (27 percent) said that they owned property in the city. Approximately 17 percent commute out of Pismo Beach for work or school while approximately 8 percent commuted into Pismo Beach for work or school. Nearly 13 percent of respondents work in the city. About six percent and eight percent were, respectively, landlords of Pismo Beach properties or owned businesses in the city. Nearly 17 percent marked "other" but without specification, indicating that they have a different type of relationship to the city distinct from the response options provided.

7) *Which of the following describes your housing situation and household composition? Check all that apply.*

A majority of respondents (66 percent) were in married households and approximately 40 percent of respondents had children in their household. Slightly more than 21 percent indicated they lived by themselves while only 4 percent lived with roommates. Equal amounts (about 2 percent each) lived in a household with a family member living with a disability or were experiencing homelessness.

Community Needs

8) *Do you feel that your rent/mortgage in Pismo Beach is affordable based on your income?*

52 percent of respondents did not feel that they were able to afford their rent or mortgage while approximately 48 percent indicated the opposite.

9) *Do you take advantage of any local, state, or federal housing programs to live in Pismo Beach?*

Very few respondents (approximately 4 percent) use any type of governmental programs to live in Pismo Beach.

10) *Which programs do you take advantage of if you indicated "yes" in Question 9 above?*

The survey field included an open-ended response for this question. Only one respondent responded and indicated "Shell Beach" as their response, which is undeterminable.

11) *Have you needed to do any of the following as a result of the cost of living?* This question posed a list of situations that could be applicable to those with housing insecurity in Pismo Beach. The available choices included:

- Live temporarily with family or friends
- Share housing with other families
- Rent out rooms in your house
- Move when you didn't want to
- Live in an overcrowded unit
- Experience a foreclosure
- Some other action
- None of the above

Thirteen percent of respondents had moved out when they did not want to. Equal amounts (approximately 7 percent each) had either lived in an overcrowded housing unit or lived temporarily with family or friends. Slightly more than 4 percent had rented out rooms in their house, and equal amounts (approximately 2 percent) had to share housing with other families or had experienced a foreclosure. Nine percent of respondents had experienced some other type of adverse housing situation stemming from their cost-of-living.

12) *What do you feel is the main concern for housing in Pismo Beach? Choose one.* This question posed a list of concerns for the respondent to choose one from, which included:

- Affordability of housing in Pismo Beach
- Attainability of housing in Pismo Beach
- Housing for those who work in Pismo Beach

- Preserving community character

Half of respondents felt that affordability of housing in the city was their primary concern. Preservation of community character was also ranked as a concern by approximately 30 percent of residents. Issues such as housing for employees in Pismo Beach or housing attainability were not an issue of concern for most respondents (13 percent and an approximate 7 percent, respectively).

13) *What type of housing will help Pismo Beach address the housing shortage?* This question posed a list of options for the respondent to choose from, which included:

- Apartments
- Accessory dwelling units
- Mobile home parks
- Mobile/manufactured homes
- Townhouses
- Single family homes
- Tiny or micro homes
- A mix of housing types and sizes
- Mixed use

Half of respondents believed that a mixture of housing types and sizes would help address the city's housing shortage. Single-family homes were the second most popular housing type proposed by respondents to address the shortage (39 percent of respondents). Housing in mixed-use developments were ranked third by respondents (24 percent). Equal amounts (20 percent each) identified more accessory dwelling units and townhomes as a potential solution. All other options (i.e. apartments, mobile home parks, and mobile/manufactured homes) were favored by 22 percent of respondents.

14) *If higher-density housing matches the City's existing character, should higher-density housing be available in all areas of the City?*

A majority of respondents (approximately 54 percent) believed that higher housing density should be ubiquitous in Pismo Beach whereas approximately 46 percent believe higher housing density should not be universally available.

15) *What areas of the city are most appropriate for higher density housing?*

Respondents indicated the following areas would be suitable for higher-density housing:

- Pismo Heights
- Downtown and underutilized commercial areas
- In select zones

- Adjacent to City Hall
- Areas away from tourism destinations, unless mixed-use multi-level in Downtown
- Areas where traffic and parking would not become a problem
- Near pier
- Where room is available
- Near Price/Pomeroy
- Areas already designated as R-2 and up

Seven respondents indicated that no area would be suitable in Pismo Beach for higher-density housing with some expressing that there was no more room in the city for additional housing.

16) *Which housing groups do you think Pismo Beach needs to focus on and provide housing for?* This question posed a list of options for the respondent to choose from, which included:

- Seniors
- Low income
- Disabled
- Households for children K-12
- Drug Rehabilitation housing
- People who work in Pismo Beach
- Homeless or recently homeless
- First time homeowners

More than half (approximately 51 percent) of respondents felt that the City should focus on opportunities for first-time homeowners. 46 percent of respondents and 44 percent of respondents felt that the city should also focus on people who work in Pismo Beach and households with children K-12 respectively. Approximately 40 percent felt that seniors should be focused on. Those demographics listed that did not garner as much response included low income groups (23 percent), those with disabilities (16 percent), homeless or recently homeless (nine percent) and those in need of drug rehabilitation (two percent).

17) *Which area of Pismo Beach do you think is most affordable?* This question posed a list of options for the respondent to choose from, which included:

- Downtown Core
- Motel District
- Pismo Heights
- Pismo Marsh
- Pismo Oaks

- Shell Beach
- Terrace Ave.
- Toucan Terrace

All the neighborhoods listed for this question garnered at least one respondent who felt it was the most affordable area of Pismo Beach. Thirty-three percent, the majority of respondents, felt that Toucan Terrace is the most affordable area of Pismo Beach. Following this was Pismo Marsh (26 percent of respondents). Nearly 12 percent of respondents each felt that Downtown Core and Motel District are the most affordable neighborhood. Nine percent of respondents felt that Pismo Oaks is the most affordable, approximately five percent of respondents felt that Pismo Heights is the most affordable, and two percent each feel that Shell Beach and Terrace Avenue are the most affordable neighborhoods in Pismo Beach.

18) Which area of Pismo Beach listed in question 17 do you think is least affordable?

An majority of respondents (44 percent) felt that Shell Beach was the least affordable neighborhood in Pismo Beach. Twenty-three percent of respondents felt that Sunset Palisades is the least affordable neighborhood in Pismo Beach, while 14 percent felt it is the Downtown Core, 11 percent felt it is Pismo Heights, and seven percent feel that Pacific Estates is the least affordable neighborhood.

Stakeholder Outreach

Prior to the public draft of this Housing Element Update being made available on the City of Pismo Beach City Website, The City made targeted outreach efforts stakeholders, and had a discussion with the SLOCo YIMBY organization. During the outreach, translation services were offered, but no outreach participants requested them. On July 7th when the Draft Housing Element was released an email blast was sent to a list of stakeholders for comment. The stakeholders included housing developers, chambers of commerce, other local governments in the south county, school districts, Caltrans, housing and special needs service providers, representatives of the faith community, SLOCOG and other regional agencies and organizations.

Public Meetings

On Tuesday, July 25, 2020, the City held a virtual public meeting and public workshop at its regularly-scheduled Planning Commission Hearing.

Public Hearings

[to be completed after public hearings are held]

Chapter 2

Community Profile

Pismo Beach is in San Luis Obispo County and is bordered by the Pacific Ocean, Arroyo Grande, Grover Beach, Avila Beach, and rural lands. Located along the beach and cliffs with spectacular ocean views, the City is a popular vacation destination. According to the Pismo Beach Conference and Visitors Bureau, up to two and a half million tourists visit the City annually.



A. Demographic Characteristics

Population, employment, and household characteristics all affect the supply of and demand for housing in Pismo Beach. These characteristics are analyzed in this section to provide the basis for developing a successful housing program tailored to the needs of this community.

1. Population Growth

Between 2010 and 2019, San Luis Obispo County experienced population growth, averaging approximately 4 percent for the entire county, including incorporated cities and unincorporated communities. As shown in **Chart 2-1**, the population in Pismo Beach experienced a slightly more robust growth rate of 8 percent, increasing from 7,655 residents in 2010 to 8,239 residents in 2019.

Chart 2-1 Trends in Population Growth

Area	2010	2019	Change
	Number	Number	
Pismo Beach	7,655	8,239	8%
Grover Beach	13,156	13,533	3%
Arroyo Grande	17,252	17,876	4%
San Luis Obispo County	269,637	280,393	4%

Source: US Census 2000; California Department of Finance (DOF) E.5 Report 2011–2019 (HCD SLO County Housing Element Updated Data Profile 2019)

The San Luis Obispo Council of Governments (SLOCOG) published a 2050 Regional Growth Forecast for San Luis Obispo County in June 2017. Population, households, and jobs were projected through 2050 for low, mid, and high growth scenarios. **Chart 2-2** reports the mid-growth scenario in Pismo Beach to be a projected 32 percent increase in population from 7,655 residents in 2010 to 10,079 residents in 2050.

Chart 2-2 Population Growth Projections

	2010	2015	2020	2025	2030	2035	2040	2045	2050	Percentage Change 2010–2050	Compound Annual Growth Rate
Pismo Beach	7,655	8,068	8,642	9,122	9,486	9,753	9,901	9,989	10,079	32%	<1%
San Luis Obispo County	269,637	276,375	286,657	297,095	305,692	312,346	315,922	318,025	320,482	19%	<1%

Source: SLOCOG 2017

2. Age Characteristics

In 2018, Pismo Beach residents had a median age of 55 years, which is 15 years higher than the median age of 40 in the county overall. As shown in **Chart 2-3**, the number of residents below the age of 55 generally declined between 2010 and 2018, while the number of residents in the 55 to 64 age group increased. The number of residents 65 and above increased by 8 percent. This decrease reflects, in part, the high cost of housing in Pismo Beach, its large share of vacation homes, and affordability issues for most households like seniors who are on a fixed or reduced income, except higher-earning older households. The age group between 25 and 34 also increased by 32 percent.

Chart 2-3 Trends in Population Age

Age Group	2010		2018		Percentage Change
	Number of Persons	Percentage of Total	Number of Persons	Percentage of Total	
< 15	812	11%	723	9%	-11%
15–24	658	9%	630	8%	-4%
25–34	811	11%	1077	13%	33%
35–44	744	10%	676	8%	-9%
45–54	1,209	16%	954	12%	-21%
55–64	1,433	19%	1552	19%	8%
65+	1,988	26%	2,504	31%	26%
Total	**7,655**	**100%**	**8,116**	**100%**	**--**

Source: US Census 2010, 2014-2018 American Community Survey, Five-Year Estimates (ACS 2014-2018: Table S0101).

Chart 2-4 reports the Race and Ethnicity of the demographics in the City of Pismo Beach. The residents of the City of Pismo Beach are majority white, with 83.8 percent of the population identifying this way in 2018. Eight and one half percent of the population in the City identify as Hispanic. The questions posed by the Census regarding race and ethnicity provide the opportunity for respondents to self-identify sub-group identities within the racial and ethnic categories; 66 percent of respondents who identified as Hispanic also identified as White within the survey sub-groups. Two percent of the population are Asian, 2.6% are Black or African American as the other largest sub-groups.

Chart 2-4 Race and Ethnicity

Race or Ethnic Group	Number	Percentage
White	6,801	83.8%
Black or African American	207	2.6%
American Indian and Alaska Native	17	0.2%
Asian	169	2.0%
Native Hawaiian and Other Pacific Islander	0	0.0%
Two or more races	232	2.9%
Some other race	0	0.0%
Hispanic or Latino	690	8.5%
Total population	8,116	100%

Source: 2014-2018 American Community Survey
Note: Hispanic or Latino category is counted separately and in addition to other categories.

B. Economic Characteristics

Economic characteristics play an important role in defining housing needs in Pismo Beach. Economic characteristics include the types of business, the occupations held by residents, and the associated income. These characteristics provide insight into the types of housing residents can afford and job-induced housing demand.



1. Business and Economy

Pismo Beach's local economy is built around the tourism and retail industries. According to the 2013–2017 American Community Survey (ACS) and as shown in **Chart 2-5**, the City's industries that employ the most workers are educational services, healthcare, and social assistance (24 percent); arts, entertainment, recreation, and accommodation and food services (18 percent); and professional, scientific, and management, and administrative and waste management services (14 percent). Currently, these three industries comprise 56 percent of all those employed. All other industries employ less than 500 workers each. This distribution indicates that industry conditions are similar to those at the time of the previous housing element cycle since these three industries were also at that time the largest industries employing Pismo Beach's workforce.

Chart 2-5 Industry Profile

Industry	Number of Employed Civilians 16 Years and Over	Percentage
1. Educational services, and healthcare and social assistance	953	24%
2. Arts, entertainment, recreation, and accommodation and food services	716	18%
3. Professional, scientific, and management, and administrative and waste management services	560	14%
4. Retail trade	442	11%
5. Finance and insurance, and real estate and rental and leasing	252	6%
6. Other services, except public administration	221	6%
7. Public administration	201	5%
8. Manufacturing	186	5%
9. Transportation and warehousing, and utilities	174	4%
10. Construction	128	3%
11. Wholesale trade	77	2%
12. Agriculture, forestry, fishing and hunting, and mining	55	1%
13. Information	47	1%
Total	**4,012**	**100%**

Source: 2013-2017 ACS: Table DP-03. (HCD SLO County Housing Element Updated Data Profile 2019)

It can be difficult for lower-income employees working in retail, restaurants, and hotels to find affordable housing. The City's tourist marketing website (classiccalifornia.com) lists 31 hotels and motels with approximately 2,000 rooms and over 100 food and beverage establishments.

According to the State of California Employment Development Department (EDD), the largest employers (1,000–4,999 employees) in central and southern San Luis Obispo County were in the industries of schools (universities and colleges),

electric companies, and government offices. Many of these large employers are in San Luis Obispo, which is within 15 miles of Pismo Beach (see **Chart 2-6**).

Chart 2-6 Largest Employers

Employer Name	Location	Industry	Number of Employees
Cal Poly State University	San Luis Obispo	Schools-Universities & Colleges Academic	1,000-4,999
Pacific Gas & Electric Co	San Luis Obispo	Electric Companies	1,000-4,999
San Luis Obispo County EMS	San Luis Obispo	Government Offices-County	1,000-4,999
AMI Sierra Vista Radiology	San Luis Obispo	Physicians & Surgeons	500-999
Medi-Cal Eligibility Info	San Luis Obispo	Government Offices-County	500-999
Mental Marketing	San Luis Obispo	Advertising-Agencies & Counselors	500-999
Sierra Vista Regional Med Ctr	San Luis Obispo	Hospitals	500-999
Trust RCM	San Luis Obispo	Billing Service	500-999
Arroyo Grande Community Hosp	Arroyo Grande	Hospitals	250-499
Mustang Waterpark	Arroyo Grande	Water Parks	250-499
Pismo State Beach	Oceano	Parks	250-499
County Office of Education	San Luis Obispo	County Government-Education Programs	250-499
French Hospital Medical Ctr	San Luis Obispo	Hospitals	250-499
San Luis Obispo Sheriff's Dept	San Luis Obispo	Sheriff	250-499
Social Services Dept	San Luis Obispo	Government Offices-County	250-499

Source: EDD, America's Labor Market Information System (ALMIS) Employer Database, 2020 1st edition

Employment projections provide insight into future number of jobs and are also an indicator of the demand for housing and population growth. Projections prepared by SLOCOG in 2017 predict that by 2050, Pismo Beach will have approximately 5,700 employed citizens, an increase of 16 percent from 2020 (see **Chart 2-7**).

Chart 2-7 Pismo Beach Employment Projections

Year	2010	2015	2020	2025	2030	2035	2040	2045	2050
Number Employed	3,992	4,898	4,919	5,121	5,309	5,456	5,555	5,627	5,705

Source: SLOCOG 2017

2. Occupations and Wages

As shown in **Chart 2-8**, the EDD produces an Occupational Employment and Wage Data spreadsheet by metropolitan statistical area (MSA) yearly that reports employment projections out to 2022 related to job growth for the San Luis Obispo-Paso Robles MSA in which Pismo Beach is included. During the 10-year period, new employment in the San Luis Obispo-Paso Robles MSA is expected to be concentrated in a variety of occupations. When comparing annual incomes to the median San Luis Obispo County income in 2019 for a family of four of $87,500, only three (or 12 percent of all people tabulated in the MSA) of the occupational groups are above this median income.

Of these 22 occupational groups, the highest mean annual salaries are in the management and architecture and engineering occupations at $106,994 and $96,176. The lowest annual salary is in the food preparations and serving-related occupations at $28,682.

Chart 2-8 San Luis Obispo-Paso Robles-Arroyo Grande Metropolitan Statistical Area Projected Employment by Occupation and Wage

Occupations of Residents	Mean Hourly Wage	Mean Annual Salary	Estimated Employment 2012	Projected Employment 2022	Percentage Change
Management Occupations	$51.44	$106,994	5,720	9,160	60%
Business and Financial Operations Occupations	$37.88	$78,787	4,220	4,980	18%
Computer and Mathematical Occupations	$36.77	$76,479	4,220	2,210	-48%
Architecture and Engineering Occupations	$46.24	$96,176	2,070	2,560	24%
Life, Physical, and Social Science Occupations	$40.44	$84,120	980	1,420	45%
Community and Social Services Occupations	$29.91	$62,215	1,650	2,980	81%
Legal Occupations	$38.45	$79,969	690	730	6%
Education, Training, and Library Occupations	$27.36	$56,904	8,150	8,760	7%
Arts, Design, Entertainment, Sports, and Media Occupations	$26.44	$55,011	1,100	2,120	93%
Healthcare Practitioners and Technical Occupations	$45.56	$94,772	7,180	7,000	-3%
Healthcare Support Occupations	$19.09	$39,725	2,510	3,230	29%
Protective Service Occupations	$35.07	$72,938	3,470	3,110	-10%

Occupations of Residents	Mean Hourly Wage	Mean Annual Salary	Estimated Employment 2012	Projected Employment 2022	Percentage Change
Food Preparation and Serving-Related Occupations	$13.79	$28,682	14,770	13,680	-7%
Building and Grounds Cleaning and Maintenance Occupations	$16.38	$34,059	4,580	6,340	38%
Personal Care and Service Occupations	$14.17	$29,476	7,020	6,670	-5%
Sales and Related Occupations	$19.06	$39,633	13,040	15,990	23%
Office and Administrative Support Occupations	$19.48	$40,521	15,280	19,110	25%
Farming, Fishing, and Forestry Occupations	$14.01	$29,138	2,770	5,590	102%
Construction and Extraction Occupations	$27.04	$56,241	5,710	7,420	30%
Installation, Maintenance, and Repair Occupations	$24.56	$51,091	3,970	4,460	12%
Production Occupations	$21.03	$43,746	5,270	6,580	25%
Transportation and Material Moving Occupations	$18.34	$38,150	4,780	6,860	44%

Source: EDD 2019

3. Work Commuter Patterns

Commute distance is an important factor in housing availability and affordability and is also an indicator of the jobs/housing balance. Communities with extended commute distances generally have a poor jobs/housing balance, while those with short average commutes tend to have a strong jobs/housing balance. The burden of the additional costs of extended commuting disproportionately affects lower-income households, which must spend a larger portion of their overall income on fuel. This in turn affects a household's ability to afford decent housing without being overburdened by cost. **Chart 2-9** indicates that most of Pismo Beach residents travel less than 30 minutes from home to work and only 5 percent travel an extended amount of time (60 or more minutes). The number of employed persons (4,000) divided by the number of households (3,834) shows that there is nearly one job for every household (98 percent). This analysis indicates that many of the jobs are within 20 miles of the City and that there is a strong jobs/housing balance, meaning that the available jobs are within relatively close distance to the employees' places of residence and commute doesn't place a large financial burden on the majority of City residents.

Chart 2-9 Travel Time to Work

Travel Time to Work	Percentage
Less than 30 minutes	77%
30 to 59 minutes	17%
60 or more minutes	5%
Total	**100%**

Source: ACS 2014–2018, Table B0803

4. Household Projections

The SLOCOG report published in August 2017 updated earlier projections. Population, households, and jobs were projected through 2050 for low, mid, and high growth scenarios. **Chart 2-10** reports the mid-growth scenario as a 13 percent increase in households from 4,250 in 2020 to 4,805 households in 2050. As shown in the chart, Pismo Beach is projected to have a larger percentage increase in the number of households than the rest of the county. This forecast was the result of a share allocation model to distribute the County population forecast to the incorporated cities, based on the SLOCOG accepted methodology.

Chart 2-10 Household Projections

Year	2010	2015	2020	2025	2030	2035	2040	2045	2050
Pismo Beach	3,834	4,025	4,250	4,442	4,582	4,686	4,742	4,774	4,805
San Luis Obispo County	102,016	103,964	108,169	112,611	116,112	118,788	120,215	121,049	121,826

Source: SLOCOG 2017

5. Household Income

Household income is an important indicator of the ability to afford housing. **Chart 2-11** shows resident income in Pismo Beach. According to the 2014–2018 ACS, the largest percentage of owners earned more than $150,000 (20 percent), which was also the case for renters (19 percent). According to the 2014–2018 ACS, for owners, the second-largest income group is $75,000 to $99,999 (33 percent), which is above the median income; as is the case for the third-largest group at 11 percent earning between $100,000 to $149,999. For renters, the second-largest income group is a moderate-income group, ranging from $75,000 to $99,000. This data indicates that Pismo Beach is not affordable to most people who make less than $50,000 per year (approximately 20 percent of the households in the chart). However, it should be noted that while this is the most current available data for Pismo Beach, the data set does have a high margin of error.

Chart 2-11 Household Income by Tenure Characteristics

Income Groups	Owner		Renter		Total (Owner and Renter)	
	Households	Percentage	Households	Percentage	Households	Percentage
<$10,000	79	3%	99	6%	178	4%
$10,000–$14,999	57	2%	41	3%	98	2%
$15,000–$24,999	65	2%	31	2%	96	2%
$25,000–$34,999	143	5%	48	3%	191	5%
$35,000–$49,999	128	5%	126	8%	254	6%
$50,000–$74,999	229	9%	227	14%	456	11%
$75,000–$99,999	352	13%	294	18%	646	15%
$100,000–$149,999	282	11%	161	10%	443	10%
More than $150,000	1,292	49%	591	37%	1,883	44%
Total	**2,627**	**100%**	**1,618**	**100%**	**4,245**	**100%**

Source: ACS 2014–2018: Table B25118 (HCD SLO County Housing Element Updated Data Profile 2019)
Notes: The data in this table has a high margin of error.
Due to rounding, some percentages may not total to 100.

C. Housing Characteristics

This section addresses housing characteristics in Pismo Beach. Housing factors evaluated include housing types, tenure and vacancy rates, age and condition, housing costs, and affordability.

1. Housing Type

According to the California Department of Finance E-5 Population Estimates, Pismo Beach had 5,832 housing units in 2018, a 4 percent increase from 2013. As shown in **Chart 2-12**, single-family attached and detached residences comprise more than two-thirds of all housing. Mobile homes are a sizable percentage of the housing stock at 13 percent. Multiple-family housing comprises the remaining 18 percent of housing units in Pismo Beach. The total housing stock consisted of single-family detached housing units increased by 5 percent, followed by multiple-family (2 to 4) units, which increased by 5 percent and multiple-family (5+) units, which increased by 3 percent. No additional mobile homes or single-family attached housing units

were added to the housing stock during the planning period. The ratios of the various types of housing remained nearly the same from 2013 to 2018.

In 2017 and 2018, 54 units were entitled and 42 of those received building permits. All the units permitted were single-family residential except one that was an accessory dwelling unit (ADU). None of the units included lower-income housing.



Chart 2-12 Trends in Housing Type

Housing Type	2013		2018	
	Units	Percentage	Units	Percentage
Single-Family Detached	3,238	58%	3,413	59%
Single-Family Attached	618	11%	618	11%
Multiple-Family 2–4 Units	502	9%	527	9%
Multiple-Family 5+ Units	497	9%	514	9%
Mobile Homes	760	14%	760	13%
Other (e.g., RV Park)	na	na	na	na
Total Units	**5,615**	**100%**	**5,832**	**100%**

Source: DOF 2013, 2019 (HCD SLO County Housing Element Updated Data Profile 2019)

*Some numbers in the chart have been rounded, affecting totals.

2. Tenure and Vacancy

Housing tenure refers to the occupancy of a housing unit—whether the unit is owner-occupied or renter-occupied. Housing tenure is influenced by demographic factors (e.g., household income, composition, and age of the householder) as well as the cost of housing. **Chart 2-13** shows that between 2010 and 2017, the homeownership rate decreased from 61 to 60 percent.

In addition, as a resort community, Pismo Beach has a significant amount of housing set aside for non-year-round occupancy. In 2017, as shown in **Chart 2-14,** the City had 1,233 vacant units (22 percent of total units and 80 percent of total vacant units) identified as seasonal, recreational, or occasional use.

Chart 2-13 Trends in Housing Tenure

Tenure	2010		2017	
	Number	Percentage	Number	Percentage
Occupied Units	3,834	69%	4,081	73%
Owner	2,336	61%	2,429	60%
Renter	1,498	39%	1,652	40%
Vacant Units	1,751	31%	1,541	27%
Total	**5,585**	**100%**	**5,622**	**100%**

Source: ACS 2013–2017: Table B25002, B25004, B25007 (HCD SLO County Housing Element Updated Data Profile 2019)

Chart 2-14 Vacant Units by Type

	Number	Percentage
For seasonal, recreational, or occasional use	1,233	80%
For rent	92	6%
Rented or sold, not occupied	89	6%
For sale only	90	6%
Other vacant	37	2%
Total Vacant Units	**1,541**	**100%**
Vacancy Rate: Owner-Occupied Housing	—	**3.5%**
Vacancy Rate: Renter-Occupied Housing	—	**5.1%**

Source: ACS 2013–2017: Table B25002, B25004 (HCD SLO County Housing Element Updated Data Profile 2019)

Vacancies play an important role in Pismo Beach. A certain number of vacant units help moderate housing costs, increase options for prospective residents, and provide an incentive for unit upkeep and repair. Optimal vacancy rates range from 1.5 to 2 percent for ownership units and 5 to 6 percent for rental units. According to the 2017 ACS (Tables B25002 and B25004), the vacancy rate is approximately 3.5 percent for owners and 5.1 percent for renters. Thus, both the owner and rental vacancy rates were higher than optimal for 2017. The high owner vacancy rate is likely attributable to Pismo Beach's high number of vacation rentals.

3. Housing Conditions

As illustrated in **Chart 2-15**, Pismo Beach has a significant stock of older homes: 74 percent of homes are over 30 years old and 32 percent are over 50 years old. A general rule is that structures older than 30 years begin showing signs of deterioration and require reinvestment. Unless maintained, homes older than 50 years may require major renovations to ensure that plumbing and electrical systems, roofing, and insulation are sound. Older homes also have a higher prevalence of lead-based paint

hazards. The rehabilitation need in the City has not changed significantly since 2014. In addition, home valuations have continued to rise since adoption of the last housing element, resulting in a general trend for homeowners to remodel or fully redevelop older units. In the last couple years, approximately seven code enforcement cases related to substandard housing were opened. All cases have since been resolved.

Chart 2-15 Housing Age Characteristics

Decade Built	Number	Percentage
2010–2019	324	5%
2000–2009	337	5%
1990–1999	1,047	16%
1980–1989	1,639	25%
1970–1979	1,110	17%
1960–1969	579	9%
1950–1959	873	14%
1940–1949	301	5%
1939 or earlier	245	4%
Total	**6,455**	**100%**

Source: US Census 2000; City of Pismo Beach 2010 and 2019

*Note: Values for the years 2000 through 2009 and 2010 to 2019 are calculated based on the number of building permits approved by the City during the specified time frame. They do not reflect a census of physical structures built, permitted and not permitted, during this time. Therefore, this table may have totals and percentages that are slightly different from other data sources used in this document; these numbers should be interpreted as the best available data from the City.

Despite the age of the housing stock, housing in Pismo Beach is generally well maintained in comparison to other communities. This may be due to the high household income levels and high housing values in the City. However, some exceptions apply. With the large number of homes occupied on a seasonal basis, some property maintenance may be postponed by the owners. Also, some absentee property owners purchased homes for later use, intending to rebuild or renovate upon their retirement. The number of substandard units is negligible.

Two housing condition surveys were conducted in March 2009 (one for mobile homes, the other for all other units) to determine the number of units considered to be substandard in quality or in need of repair or replacement. City staff identified areas to survey. The survey was conducted through a windshield study that rated the physical condition of a unit in one of the following categories:

- Foundation
- Roofing

- Siding/stucco
- Windows
- Electrical

Units were evaluated by determining whether they needed minor, moderate, or substantial repair or if they were dilapidated and in need of replacement (see **Chart 2-16**). Although most of the units were found to be in sound condition, 4 units were found to be in need of moderate repair and 40 units were found to be in need of minor repair (most of these were mobile homes that were considered to need repair due to the age of their construction materials). No units were found to need substantial repair or were dilapidated.

Chart 2-16 Housing Conditions Survey Results

Housing Type	Minor	Moderate	Substantial	Dilapidated	Total
Single	8	3	0	0	11
Mobile	30	1	0	0	31
Duplex	0	0	0	0	0
Multifamily	2	0	0	0	2
Total	**40**	**4**	**0**	**0**	**44**

Source: Lisa Wise Consulting, Inc., San Luis Obispo County EOC, 2009

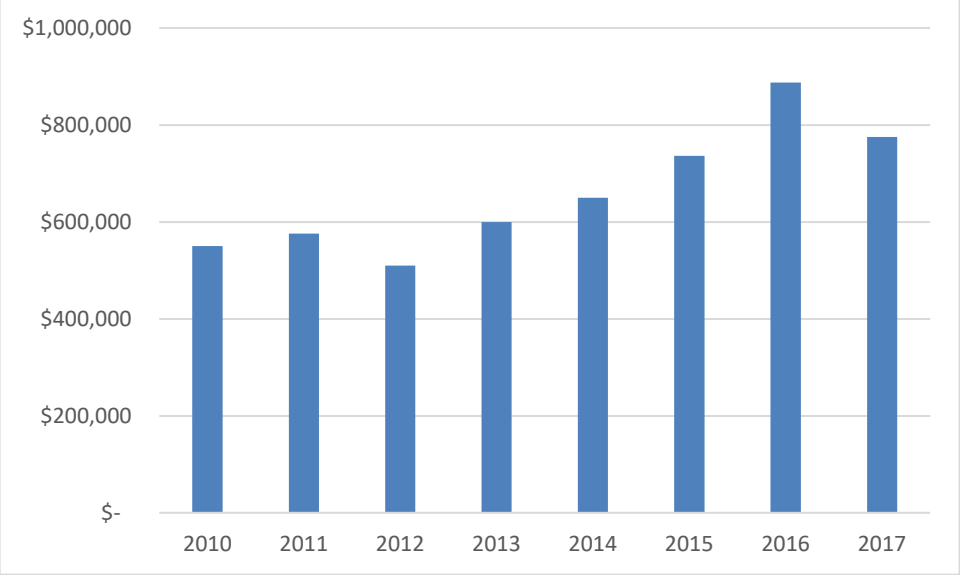
According to the survey results, most housing in need of repair was near Wadsworth Street, Longview Avenue, and Placentia Avenue. A map showing the general locations of housing units found to need minor or moderate repair can be found in **Appendix A**.

Seven code enforcement cases related to condition of a residential property were opened and addressed in the last two years. All of the issues were addressed, and the cases closed. Overall, the City's housing stock is in good condition.

4. Housing Costs

Pismo Beach's shoreline, recreational amenities, and proximity to job centers have contributed to high housing prices. According to Trulia, from 2013 to 2017, the median price of homes in Pismo Beach increased significantly. As shown in **Chart 2-17**, home prices have increased on average since 2010. From 2012 to 2016, home prices increased by approximately 25 percent before decreasing slightly in 2017. According to Trulia, homes in Pismo Beach sold for a median price of $775,000 in 2017, well above the affordability of most first-time homebuyers and moderate-income households. As shown in **Chart 2-18**, the median home sales price in 2019 was $1,173,585, an increase of 21 percent from the 2018 median home sale price $967,680. These prices are not affordable to any income groups except a portion of those homebuyers making above-moderate income or higher than 120 percent.

Chart 2-17 Median Home Prices



Source: Trulia 2018

Chart 2-18 Median Home Selling Price for 2018 and 2019

Housing Type	Number of Homes Sold		Average Days on Market		Median Selling Price		
	2018	2019	2018	2019	2018	2019	% Change
Arroyo Grande	241	237	51	52	$765,818	$882,000	15%
Avila Beach	9	19	56	96	$1,248,830	$1,453,496	16%
Grover Beach	90	92	48	56	$531,744	$549,563	3%
Nipomo	230	209	51	58	$670,631	$648,042	-3%
Oceano	30	44	58	64	$500,233	$521,818	4%
Pismo Beach	118	102	78	86	$967,680	$1,173,585	21%

Source: SLO Association of Realtors 2019

Because of the high cost and high desirability of the for-sale housing stock in Pismo Beach, it is more financially feasible for many residents to rent. This may be due to the high vacancy rates and the seasonal occupancy of many rental homes. **Chart 2-19** shows housing rental units posted on Zillow in Pismo Beach during January 2020. As the chart indicates, there were mostly two- and three-bedroom rentals listed during the time of the survey and there were no ADUs available. Prices for rental listings typically ranged between $2,300 and $3,400, although the most expensive rental listed was a three-bedroom unit with a monthly rent of $4,000. The most affordable unit was a two-bedroom listing with a monthly rent of $1,800.

Chart 2-19 Market Rental Rates by Unit Type

	Number of Units Surveyed	Average	Lowest	Highest
Studio	N/A	N/A	N/A	N/A
1-bedroom	4	$2,338	$1,850	$2,500
2-bedroom	8	$2,474	$1,800	$3,000
3-bedroom	7	$3,436	$2,495	$4,000

Source: Zillow.com, retrieved January 2020
Note: N/A = not applicable

5. Housing Affordability

To estimate and plan for the supply of affordable housing, the California Department of Housing and Community Development (HCD) defines five income groups based on a percentage of the county median family income (MFI). For 2019, the MFI for San Luis Obispo County was $87,500 for a family of four. The household income groups are defined as follows:

- **Extremely low income** earn less than 30 percent of county MFI
- **Very low income** earn 31 to 50 percent of county MFI
- **Low income** earn 51 to 80 percent of county MFI
- **Moderate income** earn 81 to 120 percent of county MFI
- **Above moderate income** earn 120+ percent of county MFI

Household income limits are adjusted by household size. **Chart 2-20** shows the 2019 income limits by household size for San Luis Obispo County.

Chart 2-20 Household Income Limits by Household Size

Income Categories	Persons per Household				
	1	2	3	4	5
Extremely Low (<30% MFI)	$18,900	$21,600	$24,300	$26,950	$30,170
Very Low (31%–50% MFI)	$31,500	$36,000	$40,500	$44,950	$48,550
Low (51%–80% MFI)	$50,350	$57,550	$64,750	$71,900	$77,700
Median (MFI)	$61,250	$70,000	$78,750	$87,500	$94,500
Moderate (81%–120% MFI)	$73,500	$84,000	$94,500	$105,000	$113,400

Source: HCD 2019

Housing affordability in Pismo Beach can be inferred by comparing the cost of renting or owning a home with the income levels of households of different sizes. **Chart 2-21** shows the annual income ranges for extremely low-, very low-, low-, and moderate-income households and the maximum affordable payment based on the standard of 30 percent of monthly household income going toward housing costs.

As illustrated in **Chart 2-22**, only above-moderate-income households can afford to purchase a single-family home, a condominium, or even a mobile home. Moderate-income households can afford some sizes of market-rate rentals (**Chart 2-19**). Extremely low-, very low-, and low-income households cannot afford to rent market-rate units without potential overpayment or overcrowding.

Chart 2-21 Housing Affordability

Extremely Low-Income (Households at 30% of Median Income)				
Household Size	1	2	3	4
Annual Income Limit	$18,900	$21,600	$24,300	$26,950
Monthly Income	$1,575	$1,800	$2,025	$2,246
Max. Monthly Gross Rent [1]	$473	$540	$608	$674
Max. Purchase Price[2]	$27,066	$41,840	$56,614	$71,215
Very Low-Income (Households at 50% of Median Income)				
Household Size	1	2	3	4
Annual Income Limit	$31,500	$36,000	$40,500	$44,950
Monthly Income	$2,625	$3,000	$3,375	$3,746
Max. Monthly Gross Rent [1]	$788	$900	$1,013	$1,124
Max. Purchase Price[2]	$96,011	$120,634	$145,257	$169,618
Low-Income (Households at 80% of Median Income)				
Household Size	1	2	3	4
Annual Income Limit	$50,350	$57,550	$64,750	$71,900
Monthly Income	$4,196	$4,796	$5,396	$5,992
Max. Monthly Gross Rent [1]	$1,259	$1,439	$1,619	$1,798
Max. Purchase Price[2]	$199,165	$238,562	$277,959	$317,094
Moderate-Income (Households at 120% of Median Income)				
Household Size	1	2	3	4
Annual Income Limit	$73,500	$84,000	$94,500	$105,000
Monthly Income	$6,125	$7,000	$7,875	$8,750
Max. Monthly Gross Rent [1]	$1,838	$2,100	$2,363	$2,625
Max. Purchase Price[2]	$325,827	$383,280	$440,734	$498,188

Source: 2019 Income Limits, HCD. Monthly mortgage calculation: http://www.realtor.com/home-finance/financial-calculators/home-affordability-calculator.aspx?

Notes: [1] Affordable housing cost for renter-occupied households assumes 30% of gross household income, not including utility cost.

[2] Affordable housing sales prices are based on the following assumed variables: approximately 20% down payment, 30-year fixed-rate mortgage at 4.49% annual interest rate (Zillow affordable payment calculator).

6. Housing Problems

A continuing priority of communities is maintaining quality of life. A key measure of quality of life is the extent of housing problems. According to the federal government, the term "housing problems" refers to overpayment, overcrowding, and when residential units lack sufficient kitchens or plumbing. The Comprehensive Housing Affordability Strategy (CHAS) was developed by the US Department of Housing and Urban Development (HUD) to assist jurisdictions in writing their HUD-required consolidated plans. The CHAS data provides information about housing problems in Pismo Beach. According to this data (**Chart 2-22**), there were 310 owner households and 345 renter households earning less than 50 percent of the median family income in the City in 2016 with at least one of these housing problems. Approximately 45 percent of these lower-income renter-occupied households were identified as having at least one of four housing problems (which include incomplete kitchen facilities, incomplete plumbing facilities, more than one person per room, and a cost burden greater than 30 percent). Approximately 38 percent of lower-income owner-occupied households experienced at least one of those four housing problems. The most common housing problem is overpayment, which affects approximately 28 percent of the lower-income population, while incomplete kitchen or plumbing facilities and overcrowding is far less common. It is important to note that, similar to ACS data, the CHAS dataset uses small samples and is subject to large margins of error and therefore may have totals and percentages that are slightly different than other data sources used in this document.

Chart 2-22 Housing Problems for All Households

	Total Renters	Total Owners	Total Households
Household income ≤ 30% MFI with any housing problem	165	60	225
Household income > 30% to ≤ 50% MFI with any housing problem	180	250	430
Total Households ≤ 50% MFI) with any housing problem	345	310	655
Percentage of households (≤ 50% MFI) with any housing problem	45%	38%	41%

Source: CHAS 2012–2016

Housing overpayment refers to spending more than 30 percent of income for housing costs. **Chart 2-23** shows the prevalence of housing overpayment in Pismo Beach by tenure. As the chart shows, 21 percent of lower-income renters overpay for housing, compared to 17 percent of lower-income homeowners.

Chart 2-23 Housing Overpayment in Pismo Beach

Total Household Characteristics	Number	Percentage of Total Households
Total occupied units (households)	**3,870**	**100%**
Total renter households	1,750	45%
Total owner households	2,120	55%
Total lower-income (0–80% of HUD Area Median Family Income (HAMFI) households	**1,900**	**49%**
Lower-income renters	820	21%
Lower-income owners	655	17%
Extremely low-income renters	290	7%
Extremely low-income owners	135	3%
Lower-income households severely overpaying (paying more than 50%)	**770**	**20%**
Lower-income renter households severely overpaying	460	12%
Lower-income owner households severely overpaying	310	8%
Extremely low income (ELI) (0–30% of HAMFI)	**310**	**8%**
ELI renter households severely overpaying	215	6%
ELI owner households severely overpaying	95	2%
Lower-income households overpaying (paying more than 30%)	**1,085**	**28%**
Lower-income renter households overpaying	705	18%
Lower-income owner households overpaying	380	10%
Total households overpaying	**2,165**	**41%**
Total renter households overpaying	**1,380**	**24%**
Total owner households overpaying	**785**	**17%**

Source: CHAS 2012–2016 (HCD SLO County Housing Element Updated Data Profile 2019)

Escalating housing prices have edged out lower- and moderate-income families who can no longer afford housing in the community. Residents may also choose to pay more for housing, leaving limited financial resources to pay for other necessities.

The US Census Bureau defines overcrowding as when a housing unit is occupied by more than the equivalent of one person per room (not including kitchens and bathrooms). A typical home might have three bedrooms, a living room, and a dining room, for a total of five rooms. If more than five people were living in the home, it would be considered by the Census Bureau to be overcrowded. Because some households require less "space" per person, there is some question of whether units with slightly more than one person per room really have an overcrowding problem. In most cases, units with more than 1.01 persons per room are overcrowded. Units with more than 1.50 persons per room are considered highly overcrowded and

should be recognized as a significant housing problem. Overcrowding can occur when housing costs are so high relative to income that families double up or reside in smaller units, which tend to be more affordable, to devote income to other basic living needs. Overcrowding also tends to result in accelerated deterioration of homes, a shortage of off-street parking, increased strain on public infrastructure, and additional traffic congestion. As illustrated in **Chart 2-24**, only 17 households (less than 1 percent) in Pismo Beach lived in overcrowded conditions (owners and renters). All 17 of the overcrowded households were renter households and all were experiencing severe overcrowding (more than 1.5 persons per room). Overcrowding is not a significant issue in Pismo Beach.

Chart 2-24 Overcrowded Households

Persons per Room	Owner-Occupied Households	Renter Households	Total Households	Percentage
1.00 or less	2,429	1,635	4,064	99%
1.01 to 1.50	0	0	0	0%
1.51 or more	0	17	17	<1%
Total	**2,429**	**1,652**	**4,081**	**100%**

Source: ACS 2013–2017, Table B25014 (HCD SLO County Housing Element Updated Data Profile 2019)

7. Extremely Low-Income Households

Extremely low-income households are defined as earning 30 percent or less of the area median income. This group is one of the neediest in the population because its household incomes are so low and require the greatest housing subsidies in order to make housing affordable. Based on the 2014–2018 ACS, 454 extremely low-income households reside in Pismo Beach. Per HCD guidelines, 50 percent of San Luis Obispo County's very low-income Regional Housing Needs Allocation (RHNA) number qualifies as extremely low income. The RHNA for Pismo Beach estimates the need for 113 very low-income housing units between 2019 and 2028, of which, 50 percent should be for extremely low-income households. Therefore, it is projected that an additional 56 extremely low-income households will be added to the City.

Most, if not all, extremely low-income households require rental housing. Extremely low-income households likely face housing problems, such as overpaying, overcrowding, and/or accessibility issues as a result of their limited incomes. Also, many of the extremely low-income households are in a special needs category (disabled, seniors, large households, or female-headed households) and some require supportive housing services. Most families and individuals receiving public assistance, such as social security or disability insurance, are considered extremely low-income households. Many minimum-wage workers would also be considered extremely low-income households.

8. At-Risk Units

State legislation (Chapter 1451, Statutes of 1989) requires that all housing elements include an analysis of at-risk housing in the jurisdiction and, if necessary, the development of programs to preserve or replace those assisted housing units. Many subsidized units are multifamily rental units that provide rental housing at below-market rates. If these units cease to be assisted, the owners of the properties may increase unit rents to market rates. Should this occur, low-income housing might be lost, making it difficult for the City to meet its goals for providing adequate affordable housing. The multifamily units to be considered are any units that were constructed using various federal assistance programs, state or local mortgage revenue bonds, redevelopment tax increments, in-lieu fees or an inclusionary housing ordinance, or density bonuses. Low-income multifamily housing is considered to be at risk if it is eligible to convert to non-low-income or market-rate housing due to (1) the termination of a rental subsidy contract; (2) mortgage prepayment; or (3) the expiration of affordability restrictions. The time period that is to be considered in making this determination is the 10-year period following the beginning of the Housing Element planning period (from December 31, 2020, to December 31, 2030).

The City has two affordable-housing projects owned by Peoples' Self-Help Housing, the Sea Haven Apartments, which provides 12 units of affordable housing for lower-income households, and the Pismo Creek Bungalows, which has 14 units of affordable housing for very low-income households.

In October 1998, Sea Haven Apartments were rehabilitated with financing from HCD Home and local Community Development Block Grant (CDBG) funds. The affordability controls extend for 30 years, from 1998 through 2027. Thus, the 12 units at Sea Haven Apartments are at risk of conversion during the planning period. Communication with Peoples' Self-Help Housing indicates they plan to work to extend the 2027 deadline for Sea Haven Apartments and maintain affordability. However, should the project become at risk, the City will consider providing technical and financial assistance to continue the affordability controls on the project. The Pismo Creek Bungalows were completed in 2012 with financing from the California Tax Credit Allocation Committee, City of Pismo Beach, Pismo Beach Redevelopment Agency, and private sponsors. The tax deed restriction is in place for 55 years, through 2067. There are no other units that are considered at risk for conversion (see Program HE-19). **Chart 2-25** lists the units in Pismo Beach that are assisted and potentially at risk during the 10-year period.

Chart 2-25 Assisted Housing Inventory, Pismo Beach, 2018

Project Name	Tenant Type	Total Assisted Units	Total Units	Funding Sources	Expiration Date
Sea Haven Apartments	Low and Very Low Income	12	12	HOME, CDBG	2027
Pismo Creek Bungalows	Very Low Income	14	14	California Tax Credit Allocation Committee, City of Pismo Beach, Pismo Beach Redevelopment Agency, Merritt Community Capital Corporation, and Wells Fargo Bank.	2067
Totals		**26**	**26**		

Source: Peoples' Self-Help Housing and California Housing Partnership Corporation 2020

Loss of Assisted Housing

From time to time, restricted units lose their affordability controls or subsidies and revert to market rates. As shown in **Chart 2-25**, in Pismo Beach one of the two assisted projects is at risk of conversion before December 31, 2030, Sea Haven Apartments, with a total of 12 assisted units.

Preservation and Replacement

Generally, the cost of preserving assisted housing units is estimated to be significantly lower than replacing units through new construction. Preserving units entails covering the difference between market rates and assisted rental rates. New construction tends to be less cost efficient because of the cost of land and labor, which is often a limiting factor in the development of affordable housing. To maintain the existing affordable housing stock, the City may either work to preserve the existing assisted units or replenish the affordable housing inventory with new units.

Preservation

Rental subsidies using non-federal (state, local, or other) funding sources can be used to maintain the affordability of the 12 at-risk units. These rent subsidies can be structured to mirror the federal Housing Choice Voucher (Section 8) program. Under Section 8, HUD pays the difference between what tenants can pay (defined as 30 percent of household income) and what HUD estimates as the fair market rent on the unit. In San Luis Obispo County, the 2020 fair market rent is determined to be $1,657 for a two-bedroom unit.

The feasibility of this alternative is highly dependent on the availability of unit type and other funding sources necessary to make rent subsidies available, and the willingness of property owners to accept rental vouchers if they can be provided. As indicated in **Chart 2-26**, the total cost of subsidizing the rents for all 12 at-risk units is estimated at $9,084 per month or $109,008 annually.

Chart 2-26 Estimated Costs of Preserving At-Risk Units

Unit Size	Total Units	Fair Market Rent	Very Low Income (50% AMI)	Affordable Monthly Rent	Monthly per Unit Subsidy	Total Monthly Subsidy
Two bedrooms	12	$1,657	$36,000	$900	$757	$9,084

Source: HUD 2020

Note: Exact division of current at-risk units is not available so very low income was used to result in a more conservative (higher) dollar amount estimate.

Replacement

The construction of new low-income housing units is a means of replacing the 12 at-risk units. The cost of developing housing depends on a variety of factors, including density, size of the units (i.e., number of bedrooms), location, land costs, and type of construction. Based on cost estimates gathered from Coastal Community Builders, a developer of multifamily structures in San Luis Obispo County, a typical single-story multifamily building in Pismo Beach of approximately 32,000 square feet and with 900-square-foot apartments has a cost of $260 per square foot for construction with prevailing wage. This cost per square foot would result in a cost per unit for 900-square-foot units of $234,000.

Using this general estimate, it would cost approximately $2.8 million to develop 12 new units to replace the at-risk units. Given the City's limited financial resources for housing development, development of replacement housing must rely on partnerships with nonprofit or for-profit housing developers or other public entities.

Acquisition

Another option would be for a nonprofit organization to purchase an existing multifamily complex, rather than build a new one, lowering the per-unit cost significantly. A survey done in June 2018 showed that multifamily units in Pismo Beach were selling for between an average of $514,950 (one-bedroom units) and $751,500 (three-bedroom units).

Cost Comparisons

The above analysis attempts to estimate the cost of preserving the at-risk units under various options. The cost of acquiring Sea Haven Apartments and transferring ownership to a nonprofit organization is the second highest of the three quantified

options (starting at $2.8 million to replace 12 units based on the lowest market price identified). In comparison, the annual costs of providing rental subsidies required to preserve the 12 assisted units are relatively low ($109,008). However, long-term affordability of the units cannot be ensured in this manner. The option of constructing 12 replacement units has the highest cost (ranging from $6.2 million to $9 million). The best option to preserve the at-risk units appears to be the purchase of affordability covenants.

Resources for Preservation

The types of resources needed for preserving at-risk units fall into three categories: (1) financial resources available to purchase existing units or develop replacement units; (2) entities with the intent and ability to purchase and/or manage at-risk units; and (3) programs to provide replacement funding for potentially lost Housing Choice Voucher program rent subsidies (previously known as the Section 8 program).

Public Financing/Subsidies—A variety of federal, state, and local programs are available for potential acquisition, subsidy, or replacement of at-risk units. Due to both the high costs of developing and preserving housing and limitations on the amounts and uses of funds, a variety of funding sources would be required. The following summarizes financial resources available to Pismo Beach for preservation of assisted, multifamily rental housing units.

The Housing Choice Voucher (Section 8) Program is another affordability option that individuals may apply for through the San Luis Obispo County Housing Authority. Section 8 increases affordable housing choices for very low-income households by allowing families to choose privately owned rental housing. The public housing authority generally pays the landlord the difference between 30 percent of household income and the housing authority-determined payment standard—about 80 to 100 percent of the fair market rent. The rent must be reasonable. The household may choose a unit with a higher rent than the fair market rent and pay the landlord the difference or choose a lower-cost unit and keep the difference.

Section 8-supported housing may be either project-based for an entire apartment building or subsidies may be provided in the form of vouchers for individual, independent units. The City does not have any apartment buildings dedicated solely to Section 8 assistance. The property owner can opt to terminate the Section 8 contract ("opt out") or renew the contract. The primary incentive for Section 8 property owners to opt out of their regulatory agreement is monetary. Market rents have risen to the point at which many property owners can earn more by prepaying their government assistance, even if they have to borrow money at market interest rates.

Federal Programs

- CDBG
- HOME Investment Partnership
- Housing Choice Voucher (Section 8) Program
- Section 811/202 Program
- HUD Low-Income Housing Preservation and Resident Homeownership Act (LIHPRHA)

State Programs

- California Housing Finance Agency (CHFA) Multiple Rental Housing Programs
- Low-Income Housing Tax Credit (LIHTC)
- California Community Reinvestment Corporation (CCRC)

Nonprofit Entities

Nonprofit entities serving the county can be contacted to gauge their interest and ability in acquiring and/or managing units at risk of conversion. A partial listing of entities with resources in San Luis Obispo County follows:

- Peoples' Self-Help Housing
- Habitat for Humanity
- Housing Trust Fund

D. Special Housing Needs

Certain groups encounter difficulty finding affordable housing due to special circumstances. Special circumstances may be related to a person's employment type and income, family characteristics, medical condition or disability, and/or household characteristics. The housing needs for each group are evaluated and major programs available to address their housing and services needs are identified.

1. Senior Households

As illustrated in **Chart 2-27**, 1,531 Pismo Beach households (38 percent) were headed by seniors (persons age 65 years and older) in 2017, which is an increase from 34 percent in 2010. Seniors typically have special needs due to disabilities, healthcare needs, and fixed income. With respect to their housing tenure, 255 senior households rent homes and 1,276 senior households own their homes. An additional number of seniors live with family members or in a retirement home.

Chart 2-27 Senior Households

Householder by Age	Owner		Renter		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Total 65 and over	1,276	53%	255	15%	1,531	38%
65 to 74 years	635	26%	166	10%	801	20%
75 to 84 years	450	19%	37	2%	487	12%
85 years and over	191	8%	52	3%	243	6%
Total 64 and under	1,153	47%	1,397	85%	2,550	62%
Total (all ages)	**2,429**	**100%**	**1,652**	**100%**	**4,081**	**100%**

Source: ACS 2013–2017: Table B25007 (HCD SLO County Housing Element Updated Data Profile 2019)

Maintaining and repairing a residence with a fixed retirement income can be problematic. Renters face many of the same housing affordability issues, except they are more susceptible to displacement due to changing rental costs.

As illustrated in **Chart 2-28**, senior households are slightly less well off than the general Pismo Beach population. Approximately more than half of all senior households earn very low and low incomes, and the other half earn moderate and above-moderate incomes.

Chart 2-28 Senior Households by Income Group

Income Group	Number	Percentage
Very Low ($0 to <$34,999)[1]	528	34%
Low ($35,000 to <$59,999)	307	20%
Moderate and Above Moderate (>$59,999)	711	46%

Source: ACS 2013–2017 (1-year): Table B19037

Note: 1. ACS income ranges are different than 2015 HUD income limits. For this table, because ACS data is used, the income ranges are based on ACS ranges and not HUD ranges.

2. Large and Female-Headed Households

State law identifies large families with children and female-headed households as having special needs due to their income challenges, childcare expenses, and need for affordable housing. Large households are defined as households with more than five persons.

Large family households are considered a special needs group because there is typically a limited supply of adequately sized housing to accommodate their needs. The more persons in a household, the more rooms are needed to accommodate that household. Specifically, a five-person household would require three or four bedrooms, a six-person household would require four bedrooms, and a seven-person household would require four to six bedrooms. In some circumstances where

the housing market does not meet the housing needs of large households, overcrowding can result. As discussed previously and illustrated in **Chart 2-24**, overcrowding is not a significant housing issue in the City, with overcrowded situations representing less than 2 percent of households.

Households with children under 18 years of age headed by a single parent are another group that may have special needs for housing. The housing needs of a female-headed household range from affordability of a home to availability of nearby services, such as licensed daycare to support individual parents who work.

Nationwide, housing trends such as co-housing are increasingly being implemented that specifically allow groups such as female-headed households, the elderly, and families to help support one another. Co-housing typically advocates affordable shared housing with community resources available, such as group dining facilities, shared maintenance, and daycare. There is one co-housing community near Pismo Beach in Oceano.

According to the ACS 2013–2017, Pismo Beach is home to 203 female-headed households and 87 large households with five or more members. These groups represent 5 and 2 percent of the total households in Pismo Beach, respectively. These are relatively small percentages of the overall population, indicating that neither one of these special-needs groups has the greatest need currently in Pismo Beach. However, the relatively small presence of female-headed households and large households may indicate a lack of housing options in the City, particularly for large households, and these types of households may live in other communities in the area. Of the 203 female-headed households, 13 live under the poverty level. For large households, 81 percent own homes and 19 percent rent.

3. Persons with Disabilities

Persons with disabilities have special housing needs because of employment and income challenges, a need for accessible and appropriate housing, and higher healthcare costs. A disability is defined broadly by the Census Bureau as a physical, mental, or emotional condition that lasts over a long period of time and makes it difficult to live independently. The ACS defines six non-work disabilities: hearing, vision, cognitive, ambulatory, self-care, and independent living difficulty. **Chart 2-29** shows the number and percentage of persons with disabilities in the City.

Chart 2-29 Persons with Disabilities by Type

Disability by Type and Age Group	Number	Percentage
Total disabilities for people 5 to 64 years	**714**	**39%**
Hearing Difficulty	125	18%
Vision Difficulty	93	13%
Cognitive Difficulty	142	20%
Ambulatory Difficulty	180	25%
Self-Care Difficulty	44	6%
Independent Living Difficulty	130	18%
Total disabilities for people 65 years and over	**1,110**	**61%**
Hearing Difficulty	293	26%
Vision Difficulty	62	6%
Cognitive Difficulty	171	15%
Ambulatory Difficulty	236	21%
Self-Care Difficulty	113	10%
Independent Living Difficulty	235	21%
Total disabilities for all ages	**1,824**	**100%**

Source: 2013–2017 ACS: Table S1810 (HCD SLO County Housing Element Updated Data Profile 2019)

As shown in **Chart 2-30**, Pismo Beach has 759 non-institutionalized disabled residents, representing 16 percent of the total population. Of these residents, 15 percent are employed with a disability, 3 percent are not employed with a disability, and 81 percent are seniors (older than 65).

Chart 2-30 Employment Status of Persons with Disabilities

	Number	Percentage
Age 5–64, Employed Persons with a Disability	117	15%
Age 5–64, Not Employed Persons with a Disability	25	3%
Persons Age 65+ with a Disability	617	81%
Total Persons with a Disability	**759**	**100%**

Source: ACS 2013–2017: Table C18120, S1810 (HCD SLO County Housing Element Updated Data Profile 2019)

Disabled persons have special needs as many earn low incomes, have higher healthcare costs, and are often dependent on supportive services. Living arrangement needs for disabled persons depend on the severity of the disability. Many persons live independently or with other family members. To maintain independent living, disabled persons may need special housing design features,

income support, and in-home supportive services. There are no residential care facilities in Pismo Beach.

Persons with Developmental Disabilities

Senate Bill (SB) 812 requires the City to include the needs of individuals with a developmental disability within the community in the special housing needs analysis. According to Section 4512 of the Welfare and Institutions Code, a "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual, which includes mental retardation, cerebral palsy, epilepsy, and autism.

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

The California Department of Developmental Services (DDS) currently provides community-based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, 4 developmental centers, and 2 community-based facilities. The Tri-Counties Regional Center is 1 of 21 regional centers in California that provides point of entry to services for people with developmental disabilities. The center is a private, nonprofit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families. **Chart 2-31** provides information about Pismo Beach's population of developmentally disabled persons; **Chart 2-32** provides information about those persons' place of residence. The two charts may not match as they are different surveys.

Chart 2-31 Developmentally Disabled Residents by Age

Zip Code	0–17 Years	18+ Years	Total
93448 & 93449	>16	19	>35

Source: HCD SLO County Housing Element Updated Data Profile 2019

Chart 2-32 Developmentally Disabled Residents by Residence Type

Zip Code	Community Care	Home Parent/ Guardian	Independent Living	Other	Total
93448, 93449	0	>29	<11	0	>29

Source: HCD SLO County Housing Element Updated Data Profile 2019

A number of housing types are appropriate for people living with a developmental disability: rent-subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, those that accept Section 8 vouchers in market rate rental housing, HUD housing, and SB 962 homes (adult residential facilities for persons with special healthcare needs). The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the considerations that are important in serving this special-needs group. Incorporating "barrier-free" design in all new multifamily housing (as required by California and federal fair housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

In order to assist in the housing needs for persons with developmental disabilities, the City will continue to implement programs to coordinate housing activities and outreach with the Tri-Counties Regional Center and encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities, and pursue funding sources designated for persons with special needs and disabilities. Program HE-9 is proposed to specifically address the needs of the developmentally disabled.

4. Homeless Persons

Homelessness is a pressing issue in San Luis Obispo County. In 2019, the County's Continuum of Care (CoC) point-in-time count documented 1,483 homeless persons, of which, 298 were chronically homeless. The chronically homeless are those persons who have experienced homelessness for at least a year or have experienced four episodes of homelessness over the last three years. A comparison of point-in-time homeless counts shows a 2 percent decrease in the number of homeless in the county between 2015 and 2019 (Point-In-Time Census 2019). Of the 1,483 homeless, 79 percent were unsheltered. This survey also reported an estimated five homeless persons (unsheltered) in Pismo Beach. Throughout the larger South County region identified in the 2019 Point-In-Time Census, there were 211 persons counted. Approximately 33 percent of those counted were sleeping on the street in communities in South County and nearly 29 percent were sleeping in cars, vans, or recreational vehicles (RVs). Only an approximate 23 percent had been sheltered in emergency or transitional housing.

The homeless population in San Luis Obispo County consists of both families and individuals. In 2019, the CoC documented 222 homeless persons in 67 family households with children. Beyond the need for housing, they are likely to have other needs, such as support services.

As there is no homeless shelter in Pismo Beach, the Police Department refers homeless persons to the 40 Prado Homeless Services Center in San Luis Obispo, the closest homeless shelter to Pismo Beach in the county. The shelter provides 100 beds nightly year-round.

5. Farmworkers

Farmworkers are defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farmworkers work in the fields, processing plants, or support activities on a year-round basis. When workloads increase during harvest periods, the labor force is supplemented by seasonal or migrant labor. Farmworkers' housing needs arise from their limited income and unstable nature of their employment.

Although the county is in a large agricultural region, Pismo Beach is within the urban boundary of coastal communities, which is not suitable for agricultural uses. Agricultural zones, however, surround the City, with wine grape production to the east and broccoli and strawberry production 2 miles south. According to the US Department of Agriculture 2017 Census of Agriculture, there were approximately 1,100 farms employing approximately 11,400 farmworkers throughout San Luis Obispo County. It is unknown how many of these farmworkers reside within Pismo Beach. The 2013–2017ACS, however, indicates that the agricultural, forestry, fishing and hunting, and mining sector employs an estimated 55 laborers in Pismo Beach. How many of these laborers work specifically on farms is not clear. Nonetheless, the need to address farmworker housing in Pismo Beach is relatively small compared to other more agricultural communities in San Luis Obispo County or other communities in California.

Chapter 3

Housing Constraints



Government policies and regulations impact the price and availability of housing and the provision of affordable housing. Constraints include residential development standards, fees and taxes, and permitting procedures. Providing infrastructure and services also increases the cost of producing housing. One of the greatest constraints to affordable housing production is the chronic shortage of state and federal financial assistance.

This chapter addresses potential nongovernmental and governmental constraints and focuses on mitigation options available to the City.

A. Market Constraints

Land costs, construction costs, and market financing are major variables in the cost of housing and hinder the production of new affordable housing. Although many constraints are driven by market conditions, jurisdictions have some leverage in instituting policies and programs to alleviate the constraints.

1. Land and Construction Costs

Land costs in Pismo Beach are relatively high due to the demand for housing, lack of vacant land, and proximity to the ocean. A review of Trulia.com in April 2020 showed eight vacant residential lots for sale in the City. Of that sample, those in single-family or mixed-use residential neighborhoods were selling for $28 to $74 per square foot. Beachfront lots were selling at much higher rates, ranging from $41 to $278 per square foot. As a result, developers will have an incentive to build higher-priced housing to recoup the cost of land and construction, unless land cost is mitigated with public assistance.

Construction costs are those incurred while constructing a dwelling unit. As with other land development costs, construction costs vary. Important determinants of construction costs include the amenities built into the unit, materials used, the prevailing labor rate, and the difficulty of building on the site. Building-cost.net is a housing construction cost resource that calculates the total estimated cost of building a new home (land costs not included). A calculation run on Building-cost.net in April

2020 for the Pismo Beach region resulted in an estimated cost of $218,511 (or $146 per square foot) for a 1,500-square-foot single-family home of good quality construction with four walls, an attached garage, central heating and air, and average building materials. However, homes being built in Pismo Beach are typically high-end custom homes, which cost significantly more. Multiple-family residences, such as apartments, can generally be constructed at a slightly lower cost than single-family residences.

2. Availability of Financing

The availability of financing affects the ability to purchase or improve homes. In Pismo Beach, 102 applications for conventional mortgage home loans for purchases and rehabilitations were received in 2014, of which, 69 percent were approved by lenders and accepted by applicants (see **Chart 3-1**). The remainder of applications were denied, withdrawn, closed due to incompleteness, or approved but not accepted by the applicants.

Pismo Beach has historically had relatively high housing costs. In 2018, there were 181 conventional and 9 government-assisted home loans sought. All government-assisted loans sought in 2018 were for home purchase. Last time this data was queried, in 2014, there were 11 government-assisted loans sought. This could indicate that there is a decrease in lower-priced homes that would be a good fit for government-assisted loan programs. There were 169 conventional home purchase loans sought in 2018, as opposed to 95 in 2014, which suggests that changes in interest rates may have made conventional loans more accessible for home purchasers.

Chart 3-1 Disposition of Home Loans

Loan Type	Home Purchase		Home Improvement		Total Purchase and Improvement	
	Total Apps.*	Percentage Originated	Total Apps.	Percentage Originated	Total Apps.	Percentage Originated
Conventional	169	59%	12	50%	181	59%
Government assisted	9	44%	0	0%	9	44%

Source: Home Mortgage Disclosure Act 2018

Notes: * Apps. = applications

Data is compiled by census tracts, which do not match the City boundaries precisely. Data provided includes nearly the entire City, plus an adjacent area which is large but sparsely populated.

Upper-income households (annual income of $96,720 or more) filed 80 percent of the applications for home purchase loans, an expected result given the high price of housing in Pismo Beach. The approval rate was 69 percent among upper-income applicants and 50 percent for lower- and moderate-income households.

The cost of borrowing money to finance the construction of housing or to purchase a house affects the amount of affordably priced housing in Pismo Beach. Fluctuating interest rates can eliminate many potential homebuyers from the housing market or render infeasible a housing project that could have been developed at lower interest rates. When interest rates decline, sales generally increase. The reverse has been true when interest rates increase. **Chart 3-2** illustrates interest rates as of April 28, 2020. The chart presents both the interest rate and the annual percentage rate (APR) for different types of home loans. The interest rate is the percentage of an amount of money that is paid for its use for a specified time, and the APR is the yearly percentage rate that expresses the total finance charge on a loan over its entire term. The APR includes the interest rate, fees, points, and mortgage insurance and is therefore a more complete measure of a loan's cost than the interest rate alone. However, the loan's interest rate, not its APR, is used to calculate the monthly principal and interest payment.

Chart 3-2 Interest Rates

Product	Interest Rate	APR
Conforming and FHA Loans		
30-Year Fixed Rate	3.375%	3.458%
15-Year Fixed Rate	2.750%	2.861%
7/1 ARM	3.000%	3.239%
5/1 ARM FHA	3.125%	3.257%
Jumbo Loans: Amounts that exceed conforming loan limits		
30-Year Fixed-Rate Jumbo	3.250%	3.274%
15-Year Fixed-Rate Jumbo	3.125%	3.150%
7/1 ARM Jumbo	2.750%	2.958%

Source: www.wellsfargo.com, April 28, 2020

Notes: APR = annual percentage rate; FHA = Federal Housing Administration; ARM = adjustable-rate mortgage

Conforming loan is for no more than $510,400. A jumbo loan is greater than $510,400.

B. Governmental Constraints

Local policies and regulations impact the price and availability of housing and the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and various other issues constrain the maintenance, development, and improvement of housing. Currently, the City does not have in place a standardized development concessions list established for affordable housing. Program HE-12 provides further detail.

1. Land Use Controls

The Land Use Element of the *Pismo Beach General Plan* sets forth policies for residential development. These land use policies, coupled with zoning regulations, establish land allocation for different uses. Housing supply and costs are affected by the amount of land designated for residential use, the density at which residential development is permitted, and the standards governing the character of development.

Development in Pismo Beach is governed by two zoning codes: the 1983 Zoning Code applies to areas in the Coastal Zone and the 1998 Zoning Code applies to property outside of the Coastal Zone. The 1983 Zoning Code covers approximately two-thirds of the community.

The City is currently updating its Local Coastal Program which includes the General Plan and zoning. It is anticipated to be completed by the end of 2021.

Chart 3-3 summarizes the General Plan land use designations and the zoning districts that either allow by right or conditionally permit residential development.

Chart 3-3 Residential Land Use Controls in Pismo Beach

General Plan Land Use Category	Coastal or Non-Coastal	Zoning District(s)
Residential Low Density	Coastal	R-1
	Non-Coastal	RSL
Residential Medium Density	Coastal	R-2
	Non-Coastal	RS-M, RR-L
High Density	Coastal	R-3, R-4, R-R
	Non-Coastal	RR-H
Mixed Use	Coastal	C-1, C-2
	Non-Coastal	CD-M, CD-V, CD-C, CS, CRS, CG
Planned Residential	Coastal	P-R

Source: 1983 and 1998 Pismo Beach Zoning Codes; 1992 General Plan Land Use Element

Notes: RSL: Single-Family Low-Density Residential, RSM: Single-Family Medium-Density Residential, RR: Resort Residential, RR-L: Resort Residential—Low Density RR-H: Resort Residential—High Density, CRS: Resort Commercial, CD: Downtown Commercial, CD-M: Mixed-Use and Resident-Serving Commercial, CD-C: Central Core District, CD-V: Visitor Services, CG: General Commercial, CS: Service Commercial

2. Provisions for a Variety of Housing

California housing element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family housing, multifamily housing, manufactured housing, mobile homes, emergency shelters, and transitional housing,

among others. Pismo Beach has a wide range of housing types throughout the community. The following describes the major provisions in the Zoning Codes allowing residential uses.

Conventional Housing

Single-family homes are permitted by right in all residential zones, except for the R-4 and P-R zones, where such housing is permitted conditionally. Single-family homes are also permitted in some commercial zones, including by right in the CS zone and with a conditional use permit in the CD-M zone.

In the Coastal Zone, multifamily housing of fewer than four units is permitted in the R-2, R-3, and R-R zones, but conditionally permitted in the P-R and R-4 zones. Multifamily housing of four or more units is permitted in the R-3 and R-R zones and is conditionally permitted in the P-R and R-4 zones. During the General Plan/Local Coastal Program (LCP) update, which is underway, the City will evaluate whether the discretionary review of multifamily projects of four or more units in the R-4 zone constrains development of multifamily housing in that zone and may consider revising how multifamily units are allowed in R-4. Outside the Coastal Zone, the Zoning Code permits multifamily developments in the RR-L and RR-H zones. Duplexes are permitted in the CS and CD-M zones and are conditionally permitted in the CD-V zone. Multifamily development is permitted in the CS zone and is conditionally permitted in the CD-M and CD-V zones.

Pursuant to state law, manufactured housing placed on a permanent foundation is considered a single-family dwelling and is permitted in all zoning districts that allow single-family housing subject to architectural review. In the Coastal Zone, mobile home parks are permitted in the M-H zone. Outside of the Coastal Zone, mobile home parks are conditionally permitted in the RSL, RSM, and RR zones.

Mixed-Use Development

The City allows mixed-use development in several areas of Pismo Beach. As identified in the Pismo Beach Zoning Codes, the intent of mixed-use development is to provide a continuous frontage of retail shops and commercial business establishments at the street level, while providing opportunities for downtown living on the second floor and/or to the rear of the lot. The development of mixed use provides new employment and housing opportunities for residents.

In the Coastal Zone, apartments are allowed on the second floor of a commercial building or on the rear of the lot. If the apartments are affordable housing, they are allowed by right. If the apartments are in conjunction with a permitted business, they are allowed with a conditional use permit. Outside the Coastal Zone, mixed-use residential developments are allowed by right in CS zones and with a conditional use permit in the CG, CD-C, CD-M, and CD-V zones. All mixed-use developments must use the entire ground-floor street frontage for retail and other commercial uses, rather

than residential. However, in single-story structures, residential uses are permitted on the rear half of the lot, occupying less than 40 percent of the ground-floor area.

Accessory Dwelling Units

Accessory dwelling units (secondary units) are defined in the Pismo Beach Zoning Code as dwelling units that are attached or detached from a single-family dwelling unit on the same parcel. Accessory dwelling units provide quarters for independent living areas, sleeping, cooking, and sanitation facilities. Accessory dwelling units are permitted in R-1, R-2, R-3, R-4, R-R, and P-R in the Coastal Zone and in the RSL, RSM, and RR zones outside the Coastal Zone. The main exception is in R-1 in Pismo Heights above the intersection of Longview Avenue and Stratford Street, where the City Council adopted required findings. A coastal development permit is required in the Coastal Zone. In addition, due to inadequate emergency service access, accessory dwelling units cannot be established in any condominium or apartment project, unless specially addressed in the planned residential ordinance, or any mobile home subdivision or trailer park. Accessory dwelling units are permitted on lots/parcels where there is one existing or planned residence.. Accessory dwelling units require no discretionary approval, with the exception of hillside developments. Accessory dwelling units proposed on a slope of 20 percent or greater are prohibited. Parking requirements for accessory dwelling units within the Coastal Zone are shown in **Chart 3-10** to comply with the public access requirements of California Coastal Act. The City will continue to update its regulations to comply with state legislation as needed as updates are made to state law.

Housing for Farmworkers

California law (Government Code Section 65583(c)(1)(C)) requires the adequate provision of sites to accommodate the housing needs of farmworkers. Housing elements should ensure that local zoning, development standards, and permitting processes comply with Health and Safety Code Sections 17021.5 and 17021.6. Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. A jurisdiction cannot require any conditional use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required of a family dwelling of the same type in the same zone. Section 17021.6 generally requires employee housing consisting of not more than 36 beds in group quarters or 12 units or less designed for use by a single family or household to be treated as an agricultural use. A jurisdiction cannot require a conditional use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required of any other agricultural activity in the same zone. Program HE-25 addresses the requirements of the Employee Housing Act.

Housing for People with Disabilities

The Lanterman Development Disabilities Services Act declares that mentally and physically disabled persons are entitled to live in normal residential surroundings. A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards or require variances on these homes than those required for homes in the same district.

The 1983 Zoning Code for the Coastal Zone conditionally permits family care facilities serving six or fewer residents in the R-1, R-2, and R-3 zones and conditionally permits larger facilities, called group care facilities, in the R-3 and R-R zones. Outside the Coastal Zone, the 1998 Zoning Code permits residential care facilities serving six or fewer persons by right in all residential zones and conditionally permits larger facilities in the same zones. Program HE-22 proposes amending the 1983 Zoning Code for the Coastal Zone to permit small residential care facilities in all residential zones.

Emergency Shelters

The California Health and Safety Code, Section 50801, defines an emergency shelter as "housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay."

Legislation (Senate Bill [SB] 2 [Cedillo 2007]) requires jurisdictions to allow emergency shelters without a conditional use permit in at least one zone or sufficiently sized site in the City to meet the City's homeless need. The City of Pismo Beach 1998 Zoning Code permits emergency shelters by right in the RSM, CRS, CG, CS, CD-C, CD-M, and CD-V zones. Pismo Beach currently has over 6 acres of vacant land on three parcels in these zones that can accommodate the development of an emergency shelter. Typical uses in these zones are a mix of commercial uses and medium-density residential housing. The vacant parcels range in size from 0.2 to 4.6 acres. These sites are in proximity to transit and services.

Supportive and Transitional Housing

Supportive housing is defined by Health and Safety Code Section 50675.14 as housing with linked on-site or off-site services with no limit on the length of stay and that is occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Services linked to supportive housing usually focus on retaining housing, living and working in the community, and/or health improvement. In an effort to encourage the development of more supportive housing and address increasing levels of homelessness statewide, in 2018, the State Assembly passed Assembly Bill (AB) 2162, which limits the discretionary and review process for supportive housing projects. AB

2162 requires jurisdictions to permit the development of supportive housing by-right in areas zoned for either multifamily or mixed-use development. By requiring ministerial approval in these circumstances, the development of certain supportive housing would also fall under the California Environmental Quality Act (CEQA) exemption for ministerial approval.

Transitional housing is defined in Health and Safety Code Section 50675.2 as rental housing for stays of at least six months but where the units are recirculated to another program recipient after a set period. It may be designated for a homeless individual or family transitioning to permanent housing. This housing can take many structural forms, such as group housing and multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living.

Pursuant to SB 2, transitional and supportive housing types are required to be treated as residential uses and subject only to those restrictions that apply to other residential uses of the same type in the same zone. The City's Zoning Codes are silent on the provision for transitional and supportive housing. To ensure consistency with state law, Program HE-22 proposes to make transitional and supportive housing subject to the same requirements as residential uses and to address AB 2162.

Allowed Land Uses

Chart 3-4 and **Chart 3-5** summarize the housing types permitted in the community by zoning district. Each use is designated by a letter denoting whether the use is permitted by right (P) or conditionally permitted (CUP). Note that all residential uses in the Coastal Zone also require a Coastal Development Permit (CDP) for approval.

Chart 3-4 Residential Uses Permitted in the Coastal Zone

Type of Housing	Zoning District							C-1	C-2
	R-1	R-2	R-3	R-4	R-R	P-R	M-H		
Single Family	P	P	P	CUP	P	CUP	—	—	—
Duplexes/Triplexes	—	P	P	CUP	P	CUP	—	—	—
Multiple Family	—	CUP	P	CUP	P	CUP	—	P**	P**
Condominiums	—	—	CUP	—	CUP	CUP	—	—	—
Mobile Home Parks	—	—	—	—	—	—	P	—	—
Mobile Home	P	—	—	CUP	P	—	P	—	—
Emergency Shelters	—	—	—	—	—	—	—	—	—
Accessory Dwelling Units (Secondary Units)	P	P	P	P	P	P	—	P/CUP*	CUP
Senior Housing	—	—	—	—	—	—	—	—	—
Boarding Homes	—	—	CUP	—	CUP	—	—	—	—
Mixed Use	—	—	—	—	—	—	—	—	—
Adult Daycare Facilities	—	—	—	—	—	—	—	—	—
Family Care Facility (6 or fewer)	CUP	CUP	CUP	—	CUP	—	—	—	—
Group Care Facility (7 or more)	—	—	CUP	—	CUP	—	—	—	—

Source: 1983 Pismo Beach Zoning Code

Notes: P = permitted use, CUP = conditionally permitted use, — = not permitted

*Permitted by right if affordable

**Affordable housing as a secondary use (i.e., upper floors of buildings)

Chart 3-5 Residential Uses Permitted Outside Coastal Zone

Type of Housing	Zoning District								
	RSL	RSM	RR (L/M)	CRS	CG	CS	CD-C	CD-M	CD-V
Single Family	P	P	P	—	—	P	—	CUP	—
Duplexes	—	—	P	—	—	P	—	P	CUP
Multiple Family	—	—	P	—	—	P	—	CUP	CUP
Condominiums	—	P	CUP	—	—	—	—	—	—
Mobile Home Parks	CUP	CUP	CUP	—	—	—	—	—	—
Mobile Home	P	P	P	—	—	—	—	—	—
Emergency Shelters	—	CUP	—	P	P	P	P	P	P
Accessory Dwelling Units (Secondary Units)	P	P	P	—	—	—	—	—	—
Senior Housing	—	P	P	—	—	—	—	—	—
Boarding Homes	—	—	CUP	—	—	—	—	—	—
Mixed Use	—	—	—	—	CUP	P	CUP	CUP	CUP
Adult Daycare Facilities	CUP	CUP	CUP	—	—	—	—	—	—
Residential Care Homes (6 or fewer)	P	P	P	—	—	P	—	P	P
Residential Care Homes (7 or more)	CUP	CUP	CUP	—	—	P	—	P	P

Source: 1998 Pismo Beach Zoning Code

Notes: P = permitted use, CUP = conditionally permitted use, — = not permitted

What typically gets built is what the zone is intended for. For example, in the Pismo Heights Planning Area with a Single-Family land use designation, single-family homes have been built. However, there are exceptions. The PR land use designation has had both single family and duplexes built in the medium-density designation in the South Palisades and Freeway foothills planning areas.

Typical built density for R-1 sites is one unit per buildable lot. The allowed density for the R-2 (Two and Three-Family Residential) Zone is 21.78 dwelling units per acre (du/ac.). The majority of lots with the R-2 designation are smaller in size (approximately 5,000 square feet [sq. ft.]) and are typically built to a density of approximately 15 du/ac. The allowed densities for the R-3 (Multifamily Residential), R-4 (Hotel-Motel and Visitor Serving) and R-R (Resort-Residential) zones are 30 du/ac. Recent projects within these zones have been built to a density of approximately 20 du/ac. In all cases, the major limiting factor in providing additional density were parking requirements.

3. Density Bonus

To achieve density increases, the City implements the state's density bonus program (Government Code Section 65915) through Chapter 17.26 of the Pismo Beach 1998 Zoning Code, last updated in 2000. Under this law, the City offers developers a density bonus and at least one additional concession or incentive for proposed projects that will contain: (1) units affordable to very low-, low-, or moderate-income residents consistent with state law; (2) units restricted to qualified seniors; or (3) condominiums that meet certain state affordability thresholds. Conditions and affordability covenants required by state law will apply. Density bonus requirements were not codified in the 1983 Zoning Code; therefore, no specific standards exist for projects in the Coastal Zone.

Numerous legislative actions have been passed since 2000 that amended the state density bonus program, including SB 1818, AB 2280, AB 2222, and AB 744. The City's zoning requirements in both the Coastal Zone and inland areas have not been updated to be consistent with these laws. Therefore, Program HE-1 proposes to bring Pismo Beach into compliance with current state density bonus law.

4. Residential Development Standards

The City regulates the type, location, density, and scale of residential development primarily through the Zoning Codes. Zoning regulations are designed to promote the health, safety, and general welfare of residents as well as implement the policies of the General Plan. The Zoning Codes also serve to preserve the character and integrity of neighborhoods. **Charts 3-6** through **3-9** summarize residential development standards in Pismo Beach.

Chart 3-6 Residential Development Standards in the Coastal Zone

Development Standard	Residential Zoning District					
	Low Density	Medium Density	High Density			Planned Residential
	R-1	R-2	R-3	R-4	R-R	P-R
Maximum Density*	One unit per parcel	21.78 units per acre	30 units per acre	30 units per acre	30 units per acre	One unit per parcel, unless use permit specifies otherwise
Minimum Lot Area	5,000 sq. ft.	5,000 sq. ft.	5,000 sq. ft.	20,000 sq. ft.	5,000 sq. ft.	Determined by use permit**
Minimum Lot Area per Family Unit	1 unit per buildable parcel, or combination of buildable lots	2,000 sq. ft.	1,450 sq. ft.	1,450 sq. ft.	1,450 sq. ft.	As established by use permit or Coastal Land Use Plan
Front Setback	20 ft.	20 ft.	15 ft.	15 ft.	15 ft.	Determined by use permit but not less than 15 ft.
Front, bluff-top lot	15 ft.					
Sides	Corner: 20% of lot width, min 5 ft. and max 10 ft. Interior: 10% of lot width, min 7 ft. and max 10 ft.					As established by use permit or Coastal Land Use Plan
Rear Setback	10% of average lot depth, min 5 ft. and max 10 ft.				Not specified	As established by use permit or Coastal Land Use Plan
Maximum allowable total building floor area for all structures as a percentage of lot area	86% of the first 2,700 sq. ft. of lot area plus 60% of any lot area >2,700 sq. ft.	For single-family, same as R-1; all other unit types 80%	For single-family, same as R-1; all other unit types 125%			As established by use permit or Coastal Land Use Plan
Site Coverage	55%					Not to exceed 40%**
Height***	25 ft.		35 ft.			As established by use permit or Coastal Land Use Plan, whichever requires greatest height restriction

Source: 1983 Pismo Beach Zoning Code

Notes: * Maximum number of dwelling units allowed per net buildable acre in a single-family subdivision or a multifamily project. The actual number of units allowed is determined through the subdivision or land use permit process, as applicable.

**Single-family detached homes must comply with R-1 regulations.

*** Exceptions and further restrictions subject to Height Overlay District.

Chart 3-7 Residential Development Standards in Non-Coastal Zones

Development Standard	Residential Zoning District			
	Low Density	Medium Density		High Density
	RSL	RSM	RR-L	RR-H
Density	1 to 8 units per acre	9 to 15 units per acre	9 to 15 units per acre	16 to 30 units per acre
Maximum Units per Parcel	1 unit per parcel	1 unit per parcel	1 unit per 2,000 sq. ft.	1 unit per 1,450 sq. ft.
Minimum Lot Area	5,000 sq. ft.			
Front Setback				
Parcels >4,000 sq. ft.	20 ft.			
Parcels <4,000 sq. ft.	20% of depth of lot; min 10 ft.	20% of depth of lot; min 10 ft.	15 ft.	15 ft.
Front, bluff-top lot	15 ft.			
Side Setback	5 ft.			
Street-side Setback	10 ft.			
Rear Setback				
Parcel depth >70 ft.	10 ft.			
Parcel depth <70 ft.	5 ft.			
Blufftop	25 ft. from the top of the bluff for parcels subdivided before January 23, 1981; as determined by geologic study elsewhere			
Distance Between Buildings	Accessory structures must be separated from any other buildings by at least 6 ft.		Not specified	
Floor Area Ratio (FAR)				
Parcels <2,700 sq. ft.	0.86			
Parcels >2,700 sq. ft.	0.72			
Site Coverage	55%			
Height*	25 ft.	25 ft. in the Pismo Heights and the Motel District planning areas; 35 ft. elsewhere	35 ft.	35 ft.

Source: 1998 Pismo Beach Zoning Code

Notes: Maximum number of dwelling units allowed per net buildable acre in a single-family subdivision or a multifamily project. The actual number of units allowed is determined through the subdivision or land use permit process, as applicable.

* Exceptions and further restrictions subject to Height Overlay District.

Chart 3-8 Residential Standards in Coastal Zone Commercial Zones

Development Standard	Commercial Zoning District	
	C-1	C-2
Maximum Density	By use permit	
Minimum Lot Area per Family Unit	2,000 sq. ft.	Not specified
Lot Area	Determined by the use permit or development permit	
Front Setback	Per development permit; none unless side is abutting a residential parcel, then no less than 10 ft.	
Side Setback	None, unless required by other City regulations	
Rear Setback	None, unless required by other City regulations	
Bluff-top	Subject to the standards adopted in the Coastal Land Use Plan policies and programs	
FAR	200	
Site Coverage	80%	
Height	42 ft., unless oceanfront, then 25 ft.	

Source: 1983 Pismo Beach Zoning Code

Chart 3-9 Residential Standards in Non-Coastal Commercial Zones

Development Feature	Commercial Zoning District					
	CD-C	CD-M	CD-V	CRS	CG	CS
Maximum Density	By use permit	30 units per acre		Not specified in municipal code	Not specified in municipal code	Not specified in municipal code
Lot area	5,000 sq. ft. or as required by CUP	5,000 sq. ft.		2 acres for RV park	Determined by permit	Large enough to accommodate 20 units per acre
Front Setback	10 ft. where side lot line abuts residential; none otherwise	15 ft.		15 ft.	10 ft.	Determined by permit
Sides	None	5 ft.		Determined by permit	Determined by permit	Determined by permit
Rear	None	10 ft.	5 ft. minimum	Determined by permit	Determined by permit	Determined by permit
Bluff-top	25 ft. from the top of the bluff for parcels subdivided before January 23, 1981; as determined by geologic study elsewhere					
FAR	2.0	1.25		N/A	2	0.7
Site Coverage	80%	55%		Not specified	Not specified	Not specified

Development Feature	Commercial Zoning District					
	CD-C	CD-M	CD-V	CRS	CG	CS
Height	35 ft.	35 ft.; 25 ft. for single-family		25 ft.	35 ft.	Per Planned Development Permit (Section 17.42.060)

Source: 1998 Pismo Beach Zoning Code

Notes: CUP = conditional use permit, N/A = not applicable, RV = recreational vehicle, FAR = floor area ratio

Development standards in the City should not pose any constraints to the development of affordable housing. Minimum lot area required per unit decreases with the higher-density zoning districts and will provide opportunities for lower-income housing. The Zoning Codes pose no extraordinary constraints on any form of residential development.

The greatest constraint to development in Pismo Beach is the cost of land, which is market driven. The City has attempted to adopt development standards that exert modest control over development as well as providing opportunities for projects to reduce standards via planned residential developments and other flexible options. By offering flexibility in the development standards, the City allows greater opportunities for projects to achieve maximum density, yet still provides for development projects to meet the City's overall adopted goals.

The Planned Residential (P-R) zone allows for flexibility in design and structures best suited to the site and to accommodate environmental constraints. Single- and multiple-family housing is permitted subject to a conditional use permit. Densities in the P-R zone are often set by the General Plan, typically no more than eight units per acre. Any proposed development in the P-R zone must comply with the applicable specific plan.

Finally, although the City's Zoning Codes permit a wide range of housing types, single-family homes are allowed in multiple-family zones. This provision could potentially constrain the City in encouraging the production of multiple-family housing in higher-density residential zones where necessary to meet City production goals. To address this potential constraint, Program HE-14 proposes to prohibit single-family housing from being built in the multiple-family residential zones, unless the lot cannot physically accommodate more than one unit. Additionally, Programs HE-5, HE-9, HE-10, HE-11, HE-12, and HE-24 call for providing incentives and flexibility in regulations to encourage development of a variety of housing options.

Parking Standards

The City's parking requirements are based on unit type and size. Shown in **Chart 3-10**, parking requirements are typically two spaces per single-family residential unit. Multifamily residential units have a reduced requirement based on the size of unit, but

generally average two spaces per unit after accounting for guest parking. Reductions in the number of parking spaces are allowed for uses that serve tenants with low vehicle-ownership rates, such as senior housing, rooming/boarding homes, and convalescent homes. Program HE-1 proposes greater flexibility in the density bonus program to allow for these types of options.

Chart 3-10 Parking Standards

Residential Land Use	Parking Required
Single-family dwellings, duplexes	2 garage spaces; both within a garage on parcels larger than 2,700 sq. ft.; 1 within a garage on parcels less than 2,700 sq. ft. Carports not allowed for single-family dwellings.
Senior convalescent housing	1 space per 1.5 living units
Multifamily, condominiums, senior non-convalescent dwellings	Studio and 1-bedroom units of less than 600 sq. ft.: 1 space/unit; all other units require 2 spaces/unit. May be permitted in parking courts, carports, or garages. Guest parking: 1 space per 4 units for projects of 50 units or less; 1 space per 2 units for larger projects
Mobile home parks	2 spaces per unit, 1 covered; plus 1 space for each 4 units
Mobile homes outside of parks	2 spaces per unit, 1 covered
Accessory dwelling units outside the Coastal Zone[1, 2]	1 additional off-street space per unit or per bedroom, whichever is less
Accessory dwelling units in the Coastal Zone[2]	1 space for studio and 1-bedroom units; 2 spaces for 2-bedroom units
Rooming and boarding homes	1 parking space per sleeping room, or 1 space per 100 sq. ft. of sleeping area

Source: 1983 and 1998 Pismo Beach Zoning Codes

Notes: 1. 1998 Zoning Code states no accessory parking is required for an accessory dwelling unit outside the Coastal Zone if the unit is within half a mile to a public transit stop or if the unit is part of the proposed or existing primary residence or an accessory structure.

2. All parking spaces for accessory dwelling units are required in addition to the parking spaces required for the primary residence.

Open Space

In highly dense residential environments, open space between housing units and buildings can provide a more pleasant setting and more livable environment. As a means to improve the quality of high-density residential complexes, multifamily projects must comply with open space requirements. In non-Coastal Zone areas, new residential projects are required to include common outdoor space (not including required front or street-side setbacks) of 400 square feet per unit. Private outdoor space in the form of patios, decks, fenced yards, and similar spaces is also required at 75 square feet per bedroom. Buildings must be oriented to create courtyards and common open space areas that are usable by residents and not relegated to leftover pieces of the site that are difficult to access. Requirements may be modified through either Site Plan and Architectural Review or the conditional use permit approval.

During the General Plan/LCP update, which is underway, the City will revise open space requirements. Outside the coastal zone, there are no medium or high-density-zoned properties where the open space requirements would apply. No analogous provision applies for residential projects in the Coastal Zone, which is most of the City.

Adequacy of Density and Development Standards

Densities of 20 units per acre or more are preferable for affordable rental housing. Moreover, projects should also incorporate amenities such as open space, common areas, and community space that are vital to livability and appeal.

A more critical factor than achievable densities in creating affordability is access to financing that can write down (reduce the book value of an asset) the cost of the land and, if possible, any required off-site improvements. Depending on the desired affordability, it may be necessary to write land costs down to zero. Of equal importance is ensuring that the parcel is large enough to achieve a certain construction and management "critical mass." Small infill-type development projects, while necessary and attractive, are difficult to develop, finance, and manage over the long term. Typically, projects should be at least 30 to 40 units.

The Zoning Codes establish density and development standards to facilitate affordable housing. Multifamily projects can be built at 21.78 to 30 units per acre in medium- and high-density residential zones. A mixed-use project with condominiums, a hotel, and restaurant with the units built at 28.3 units per acre was built in 2015 and a second mixed-use project with attached and detached townhomes, commercial space, and vacation rentals with the units built at 20 units per acre was built in 2013. Both projects achieved higher densities while complying with current open space, height, and parking space requirements in the Zoning Codes.

The Residential Very High Density (RVHD) Overlay District contains a list of provisions to enable well-designed, very high density, and 100 percent affordable residential developments that are consistent with the Housing Element. Development within the RVHD Overlay Zone requires a minimum density of twenty residential units per acre and allows up to fifty units per acre. In addition, density bonus may be awarded to achieve further density in the RVHD Zone.

Program HE-17 proposes a housing incentive program to further encourage the development of affordable and higher-density market-rate housing. The program considers the following provisions:

- Exceptions to regulations encouraging the use of current substandard lots;
- Lot consolidation provisions to allow the assemblage of parcels into larger sites to accommodate affordable housing; and
- Density bonus provisions and specification of modifications in development standards to facilitate maximum density.

5. Development Fees

The City charges various fees and assessments to cover the costs of processing permits and providing services. Impact fees are also charged to cover the cost of providing municipal services or mitigating project impacts. These fees are summarized in **Chart 3-11**. The total amount of fees varies from project to project based on location (within or outside of the Coastal Zone) and the cost of mitigating environmental impacts. The school district charges impact fees to pay for school construction projects; however, these fees are controlled by the school district.

Local developer records provided real project examples of fees charged on new housing projects. Two multifamily projects submitted since 2010 were reviewed—a 36-unit condominium project and a 32-unit townhouse project. Fees ranged from approximately $22,900 to $40,400 per unit. According to City staff, fees for recent single-family projects have ranged from approximately $26,833 to $50,333 per residence.

Note: The fees shown in **Charts 3-11**, **3-12**, and **3-13** are effective as of July 1, 2018. However, all fees are subject to change.

Chart 3-11 Planning and Development Fees

Fee Category	Fee Amount
Planning Commission and City Council	
Coastal Development Permit	$3,261
Development Permit	$3,149
Conditional Use Permit	$4,088
Development Agreement	$11,171 [a]
Variance	$2,138
Tentative Parcel Map	$7,702
Tentative Tract Map	$7,702 + $445 per lot over 4 lots
Planned Development Permit; Minor (SFRs and Parcel Maps)	$4,506
Planned Development Permit; Major (Subdivisions)	$7,652
Condominium Conversion	$10,053 deposit [a]
Environmental Review	
Environmental Initial Study – Minor	$1,802 [b]
Environmental Initial Study – Major	Deposit determined by staff [c]
Administrative and Ministerial Actions	
Administrative Development Permit	$250
Administrative Coastal Development Permit	$250
Zoning Clearance	$154

Fee Category	Fee Amount	
Amendments		
Local Coastal Plan – Minor	$8,378 [c]	
Local Coastal Plan – Major	$16,758 [c]	
General Plan – Minor	$3,390	
General Plan – Major	$11,171	
Impact Fees		
	Single-Family	**Multifamily**
Police	$1,724	$1,212
Fire	$2,617	$1,841
Traffic	$5,364	$3,299
Park and Recreation Improvements	$6,781	$4,771
Wastewater	$3,266	$2,385
Water	$9,869	$4,944
Recycled Water	$9,637	$4,848
School	$3.48/sq. ft.	$3.48/sq. ft.

Source: City of Pismo Beach 2019

Notes: All fees listed are effective as of July 1, 2018, except impact fees, which are effective as of January 1, 2020.

a. Deposit with charges at the fully allocated hourly rates for all personnel involved, plus any outside costs.

b. Per study or $1,802 deposit if outside consultant is used.

c. With charges at the fully allocated hourly rates for all personnel involved, plus any outside costs.

Chart 3-12 Development Fees for New Housing

Development Fee Category	Development Fees per Unit	
	Single-Family 2,000 Sq. Ft.	**Attached/Multifamily, 1,400 Sq. Ft.**
General, Admin. and Police Fees	$1,724	$1,212
Fire Projection Fees	$2,617	$1,841
Traffic and Circulation Fees	$5,364	$3,299
Parks and Recreation Fees	$6,781	$4,771
Wastewater Fees	$3,266	$2,385
Water Fees (Supply and Improvements)	$9,869	$4,944
Recycled Water Development Fees	$9,637	$4,848
School Fees	$6,960	$4,872
Total	**$46,218 per unit**	**$28,172 per unit**

Source: City of Pismo Beach 2019

Fees make up approximately 4 to 14 percent of a home purchase price (see **Chart 3-13**). Given the prices of housing in Pismo Beach and fees in other jurisdictions, fees for residential development are not a significant factor in housing costs in the City.

Chart 3-13 Proportion of Fee in Overall Development Cost for a Typical Residential Development

Development Cost for a Typical Unit	Single-Family	Multiple-Family
Total estimated fees per unit	$46,218 per unit	$28,172 per unit
Median sale price per unit	$673,363	$474,673
Estimated proportion of fee cost to overall development cost per unit	7%	6%

Sources: City of Pismo Beach 2019; City-Data 2019.

Inclusionary Housing Requirements

The City's inclusionary housing requirements are in Chapter 17.26 of the municipal code. Inclusionary requirements and fees also add to housing development costs. For residential projects of five or more units, the developer can either (1) pay an in-lieu fee equal to or greater than 5 percent of the building permit value; or (2) dedicate land or build affordable units of equal value to the fee. Commercial projects greater than 5,000 square feet must either (1) pay an in-lieu fee of at least 2 percent of the building permit value; or (2) build an affordable unit or dedicate land with value equivalent to the in-lieu fee. (Note: The projects in **Chart 3-13** were less than five units and did not incur an inclusionary in-lieu fee.) The inclusionary fee has not been a constraint to development.

Short-Term Rental Regulations

The City updated their short-term rental (STR) regulations in 2018. These regulations can be found in Chapter 17.09 of the non-coastal zone zoning ordinance and Chapter 17.113 of the coastal zoning ordinance. Outside the coastal zone, STRs are permitted in the Single-Family Low-Density Residential (RSL), Single-Family Medium-Density Residential (RSM), and Open Space (OS) zones and are prohibited in all other residential zones. Homestays are regulated in the same manner as STRs, except there is no limit to the number of rental days allowed per year. These STRs or homestays are permitted only at single-family homes where the property owner retains the property as their primary residence. The property owner is required to obtain a STR license from the City. For tax purposes, properties identified as STRs must be licensed and the property owner must apply for a transient occupancy tax/lodging business improvement district/tourism marketing district (TOT/LBID/TMD) certification. This certificate requires that the property owner collect and remit TOT/LBID/TMD payments to the City on a monthly basis in compliance with the City's TOT and LBID ordinances and tourism marketing district assessment. STRs in the Coastal Zone are permitted in Planning Area K of the General Plan, or other non-residential zones. This definition is consistent with Coastal Commission guidance that recommends defining

and regulating STRs in the LCP. STRs in the coastal zone are taxed under the same procedures as STRs and homestays in the non-coastal zone described previously. The updates to the STR regulations are recent and balance housing needs of long-term residents with the mission of providing accommodations to visitors to the coast. As of June 30, 2020, the City has permitted approximately 25 STRs. The City will continue to monitor the impacts of STRs on long-term housing options.

6. Building Codes and Site Improvements

Building codes and site improvements can also increase the cost of developing housing, particularly affordable rental housing. The following examines the City's building codes and site improvement standards.

Building Codes and Enforcement

Pismo Beach implements the 2019 edition of the California Building Code and other model construction codes, with amendments adopted by the California Building Standards Commission. These model codes establish standards and require inspections at various stages of construction to ensure code compliance and minimum health and safety standards. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties, the codes are mandated for all jurisdictions in California. The City has not adopted local amendments to the model codes that increase housing costs. Building inspectors are responsible for ensuring that proposed projects meet state and local codes.

Site Improvements

The City requires on-site and off-site improvements for new housing projects. Many areas of Pismo Beach are highly developed and already have infrastructure in place to serve smaller infill residential projects. Thus, the on- and off-site improvements are minimal. Larger developments, like the Los Robles annexation area, are governed by specific plans. Fees also pay for many types of improvements to serve residential properties.

For unimproved areas not governed by a specific plan, the General Plan and City standards direct on- and off-site improvements. For instance, local streets typically have a 56-foot right-of-way and a 36-foot curb-to-curb width, but exceptions allow for smaller roadway widths as appropriate. Collectors have a 60-foot right-of-way with a curb-to-curb width of 40 feet. Sidewalks 5 feet in width are generally required on both sides of the street, as well as an additional 5-foot-wide easement for future street widening.

For small infill developments, the City does not usually require fire hydrants, streetlights, and signals, but would require these amenities for larger specific plan areas. In subdivisions, street trees are required every 30 feet. Developers are also required to install water and sewer lines. For small infill projects, developers simply install the laterals from the in-street main to the actual home. These on- and off-site improvement standards are typical for most communities and do not pose unusual constraints for housing development.

7. Local Processing and Permit Procedures

As a coastal community with unique environmental and topographical constraints, the City requires different levels of review for housing projects depending on the type, size, and location. Project reviews ensure that the proposed project meets applicable City regulations, state environmental laws, and applicable building standards. The City's development review and permitting processes for residential developments are described herein and summarized in **Charts 3-14** and **3-15**.

Chart 3-14 displays the review authority required for various planning decisions and permits. **Chart 3-15** displays the typical timelines for approvals and permits for the City. Residential projects of less than four units typically take two to four months from submittal of the application through completion of public hearings. Processing for larger residential projects can take three to six months to complete. Applications for building permits are usually submitted within one year once a project is fully entitled.

Chart 3-14 Permit Processing Procedures

Type of Decision	Role of Review Authority		
	Director or City Staff	Planning Commission	City Council
Zoning Clearance	Decision	Appeal	Appeal
Site Plan and Architectural Review	Decision	Appeal	Appeal
- Projects in RSL, RSM, and RR districts	Decision	Appeal	Appeal
- Development in other zoning districts	Recommend	Decision	Appeal
Conditional Use Permit	Recommend	Decision	Appeal

Source: 1998 Pismo Beach Zoning Code

Notes: In the Coastal Zone, the Site Plan Review is called a Review of Coastal Development Permit and applies in the same manner as the Site Plan and Architectural Review.

Chart 3-15 Timelines for Permit Procedures

Type of Approval, Permit, or Review	Typical Processing Time
Zoning Clearance	10 days
Site Plan and Architectural Review	30 days
Site Plan and Architectural Review, Planning Commission Approval	30 days after staff approval
Conditional Use Permit	4–6 months
Coastal Zone Development Permit	3–4 months
Environmental Review Process	6–12 months, dependent on the project type and type of review required

Zoning Clearance

The 1998 Zoning Code requires zoning clearance for all developments. For conventional single-family homes on existing lots of record and multifamily projects, City staff will approve the project over the counter unless the development requires an exception or modification. The zoning clearance process is intended to verify that the proposed structures or land use complies with the permitted list of activities allowed in the zoning district and the development standards applicable to the type of use. This process is completed within 10 working days.

Site Plan and Architectural Review

Site Plan and Architectural Review is required for proposed new housing for site design, including location of structures, landscaping, ingress/egress, parking and loading, grading, and architectural design. Planning staff determines whether the application complies with site planning standards. The standards are objective in nature with graphic illustrations and descriptions.

Projects on slopes exceeding 15 percent, mixed-use projects, or projects seeking discretionary land use decisions require Planning Commission approval. The Planning Commission can approve the application, with or without conditions, when the proposed project meets four criteria: (1) consistency with allowable uses in the zoning district; (2) consistency with the General Plan or applicable specific plan; (3) compliance with CEQA requirements; and (4) compatibility with existing and anticipated land uses in the vicinity. This process is typically completed within 30–60 days after staff approval. The City will evaluate criterion four for objectivity during the LCP update and make changes if needed to provide objective standards.

Conditional Use

As indicated earlier, certain residential uses require a conditional use permit. The Planning Commission is responsible for reviewing and approving the permit after a recommendation by City staff. The commission may grant the permit when the proposed use is in accordance with the provisions of the General Plan and the Zoning

Codes and appropriate conditions are met. Conditional use permits are required for certain special needs housing (e.g., residential care facilities, condominiums, and mixed-use projects), as well as multifamily units in certain zones. The conditional use permit process typically takes three to five months.

Coastal Development Permit

Properties in the Coastal Zone encompass most of the City. The City has an LCP that was approved by the Coastal Commission in 1993, which is currently undergoing a comprehensive update. Therefore, approval of development projects in the Coastal Zone can be performed locally. Proposals for residential development in the Coastal Zone are subject to the Coastal Development Permit noticing requirements. Applications for development within 300 feet of the ocean or the first through road require Planning Commission review. Development in the balance of the Coastal Zone area may be approved by City staff. In each case, there is a 30-day review period for application completeness, with action on the application to occur within 60 days for single-family homes.

Environmental Review Process

State regulations require environmental review of discretionary project proposals (e.g., subdivision maps, specific plans, use permits). The time frames associated with environmental review are regulated by CEQA. In compliance with the Permit Streamlining Act, City staff ensures that proposals are reviewed within the timeframes established in the CEQA Guidelines.

8. Housing for People with Disabilities

California law requires jurisdictions to analyze potential and actual constraints on housing for persons with disabilities, demonstrate efforts to remove impediments, and include programs to accommodate housing designed for disabled persons. Review of the Municipal Code, permitting procedures, development standards, and building codes revealed the following findings.

Land Uses and Housing

The City permits a wide variety of housing types in the community, including conventional single- and multifamily housing, mobile homes, emergency shelters, residential care facilities, and other types of housing. To comply with state law, this Housing Element proposes to amend the Zoning Codes to permit residential care facilities serving six or fewer persons and transitional housing in residential zones the same as any other permitted residential use in the same zone in a manner consistent with state law (Programs HE-20 and HE-22).

Development Regulations

The City enforces Title 24 of the California Code of Regulations, which addresses access and adaptability of buildings to accommodate persons with disabilities. The City also requires compliance with the 1988 amendments to the Fair Housing Act, which requires a minimum percentage of dwelling units in new housing projects to be fully accessible to the physically disabled. No additional accessibility or visit-ability standards above state and federal law are required. Housing occupied by people with disabilities is treated like any other residential use. No unique restrictions are in place, such as minimum distances, special conditions for disabled housing, noticing procedures, special use permits, or other regulations that could constrain the development, maintenance, or alteration of housing for disabled persons.

Process for Reasonable Accommodation

Accessibility improvements to existing structures, such as a ramp, are usually handled ministerially by City staff. Attached features, such as a ramp, may project 20 percent into the setback and 40 percent into the interior street-side setback. The fee for this process averages less than $100.

Chart 3-16 reviews not only the 1983 and 1998 Zoning Codes but also land use policies, permitting practices, and building codes to ensure compliance with state and federal fair housing laws for persons with disabilities. To further fair housing opportunity compliance, Program HE-24 commits the City to publicizing its reasonable accommodation procedure to those who may need it in their housing.

Chart 3-16 Constraints on Housing for Persons with Disabilities

Overarching and General	
Does the City have a process for persons with disabilities to make requests for reasonable accommodation? Has the City made efforts to remove constraints on housing for persons with disabilities?	Yes. The City's reasonable accommodation procedure is codified in Chapter 17.04 of the 1998 Zoning Code.
Does the City assist in meeting identified needs?	Yes. The City requires a minimum percentage of dwelling units in new housing projects to be fully accessible to the physically disabled.
Zoning and Land Use	
Has the City reviewed all its zoning laws, policies, and practices for compliance with fair housing law?	Yes. The City has reviewed the land use regulations and practices to ensure compliance with fair housing laws.
Are residential parking standards for persons with disabilities different from other parking standards? Does the City have a policy or program for the reduction of parking requirements for special needs housing if a	Section 17.108.070 of the 1983 Zoning Code (Coastal) mandates specific requirements (number, size, performance standards) for disabled parking and reduced parking for new housing for the elderly.

proponent can demonstrate a reduced parking need?	Section 17.34.060 of the 1998 Zoning Code (Inland) mandates the provisions of disabled parking spaces in accordance with Uniform Building Code Section 1129B.
Does the locality restrict the siting of group homes?	Family care facilities (group homes with six or fewer residents) are restricted with CUP requirements. Only outside the Coastal Zone are family care facilities permitted by right in all residential zones. Program HE-22 is proposed to bring the City into compliance with state law in the Coastal Zone.
What zones allow group homes other than those allowed by state law? Are group homes over six persons allowed?	In the Coastal Zone (1983 Zoning Code), family care facilities require a conditional use permit in the R-3 and R-R zones (they are not permitted in other residential zones). Program HE-22 is proposed to bring the City into compliance with state law in the Coastal Zone. Outside the Coastal Zone (1998 Zoning Code), residential care facilities are permitted by right in all residential zones and a conditional use permit is required for larger facilities in the same zones.
Does the City have occupancy standards in the zoning code that apply specifically to unrelated adults and not to families?	No
Does the land use element regulate the siting of special-needs housing in relationship to one another?	No. There is no minimum distance required between two or more special-needs housing.
Permits and Processing	
How does the City process a request to retrofit homes for accessibility?	Ministerially by City staff.
Does the City allow group homes with six or fewer persons by right in single-family zones?	Yes, outside of the Coastal Zone (1998 Zoning Code). However, a conditional use permit is required within the Coastal Zone (1983 Zoning Code). Program HE-22 is proposed to bring the City into compliance with state law in the Coastal Zone.
Does the City have a set of particular conditions or use restrictions for group homes with greater than six persons?	Yes. Group homes with greater than six persons (referred to as group care facilities in the Municipal Code) are only permitted in the R-3 and R-R zones and require a CUP in the Coastal Zone. Outside of the Coastal Zone, a CUP is required in all residential zones.
What kind of community input does the City allow for the approval of group homes?	When a residential care facility is proposed in permitted zones, no other planning approval is required other than to ensure that the development conforms to the standards of the applicable Zoning Code. However, the CUP process provides the public with an opportunity to review the project and express their concerns in a public hearing.

Does the City have particular conditions for group homes that will be providing services on site?	No. The City does not have special standards for group homes regarding location, design, or operation.
Building Codes	
Has the locality adopted the Uniform Building Code?	Pismo Beach has adopted the 2016 California Building Code.
Has the City adopted any universal design[1] element into the code?	The City's Building Code does not include specific regulations that require incorporation of universal design.
Does the City provide reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits?	The City enforces what is required by the 2016 California Building Code. The City has a process to ensure reasonable accommodation for those with disabilities. It is codified in Chapter 17.04 of the 1998 Zoning Code.

Source: City of Pismo Beach 2018

Note: 1. Universal design can address limited lifting or flexibility (with roll-in showers and grab bars), limited mobility (with push/pull lever faucets, wide wing hinges), and limited vision (by additional stairwell and task lighting).

9. Energy Conservation Opportunities

Introduction

Greenhouse gas emissions from human activities, such as electricity production, motorized transportation, and livestock production, are contributing to global climate change. The effects of global climate change are potentially drastic and may result in severe flooding, droughts, heat waves, and other weather-related effects that may in turn cause property damage, negatively impact agriculture, and cause a loss of biodiversity. New housing development contributes to greenhouse gas emissions, but wise choices related to site design, building architecture, and materials specification can significantly reduce these emissions. In addition, these increases in efficiency can contribute to reduced housing costs and reduce automobile dependence. Energy efficiency has direct application to affordable housing because if more money is spent on energy, less money is available for rent or mortgage payments. High energy costs have particularly detrimental effects on low-income households that do not have enough income or cash reserves to absorb cost increases and must choose between basic needs such as shelter, food, and energy. State housing element law requires an analysis of the opportunities for energy conservation in residential development. This section describes opportunities for conserving energy in existing homes as well as in new residential construction. The factors affecting energy use, conservation programs currently available in Pismo Beach, and examples of effective programs used by other jurisdictions are discussed.

Factors Affecting Energy Use

The factors that affect residential energy use must be understood in order to identify opportunities for conservation. One such factor is the size of the population. At any given time, the larger the population, the more electricity is consumed. But over time, new conservation mandates and technological advances decrease the per capita consumption of energy. This means that the total energy use increases at a slower rate than population. A greater density of development can offer the economies of scale, which increase efficiencies in energy systems, as well as the need for water and sewer infrastructure. Land use planning and zoning practices can help to conserve energy. For example, if the General Plan and zoning ordinance encourage residential subdivision in a relatively isolated area, far from commercial facilities such as grocery stores, residents must travel longer distances to take care of their daily shopping and service needs. Keeping housing and jobs in balance and near each other helps to reduce energy use for commuting. Longer trips usually necessitate using an automobile rather than walking or cycling. Changing the land use pattern can also change energy use patterns.

In addition to the effects of land use patterns on energy use patterns, the price of energy itself often plays a role in its consumption. The price of energy has a significant effect; the more expensive it becomes; the more incentive people have to conserve. Pricing energy at higher levels encourages alternative consumption patterns in the community.

Residential water heating and heating/cooling are major sources of energy consumption. With the application of energy-efficient design and the use of solar power systems, home heating and cooling can be operated on a more efficient and sustainable level. Encouraging energy-efficient building design and green energy systems through incentives and other measures contributes to reduced energy consumption across the community at large.

The local climate has a large effect on residential energy use. In general, Pismo Beach has a mild climate typical of many coastal communities. Summers are warm with early morning fog, and winters are only moderately cold. Prolonged periods of cold weather cause increased energy use for space and water heating. Conversely, prolonged periods of hot weather cause increased energy use for space cooling. This situation is particularly true if homes are not well insulated. Landscaping can mitigate this effect. For example, deciduous trees near a home can shade it from sun in the summer and allow the sun's rays to reach it in the winter.

The efficiency of household appliances also affects energy use. Older appliances may not operate as efficiently as when they were new, and many older appliances were built when energy conservation was not considered important. Significant energy-efficient design advances have been made in refrigerators, stoves, and furnaces.

Existing Conservation Programs

Pismo Beach will join Monterey Bay Community Power to implement community choice electricity sourcing beginning January 1, 2021. Pismo Beach will join most of the other cities in the county and much of the rest of the central coast of California to get their electricity from this company rather than Pacific Gas and Electric Company (PG&E) in order to receive electricity from more renewable sources. Transmission of electricity will still be via PG&E transmission lines.

The following energy conservation programs are implemented in Pismo Beach:

- The California Building Standards Code (specifically Title 24) requires that all new residential development comply with several energy conservation standards. The standards require ceiling, wall, and concrete slab insulation, vapor barriers, weather-stripping on doors and windows, closeable doors on fireplaces, no continuous burning gas pilot lights, insulated heating and cooling ducts, water heater insulation blankets, swimming pool covers and timers, certified energy-efficient appliances, etc. All new construction in Pismo Beach must comply with Title 24. Updates to the standards are issued every three years. The next update will take effect January 1, 2020.
- Pismo Beach Climate Action Plan. The most updated version of this document, released in May 2014, recommends measures that can be implemented to help reduce greenhouse gas emissions from City government operations and activities within the community. This policy document recommends implementation measures that help lower energy costs, reduce air pollution, support local economic development, and improve public health. Climate action measures suggested in the plan include government energy efficiency retrofits, a community-wide energy audit and retrofit program, and an income-qualified solar photovoltaic program.
- The San Luis Obispo Regional Energy Alliance offers two programs to reduce energy use, demand, and cost, and lower greenhouse gas emissions in San Luis Obispo County, which includes Pismo Beach:
    - The emPower program offers incentives, financing, and qualified contractors to homeowners throughout the county, to help overcome barriers to energy-saving upgrades and to decrease monthly utility bills.
    - Energy Watch is a comprehensive program that provides information to targeted customers regarding energy use and cost associated with facilities and infrastructure. This information is used to identify, finance, and implement energy and cost savings measures, as well as track building performance.
- Income-qualified Pismo Beach homeowners are also eligible for no-cost solar installations through the nonprofit group Grid Alternatives.

- PG&E offers a variety of energy conservation services for residents and provides several other energy assistance programs for lower-income households. These programs include the Low Income Home Energy Assistance Program (LIHEAP) and the Energy Savings Assistance Program. LIHEAP is a federally subisdized program that helps provides one-time financial assistance to low-income residents struggling to pay their energy bills and provides home weatherization services that helps residents to lower their energy costs The Energy Savings Assistance Program provides home energy assessments for low-income Californians and provides energy updates, such as refrigerator or furnace repaclacements, energy-efficient lightbulbs, caulking, or low-flow showerheads. PG&E also offers rebates for energy-efficient home appliances (such as heating and cooling equipment or appliances) and remodeling for customers at all income levels and housing types. Program HE-25 is proposed to address energy conservation and efficiency in Pismo Beach.

Chapter 4

Housing Resources

This chapter addresses the resources available for the development, improvement, and preservation of housing in Pismo Beach. This includes:

- An evaluation of Pismo Beach's Regional Housing Needs Allocation.
- A sites inventory and analysis, which is an inventory of land suitable for residential development.
- A summary of potential infrastructure and environmental constraints to residential development.
- An overview of financial and administrative means for developing and implementing City housing programs.

A. Regional Housing Needs Allocation



California law requires the California Department of Housing and Community Development (HCD) to project statewide housing needs and allocate the need to each region in the state. After consulting with the San Luis Obispo Council of Governments (SLOCOG), HCD provides the regional need to SLOCOG, which then distributes the Regional Housing Needs Allocation (RHNA) to San Luis Obispo County (County) and the cities in the SLOCOG region. SLOCOG allocates housing production goals for the County and member cities based on their share of the region's population and employment growth. The projected housing needs in the RHNA are categorized by income based on the standards of very low-, low-, moderate-, and above moderate-income households established by the US Department of Housing and Urban Development (HUD) (California Health and Safety Code Section 50079.5). The following sections describe the RHNA for the current 2019–2028 (sixth) RHNA cycle.

1. 2019–2028 Regional Housing Needs Allocation

The time frame that units can be counted towards the RHNA is December 31, 2018–December 31, 2028. The RHNA projection period effectively started January 1, 2019, so that year is used in this housing element. The City's RHNA for the 2019–2028 projection period (459 units) is shown in **Chart 4-1**. As shown in the chart, units were

constructed or building permits were issued for 36 above moderate-income units so far during the RHNA cycle. In addition, two accessory dwelling units (ADUs) were permitted (considered to be affordable to low- and moderate-income households, according to a county-wide ADU market study). See Section B.2 for an analysis of ADU potential and affordability.

Chart 4-1 Regional Housing Needs Allocation Progress 2019–2028

	Income Category					Total
	Extremely Low*	Very Low	Low	Moderate	Above Moderate	
2019–2028 RHNA	56	57	71	82	193	459
Building Permits/Units Constructed	0	0	0	0	36	36
ADUs Permitted	0	0	1	1	0	2
Vacant Land Inventory	161			60	228	449
ADU Potential**	0	0	33	34	0	67
2014–2019 RHNA Surplus	11			13	71	

Source: SLOCOG 2019; San Luis Obispo County Accessory Dwelling Unit and Mobile/Manufactured Home Market Study Report 2020; City of Pismo Beach 2020

Notes: * The extremely low-income allocation is assumed to be 19 based on the HCD-accepted methodology of assuming 50 percent of the very low-income allocation for households of extremely low income.

** According to HCD guidance, the nine remaining years of the projection period/RHNA cycle can be projected at five times the average past ADU approval performance. Past performance for 2014 to 2018 was an average of 1.5 ADUs approved per year.

B. Sites Inventory and Analysis

Local governments can employ a variety of development strategies to meet their RHNA housing production goals, as established in California Government Code Section 65583(c)(1)). In addition to identifying vacant or underutilized land resources, local governments can address a portion of their adequate sites requirement through the provision of ADUs. This section summarizes units permitted, the vacant land inventory, and ADU potential.

1. Vacant Land Inventory

State law governing the preparation of housing elements emphasizes the importance of an adequate land supply by requiring that each housing element "identify adequate sites… to facilitate and encourage the development of a variety of types of housing for all income levels" (Government Code Section 65583(c)(1)). If an adequate supply of new housing is to be provided, enough land must be zoned to allow for the

construction of a variety of housing at densities that will satisfy the objectives of the housing element. The land must also have access to appropriate public services, such as water, sewer, storm drainage, and roads. The current vacant land inventory (**Chart 4-2**) identifies the potential for 449 units. Pismo Beach has over 43 acres of vacant land in the CG, P-R, R-1, and RSL zones that can accommodate 228 residential units. Most of these sites are expected to accommodate above moderate-income households. In addition, sites identified in the C-1 and P-R districts and smaller sites identified in the R-3, R-4, and R-R districts have been identified as appropriate sites for 60 potential moderate-income units. Specific sites of sufficient size and certain characteristics in the R-R, R-3 (with RVHD Overlay), C-1, and C-2 districts have been identified as suitable for higher-density housing and can potentially accommodate 161 units (see also Appendix C and **Chart 4-1**). A map showing the locations of vacant sites can be found in Appendix B, and a detailed land inventory table can be found in Appendix C.

Chart 4-2 Pismo Beach: Vacant Land Sites Summary

Zone	Number of Parcels	Acres	Realistic Unit Capacity
Low- or Medium-Density Vacant Parcels			
CG	2	3.53	3
P-R	49	22.13	173
R-1	32	5.41	32
RSL	20	4.81	20
Low- or Medium-Density Subtotal	**103**	**35.87**	**228**
Vacant Parcels Suitable for Moderate-Income Units			
C-1	4	0.61	4
R-3	2	0.42	11
R-4	6	1.14	27
R-R	1	0.23	4
P-R	1	7.47	14
Moderate-Income Subtotal	**14**	**9.87**	**60**
High-Density Vacant Parcels			
R-R	3	0.89	15
C-2	2	2.78	61
R-3 with RVHD Overlay	1	1.20	60
C-1	1	0.57	25
High-Density Subtotal	**7**	**5.44**	**161**
Totals	**124**	**51.19**	**449**

Source: City of Pismo Beach 2020

Vacant parcels listed in **Chart 4-2** are in zones allowing residential uses and are clear of environmental constraints that preclude development. Development potential was determined in concert with the City's knowledge of the sites. It was assumed that vacant single-family parcels could support one unit per parcel.

2. Accessory Dwelling Unit Potential

Between 2014 and 2019, the City has permitted an average of 1.5 accessory units annually. Using this historical average and guidance provided by HCD, it is assumed that 67 ADUs will be permitted before December 31, 2028. This assumption takes into consideration historical trends as well as the increased permissiveness of state law regarding ADUs, balanced with requirements of the Coastal Act. Based on the size of ADUs and rents in Pismo Beach, the City estimates that this type of unit is most likely to be affordable to moderate- and low-income households. See affordability limits in **Chart 2-19** and current market rental rates in **Chart 2-18** (both in Chapter 2). According to the research, market rent averages range from about $1,800 to $2,500 for studio and one-bedroom units. It is assumed most ADUs will be one of these two unit sizes. This range is mainly affordable to moderate-income households. In the fall of 2019, the County conducted a countywide market study of ADUs that included all the cities, unincorporated communities, and remote residential development within the county. The market study found that ADUs currently available for rent in San Luis Obispo County are affordable to a variety of income groups and household sizes. In addition, based on an ADU study conducted by the University of California (UC) Berkeley's Center for Community Innovation (Chapple et al. 2017), 40 percent of ADUs are typically rented to family members or friends at either no cost or below market rate rental rates. Based on the combination of the market study and the Chapple industry research, of the 67 ADUs projected to be built in Pismo Beach between 2020 and 2028, 33 (49 percent) are anticipated to be affordable to low-income households, and 34 (51 percent) will be affordable to moderate-income households.

The Pismo Beach ADU regulations encourage ADUs and allow flexibility in their development. The regulations may assist homeowners in purchasing a home, provide security for people living alone, provide quarters for relatives, make more efficient use of infrastructure, increase the diversity of people living in neighborhoods, and offer an opportunity for low- and moderate-income renters. Pismo Beach last updated their regulations for ADUs in 2018. Program HE-18 calls for updates to the ADU regulations to comply with changes to state law since 2018.

Demolitions

Higher-density housing construction has occurred on underutilized sites. A review of building permits issued from 2001 through 2018 indicates that 6 older single-family dwellings were replaced with higher-density units, including 15 multifamily units and 18 condominiums, totaling 33 units (see **Chart 4-3**). A significant number of older single-family homes were also demolished and replaced by newer and typically larger single-family residences.

Since 1982, it is estimated that 135 units have been demolished and 90 replacement units have been constructed in the Coastal Zone. Approximately one-third of the demolished units, or 45 units, were low- and moderate-income units. No demolition of affordable units has occurred since 2010.

Chart 4-3 Residential Units Built After Demolition, 2001–2018

Project Address	Zoning District	Existing Use Demolished	Replacement Housing
2057 Shell Beach	R-3	1 SFR	Apartments (6 units)
140 Park	R-4	1 SFR	Condos (12 units)
251 Park	RR	1 SFR	Duplex (2 units)
436 Stimson	R-3	1 SFR	Condos (6 units)
361 Hinds	RR	1 SFR	Quadplex (4 units)
271 Wadsworth	R-3	1 SFR	Triplex (3 units)
Total		**6**	**33 units (18 condos and 15 multifamily)**

Source: City of Pismo Beach Building and Planning records 2018

Note: SFR = single-family residence

C. Infrastructure and Environmental Constraints

Pismo Beach has a variety of infrastructure and environmental constraints that need to be addressed to accommodate new residential development, such as environmental issues associated with hillsides, flooding, water supply, sewer system, roads, and other infrastructure. This section discusses these potential constraints to future residential development in the City.

1. Infrastructure Analysis

Infrastructure adds to the cost of new construction (e.g., major and local streets, water and sewer lines, and street lighting). In most cases, these improvements are dedicated to the City, which is then responsible for their maintenance. Water and sewer service capacity is discussed herein. An analysis of other site improvements is conducted in Chapter 3, Section B.6.

Water Service

The City receives 2,832 acre-feet of water per year (AFA), which includes 1,240 AFA from the State Water Project, 892 AFA from Lopez Reservoir, and 700 AFA from City Wells 5 and 23. The City also has 10 reservoirs that can store 5.33 million gallons of water and is pursuing the Central Coast Blue Project, which is a regional advanced purified water project that would involve injection of advanced purified water into the Satna Maria Groundwater Basin. In 2015, the City's surface and well water production was 2,319 acre-feet, which is approximately 82 percent of capacity. The City's 2015 *Urban Water Management Plan* includes water supply projections until 2035 and forecasts

that demand can be met, assuming contracts for water remain stable. Should a water shortage become imminent, the City will comply with state law (Senate Bill [SB] 1087) requiring a priority permit allocation system for lower-income housing.

Wastewater

The City's wastewater disposal system comprises the treatment plant adjacent to Pismo Creek and the ocean outfall near Oceano, which is operated jointly with the South San Luis Obispo County Sanitation District. In July 2006, a $12 million upgrade and expansion project was completed at the Pismo Beach Wastewater Treatment Plant. The upgraded plant is now equipped with an advanced secondary treatment designed to accommodate and treat flows expected at full buildout of the City. The facility has a design capacity of 1.9 million gallons per day (mgd), with a peak flow up to 6 mgd. The 2011 Local Agency Formation Commission Municipal Services Review indicates the plant operates at 53 percent capacity. According to the General Plan Environmental Impact Report (EIR), average daily flow for residential use is 98 gallons per capita per day. Based on a projected population of 11,122 in 2027 in the City's *Urban Water Management Plan*, the wastewater flow is estimated to be 1.6 mgd or 84 percent of capacity, and 93 percent of capacity including areas in the Sphere of Influence.

Dry Utilities

Dry utility service, including electrical service and internet, are available on all of the parcels in the City's land inventory.

2. Environmental Issues

Environmental constraints to residential development typically relate to unsuitable soils, sensitive biological resources and coastal wildlife, topographic constraints, the potential for natural hazards, and the presence of hazardous wastes or other factors. This section analyzes the potential for natural and man-made hazards.

Topography

Pismo Beach's topography includes perpendicular bluffs, gently sloping marine terraces, and steep hillsides. Slopes exceeding 30 percent grade are generally retained as permanent public or private open space (one notable exception is the Pismo Heights Planning Area). In the Coastal Zone portion of Pismo Heights, the maximum slope that can be graded is 20 percent. The City has adopted Hillside Regulations to preserve and protect hillside areas, situate projects with the least environmental and visual impacts, and preserve significant features of the natural landscape. The City Hillside Development Standards apply to slopes of 10 percent or greater or sites where access will cross such slopes. The Planning Commission must approve a Development Permit or Coastal Development Permit prior to issuance of a building permit, grading permit, or tentative map approval. Projects must also comply with erosion, landscaping, grading, habitat protection, and viewshed requirements.

Natural Hazards

Land areas subject to hazards associated with steep slope, slope stability, and drainage issues are designated by a Hazardous Overlay and Protection Zone. Geologic reports for development in this zone may be required and reviewed by the appropriate decision-making body prior to approval. The City has bluff setback requirements for all types of development in order to retain structural integrity for a minimum of 100 years and to minimize the effects of erosion, geologic instability, or destruction of the site. For development on single-family residential lots subdivided prior to 1981, the minimum setback is 25 feet from the top of the bluff. For all other development, a site-specific geological study is required.

Flooding hazards stem from Pismo Creek/Price Canyon, the Meadow Creek/Pismo Marsh drainage ways, and the ocean. The floodplain maps in Appendix D show that substantial developed areas in the commercial core and the Pismo Creek Planning Area could be subject to flooding from a 100-year storm. The majority of the Meadow Creek floodplain, within the Pismo Beach Ecological Preserve, is protected from residential development. Following flooding in 1971, however, the US Army Corps of Engineers improved the Pismo Creek Channel. New projects are subject to the requirements of the City's Floodplain Overlay Zone and Federal Emergency Management Agency (FEMA) regulations.

Pismo Beach is in a seismically active area; however, no known active faults underly the City itself. The only fault known to occur in Pismo Beach is the San Miguelito fault, which lies along the east bank of Pismo Creek. However, this fault is considered inactive. The greatest potential of seismic risk is associated with the San Andreas fault, 40 miles to the east. The Nacimiento fault is a secondary source of strong ground shaking but would have a negligible effect on Pismo Beach. The potential for liquefaction, landslides, and tidal waves is present throughout the community in the event of an earthquake. The City has adopted various building codes and development review procedures to reduce such hazards.

Coastal Foothills

As established in General Plan Policy CO-9, all land above the 200-foot contour line is designated as permanent open space. In this designation, the maximum permitted number of dwelling units is calculated based on the amount of land up to the 250-foot contour but excludes lands on existing natural slopes greater than 30 percent. No building pads or structures are permitted above the 200-foot contour. A scenic or open space easement prohibiting development above the 200-foot contour is required to be dedicated to the City as a condition of approval of development below the 200-foot contour.

D. Financial and Administrative Resources

Developing affordable housing in a high-priced market, such as in Pismo Beach, requires access to local, state, and federal funding, as well as organizations with the expertise to build and manage affordable housing. The following financial and administrative resources are available for affordable housing development and conservation in Pismo Beach.

1. Financing Resources

State Funding Sources and Information

HCD and other state agencies identify funding and programs for housing (see **Chart 4-4**). Adoption and certification of a jurisdiction's housing element is required for many state funding sources.

Chart 4-4 State Program Funding Sources

- CalHome Program
- California Housing Finance Agency (CalHFA) Tax Exempt Permanent Loan Program
- CalHFA FHA Loan Program
- California Self-Help Housing Program
- Caltrans Surplus Land Priority Sale
- DOE Energy Weatherization Assistance Program
- DWR Surplus Property Sale
- Emergency Housing and Assistance Program Capital Development
- Emergency Housing and Assistance Program Operating Facility Grants
- Family Housing Demonstration Program (FHDP)
- Federal Emergency Solutions Grant Program
- HOME Investment Partnerships Program
- Farmworker Housing Assistance Program
- Farmworker Housing Grant Program
- Joe Serna, Jr., Farmworker Housing Grant Program
- Low Income Home Energy Assistance Program (LIHEAP)
- Low Income Housing Fund Loan Packaging Program
- Low Income Housing Fund Mortgage Banking Pools
- Low Income Housing Tax Credit Program
- Mobile Home Park Resident Ownership Program
- Multifamily Housing Program
- Office of Migrant Services
- Predevelopment Loan Program
- State CDBG Program Economic Development Allocation, Over the Counter Component
- State CDBG Program Economic Development Allocation, Enterprise Fund Component
- State CDBG Program General, Native American, and Colonias Allocations
- State CDBG Planning/Technical Assistance
- State Housing Assistance Council Rural Seed Money Loan Programs
- Tax-Exempt Private Activiey Bond Program

Inclusionary Housing Fee Funds

The City's inclusionary housing program offers the option of paying a fee in lieu of building affordable housing. Fees deposited into the account must be used in the acquisition, construction, or rehabilitation of affordable housing. As of 2017, the fund has a balance of $3,360,000.

2. Administrative Resources

Housing Authority of San Luis Obispo

The Housing Authority of San Luis Obispo was created to provide housing assistance for the county's lower-income residents. The Housing Authority administers the Housing Choice Voucher/Section 8 rental assistance program and manages public housing developments. The Housing Authority also administers the Mortgage Credit Certificate Program, the Security Deposit Program, and other programs. Currently, the agency provides 48 Section 8 vouchers to very low-income households in Pismo Beach and maintains a waiting list that is currently closed.

People's Self-Help Housing

People's Self-Help Housing (PSHH) is a diverse nonprofit organization committed to furthering opportunities for decent, safe, affordable housing and support services in San Luis Obispo, Santa Barbara, and Ventura Counties. PSHH has two primary programs—a Self-Help Homeownership Program and a Rental Housing Development and Construction Services Program. Since its inception in the 1960s, PSHH has developed more than 1,200 sweat equity homes and 1,700 rental units and has assisted in the rehabilitation and repair of more than 3,000 housing units. PSHH currently owns and operates two affordable projects in Pismo Beach, Sea Haven Apartments (12 low- and very low-income units), and Pismo Creek Bungalows (14 very low-income units).

PSHH also provides free seminars to residents on the Central Coast, including those aimed at first-time homebuyers and foreclosure prevention.

Community Action Partnership of San Luis Obispo County (CAPSLO)

CAPSLO provides a wide variety of social services in San Luis Obispo County. Their divisions are Homeless Services, Head Start, Health Services, and Energy Conservation Services. CAPSLO operates the Maxine Lewis Memorial Homeless Shelter and the Prado Day Center in San Luis Obispo. They also operate Head Start and Migrant Head Start programs and two health centers in San Luis Obispo and Arroyo Grande. The Energy Conservation division provides weatherization and home repairs throughout the county.

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Chapter 5

Review of the Previous Housing Element



As part of the housing element update, cities must review the progress and efficacy of existing housing goals, policies, and programs. Pismo Beach's 2014–2019 Housing Element considered conditions and constraints and set strategies to accommodate the City's share of the region's housing production goals. This chapter summarizes the City's progress in achieving the housing goals established in the 2014–2019 Housing Element.

Chart 5-1 shows the Regional Housing Needs Allocation (RHNA) for the 2014–2019 Housing Element, which had an RHNA cycle between 2014 and the end of 2018.

Chart 5-1 Regional Housing Needs Allocation 2014–2019

Income Level	2014–2019
Very Low	38
Low	24
Moderate	27
Above Moderate	64
Total	**153**

Source: 2014–2019 Pismo Beach Housing Element

A. Housing Opportunity

The 2014–2019 Housing Element focused on expanding housing opportunities to low- and moderate-income persons and persons with special housing needs. To achieve this goal, the Housing Element contained programs to make more sites available for housing and several programs to encourage opportunities for affordable housing and to update zoning to comply with state law. Program HE-1 was implemented at the time of the 2014–2019 Housing Element adoption to change the zoning on a site to R-3 with the Residential Very High-Density overlay to allow higher-density affordable housing on that site. The City has also been working with affordable

housing developers to implement several other programs to find more sites for affordable housing. The City is updating the zoning and Local Coastal Program to implement many of the other 2014–2019 programs that call for updates to the City's zoning (see **Chart 5-2** for a review of previous housing element programs).

Chart 5-2 Review of Previous Housing Element Programs

Housing Program	Progress	Continue/ Modify/Delete
HE-1. 2007–2014 Regional Housing Need In order to meet state law requirements (Government Code Sections 65583(c)(1)(A) and 65583(c)(1)(B)) to address the 2007–2014 RHNA, the City shall amend the General Plan and the Zoning Codes, as needed, and as detailed in Chapter 4 provide adequate site(s) for 26 very low- and low-income units at a minimum of 20 dwelling units per acre on certain sites or in certain zones. The 20 unit per acre density for owner-occupied or rental multifamily housing must be allowed "by right" without discretionary review if 20 percent or more of the units in a project proposed on the site are affordable to those with lower incomes. The rezoned site(s) must be able to accommodate a minimum of 16 units per site. At least half (50 percent) of these sites shall be zoned for residential uses only, except that all of the very low and low-income housing need may be accommodated on sites designated for mixed uses if those sites allow 100 percent residential use and require that residential uses occupy 50 percent of the total floor area of a mixed-use project. The applications can be subject to design review as long as the project does not trigger the CEQA review process. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Before or at the time of Housing Element adoption **Corresponding Goal/Policy:** Goals 1, 2, 4; Policies 4, 5, 6, 8, 10, 11, 12	In November 2019, the City rezoned a 1.2 acre parcel near the intersection of 4th Street and 5 Cities Drive to R-3. The City also created a new overlay zone – the Residential Very High Density (RVHD) Overlay Zone. This overlay can be applied to property by the owner through a zoning map amendment to allow higher density affordable housing projects. If the RVHD overlay is applied a project with 100% affordable units deed restricted for at least 55 years must be developed on that parcel. The minimum density must be at least 20 units per acre and the maximum density allowed is 50 units per acre. The rezoned site could accommodate up to 60 units with its new zoning addressing the remaining 2017-2014 RHNA.	Delete.
HE-2. 2014–2019 Regional Housing Need In order to ensure a sufficient selection of sites are available for higher density development in Pismo Beach, the City shall amend the General Plan and the Zoning Codes, as needed, and as detailed in Chapter 4 provide adequate site(s) for the 5th cycle lower income RHNA at a minimum of 20 dwelling units per acre on certain sites or in certain zones. The site or sites rezoned will allow up to 50 units per acre. The 20 unit per acre density for owner-occupied or rental multifamily housing must be allowed "by right" without discretionary review if 20 percent or more of the units in a project proposed on the site are affordable to those with lower incomes. The rezoned site(s) must be able to accommodate a minimum of 16 units per site. At least half (50 percent) of these sites shall be zoned for residential uses only, except that all of the very low and low-income	The City completed the rezoning described under Program HE-1 above in November 2019. No additional rezoning was needed to meet the 2014-2019 lower income RHNA.	Delete.

Housing Program	Progress	Continue/ Modify/Delete
housing need may be accommodated on sites designated for mixed uses if those sites allow 100 percent residential use and require that residential uses occupy 50 percent of the total floor area of a mixed-use project. The applications can be subject to design review as long as the project does not trigger the CEQA review process. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** June 30, 2020 **Corresponding Goal/Policy:** Goals 1, 2, 4; Policies 4, 5, 6, 8, 10, 11, 12		
HE-3. Density Bonus The City will encourage and assist developers to utilize the density bonus provisions of the California Government Code that allow an increase in the number of units in the underlying zone in return for construction of lower-income housing (extremely low-, very low-, and low-income units). The City will also amend the Zoning Codes (both the 1983 and 1998 codes) to comply with changes in the state density bonus law (Government Code Section 65915) and develop an outreach program to ensure its successful implementation. **Funding Source:** General Fund for administration **Responsibility:** Community Development Department, City Manager **Time Frame:** Revision of the Zoning Codes by December 31, 2020; implementation of density bonus for projects is ongoing **Corresponding Goal/Policy:** Goals 2, 3; Policies 1, 2, 8	Since adoption of the last Housing Element in 2010, no new projects have been approved with a density bonus. Amendments to the Zoning Codes to address updates to state law regarding density bonuses will happen as part of the City's Local Coastal Program (LCP) update that is currently underway. The City amended their zoning to include a Residential Very High Density Overlay (RVHD) in 2019. At property owner initiation the RVHD can be applied to parcels to allow a minimum of 20 units per acre and up to 50 units per acre for affordable housing project development.	Continue.
HE-4. Code Enforcement As a means to ensure the quality of homes and neighborhoods, the City will continue to operate the code enforcement program on a complaint basis, whereby the Building Division investigates complaints and ensures that property owners comply with City codes. Pismo Beach's housing is maintained and generally in good condition. In addition, because of the high cost of land and significant escalations in housing prices over the past few years, property owners are rehabilitating older properties or demolishing units and rebuilding them. The City will develop a pamphlet to provide financial resource information to homeowners.	The City performed two housing conditions surveys in 2009, one of mobile homes and one of all other units. Most of the units were found to be in sound condition, a few units were found to be in need of moderate repair and 40 units were found to be in need of minor repair (most of these were mobile homes that were considered to be in need of repair due to the age of their construction materials). No units were found to be in need of substantial repair or dilapidated. The majority of housing in need of repair was	Continue.

Housing Program	Progress	Continue/ Modify/Delete
Funding Source: General Fund **Responsibility:** Building Division **Time Frame:** Develop pamphlet by January 2020 and ongoing **Corresponding Goal/Policy:** Goals 3, 4; Policies 10, 12	located near Wadsworth Street, Longview Avenue, and Placentia Avenue. No housing conditions surveys have occurred since the 2009 surveys. The City continues its complaint-based code enforcement work.	
HE-5. Contractual Agreement for Rental Assistance Program The City of Pismo Beach shall continue to contract with the Housing Authority of San Luis Obispo or other agency, as appropriate, to authorize implementation of the HUD Housing Choice Voucher/Section 8 rental program. **Funding Source:** General Fund and HUD **Responsibility:** City Manager **Time Frame:** Seek new vouchers and/or to raise the payment standard as needed annually **Corresponding Goal/Policy:** Goals 3, 5; Policies 5, 6, 7	The City continues to contract with the Housing Authority of San Luis Obispo to administer Housing Choice Vouchers (Section 8) in Pismo Beach. Forty-eight vouchers are in use in Pismo Beach.	Continue.
HE-6. Simultaneous Construction of Affordable Housing When a project is required to provide a percentage of affordable units, the City shall require such housing to be built simultaneously or assured by bond or other acceptable security. Projects that are built in phases shall include the required percentage in each phase. **Funding Source:** General Fund **Responsibility:** Community Development Department, Engineering Division **Time Frame:** When projects are submitted that are subject to this program **Corresponding Goal/Policy:** Goals 2, 3, 5; Policies 3, 8	Chapter 17.26, Inclusionary Housing Requirements and Affordable Housing Incentives, of the 1998 Zoning Code addresses projects required to provide a percentage of affordable units. The City has performed some analysis of its inclusionary requirements since adoption of the previous Housing Element but has not made any revisions to the inclusionary requirements in Chapter 17.26. No projects subject to the inclusionary housing requirements have been built since adoption of the previous housing element.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-7. Public-Private Partnerships The City will partner with the development community to facilitate higher-density residential development to diversify the housing stock. Specifically, the City will: • Contact potential affordable housing developers. • Conduct a roundtable meeting to discuss constraints to affordable housing, workforce housing, and potential developer incentives. • Maintain an inventory of adequate sites. • Identify funding opportunities and assist in preparing applications for funds. • Work with housing sponsors to help with scores for readiness and neighborhood revitalization. • Provide regulatory concessions and incentives, as necessary, to encourage and facilitate the construction of affordable housing (e.g., reduce parking, revise landscaping requirements, density bonuses, expedited permit process, fee waivers or deferrals). **Funding Source:** Grants; private development community **Responsibility:** Community Development Department **Time Frame:** 2019 and ongoing **Corresponding Goal/Policy:** Goals 1, 2, 3; Policies 1, 2, 3, 7, 8	The City maintains active and open communication with affordable housing developers such as People's Self-Help Housing (PSHH), and private developers such as Coastal Community Builders (CCB) to obtain low-income housing. Regulatory concessions are provided through both state law and the City's density bonus ordinance. The inventory of adequate sites was updated in late 2019. Interviews with developers occurred in 2018 in order to gather input regarding housing in the City.	Continue.
HE-8. Equity Sharing Program The City shall participate in an equity sharing program when funds are identified to assist low- and moderate-income individuals who work in Pismo Beach to purchase or rehabilitate housing. The equity sharing arrangement could be between the property owner, the City, and the developer. The City does not currently have funds available for this program. **Funding Source**: Private funding sources (for homeowner), nonprofit corporations (e.g., People's Self-Help Housing and Santa Barbara Community Housing), other grants and loans, as appropriate **Responsibility**: City Manager, Community Development Department **Time Frame:** When funds are identified **Corresponding Goal/Policy**: Goals 2, 5; Policies 5, 6, 8, 10	There is no City funding source for this program. The City works with organizations such as PSHH and Habitat for Humanity, which have "sweat equity" programs that exchange construction work by the household in lieu of a down payment.	Continue

Housing Program	Progress	Continue/ Modify/Delete
HE-9. Conversion of Rental Housing The City shall consider the effects on the rental housing market in reviewing requests for conversions of rental units to condominium ownerships. Provisions for conversions shall include the following requirements: (1) written notification to tenants of the intent to convert at least six months prior to approval of application (per Government Code 66427.1); and (2) first right of refusal to existing tenants to purchase the unit. **Funding Source:** General Fund, State Homeowner Assistance Program, federal Section 234(c) mortgage insurance for purchase of condominium units **Responsibility:** Community Development Department, Finance Department **Time Frame:** When conversion requests are submitted **Corresponding Goal/Policy:** Goal 4; Policies 1, 2, 7, 11	There have been no conversions of existing apartment buildings since adoption of the Housing Element in 2019.	Continue.
HE-10. Demolition or Conversion of Rental Housing in Coastal Zone The City may issue permits for the demolition or conversion of housing occupied by low- to moderate-income persons in the Coastal Zone when the applicant meets certain conditions, including providing relocation assistance and replacement of affordable units (See Government Code 65590). **Funding Source:** General Fund **Responsibility:** Community Development Department, City Manager **Time Frame:** When requests for demolition or conversion are submitted **Corresponding Goal/Policy:** Goal 4; Policies 1, 2, 7	No affordable or moderate-income units were demolished since adoption of the Housing Element in 2019.	Continue.
HE-11. Special Needs The City will work with housing providers to ensure that special housing needs are addressed for seniors, large families, female-headed households, single-parent households with children, farmworkers, persons with disabilities and developmental disabilities, and homeless individuals and families. The City will seek to meet these special housing needs through a combination of regulatory incentives, zoning standards, new housing construction programs, and supportive services programs. Incentives and programs the City offers include density bonuses and a reasonable accommodation procedure. The City will also continue to work with lower-income housing providers and funders to construct or acquire	The City is currently working with HASLO on a 22-unit affordable project for seniors at 2655 Shell Beach Road. No formal application has been received but the City Council will soon consider preliminary allocation of funds.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
a variety of types of lower-income housing opportunities for individuals and groups with special needs and extremely low-income households if any applicants come forward. Specific housing types include: • Smaller units, including single-room occupancy units (see Program HE-29). • Senior housing, including assisted living facilities (see Program HE-12). • Units with special adaptations for people with disabilities, per California Title 24 standards. In addition, if staffing resources allow, the City may seek funding under CDBG, HOME Investment Partnerships, federal HOPWA, California Child Care Facilities Finance Program, and other state and federal programs designated specifically for special needs groups such as seniors, persons with disabilities, and persons at risk for homelessness. **Funding Source:** Federal HOPWA, CDBG, HOME Investment Partnerships, California Child Care Facilities Finance Program, and other state and federal programs designated specifically for special needs groups **Responsibility:** Community Development Department **Time Frame:** Seek funding annually and ongoing **Corresponding Goal/Policy:** Goals 2, 5; Policies 1, 5, 6, 8, 10, 13		
HE-12. Senior Housing Incentives As an incentive to providing senior housing, the City will allow modifications to building lot coverage, lot size, parking requirements, and setbacks as provided for in Program HE-16. The City will also amend the Zoning Codes to specify standards and criteria for the modifications. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend the Zoning Codes by December 31, 2020 **Corresponding Goal/Policy:** Goals 1, 2, 5; Policies 1, 8, 13	No amendments have been made to the Zoning Codes. However, state law provides incentives in the form of density bonus and concessions or relaxed development standards for senior housing. These zoning amendments will be made as part of the LCP update.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-13. Workforce and Affordable Housing Incentives As an incentive to providing workforce and affordable housing in the downtown core, the City will place a mixed-use overlay on the downtown. Modifications to building lot coverage, lot size, parking requirements, and setbacks will be permitted without a variance for residential or mixed-use projects with a finding that a certain percentage of units are affordable to lower- or moderate-income households. In particular, the City will evaluate the multi-family parking requirements, then review and revise those requirements for one-bedroom and studio units to ensure requirements do not unduly constrain housing development. The City will also amend the Zoning Codes to include the mixed-use overlay and specify standards and criteria for the modifications as referenced in Program HE-16. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend Zoning Codes by December 31, 2020 **Corresponding Goal/Policy:** Goals 1, 2, 3; Policies 1, 2, 3, 8	The Zoning Codes have not been amended to revise the requirements for multifamily housing and to specify standards and criteria. When the zoning is amended as part of the LCP update, an overlay should be implemented to address the need for multifamily housing consistent with the Coastal Act. In addition, some areas of the City are zoned Planned Residential, which allows flexibility on some development standards. Also, as noted above, state law allows for certain concessions on affordable projects.	Amend and continue.
HE-14. Workforce and Affordable Housing Entitlements The City shall consider options, such as a planned unit development (PUD) or other type of permit, to encourage the development of workforce and affordable housing throughout Pismo Beach. Incentives included in the permit to encourage workforce housing could include expedited permit processing or modifications to building lot coverage, lot size, parking requirements, and setbacks. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Establish incentives and update Zoning Codes (if necessary) by December 31, 2020 **Corresponding Goal/Policy:** Goals 1, 2, 3, 5; Policies 8, 9	These types of incentives have not been formalized. Some areas of the City are zoned Planned Residential, which allows flexibility on some development standards. Also, as noted above, state law allows for certain concessions on affordable projects. Whether to make any additional changes related to this program will be determined during the LCP update.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-15. Revision to C-1 Zone The C-1 zone allows residential uses as part of a mixed-use project at one unit per 1,500 square feet of site area. The City will consider an amendment to the C-1 zone to increase the residential density in the zone. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend C-1 zone by December 31, 2020 **Corresponding Goal/Policy:** Goals 1, 3; Policies 1, 2, 3	No change has been made to the allowed residential density in the C-1 zone. These amendments will be included in the LCP update.	Continue.
HE-16. Multi-Family Zone Densities The Pismo Beach Zoning Codes allow the construction of single-family residences in multiple-family zones. This practice does not always result in the most efficient use of resources and may hamper the City's ability to achieve its regional housing needs goals. Thus, the Zoning Codes shall be amended to prohibit new single-family homes in medium- and high-density residential areas, unless a lot is substandard in size and cannot accommodate more than one unit. The City will amend the Zoning Codes to include minimum densities in the R-2, R-3, RS-M, RR-L, R-4, RR, and RR-H districts to preserve the limited supply of multi-family zoned land for multi-family uses. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend Zoning Codes by December 31, 2020 **Corresponding Goal/Policy:** Goal 2; Policies 1, 2, 11	The Zoning Codes have not been amended to prohibit new single-family homes in medium- and high-density areas, although it is rare that this type of development is proposed. These amendments will be made as part of the LCP update. Accessory dwelling units (ADUs) would still be allowed in those zones due to recent changes in state law that allow an ADU with a primary single or multifamily unit.	Continue.
HE-17. Nonconforming Lots Pismo Beach was subdivided many years before the formal adoption of a Zoning Code. Many lots in the community are substandard when current standards are applied. It is common to seek a variance to develop a parcel in certain areas. Moreover, a number of contiguous, often small and irregularly shaped lots are "underutilized." The Zoning Codes could be amended to facilitate and encourage the development of quality market-rate and affordable housing on these lots. The City will consider developing an exception process for nonconforming lots that includes a flexible approval process and development standards beyond the exceptions that can currently be granted by the Planning Commission. Lot	Legal nonconforming lots allow residential units to be built on them. The Planning Commission can grant exceptions to minimum development standards where projects do not comply. The City will consider a director-level exemption moving forward.	Amend and continue.

Housing Program	Progress	Continue/ Modify/Delete
consolidation regulations could also help to merge otherwise substandard and underutilized sites. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend Zoning Codes within three years of Housing Element adoption if decision is made to make amendments as a result of program implementation. **Corresponding Goal/Policy:** Goals 1, 2, 3; Policies 1, 2, 3, 8		
HE-18. Zoning Code Update In 1998, the City updated the Zoning Code for the entirety of Pismo Beach. However, the Coastal Commission did not certify the 1998 Zoning Code due to policy differences on bluff lots and development. Thus, Pismo Beach currently operates under two Zoning Codes (1983 and 1998). The City's 1983 Zoning Code applies to the two-thirds of the community located within the Coastal Zone. The City initiated a project to amend the Local Coastal Program, including the coastal zoning regulations this spring. The City Council is in favor of this amendment, and it is a major city goal to complete the amendment over the next few years. Developing a consolidated code will assist developers and property owners to identify development requirements, as well as provide a more streamlined approach to the approval process. Some specific potential constraints the City will analyze as part of the update include: • Multifamily in R-4 requiring a CUP within the coastal zone • Revising the open space requirement (currently it is 400 square feet per unit plus an additional 75 square feet per bedroom) • Evaluating criterion (4) in the planning commission site plan and architectural review approval findings and how it is different from criterion (1) **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Complete zoning code update by December 31, 2020 **Corresponding Goal/Policy:** Goal 3; Policies 2, 7	The City has not yet received certification of its 1998 Zoning Code from the Coastal Commission. This program will be addressed in the LCP update currently underway.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-19. Housing Rehabilitation The City will encourage local private and nonprofit organizations to assist elderly, disabled, and disadvantaged persons in the repair and rehabilitation of their housing, including mobile homes. The City uses CDBG funds for these services, which are provided by CAPSLO. The minor home repair program is available at no cost to seniors age 60 or over. They may include improvements such as grab bars, handrails, smoke alarms and carbon monoxide detectors, minor plumbing, carpentry, electrical and drywall work. **Funding Source:** CDBG; Private or nonprofit funding; grants **Responsibility:** Community Development Department **Time Frame:** Implementation of program is ongoing **Corresponding Goal/Policy:** Goals 4, 5; Policies 3, 6, 7, 8, 13	Since 2014, CAPSLO has conducted energy efficiency and weatherization improvements for 99 homes in Pismo Beach. They have also made repairs on 105 homes during the same time period.	Continue.
HE-20. Accessory Dwelling Units The City shall continue to encourage the development of accessory dwelling units (ADUs) as a tool to provide affordable housing in the community. The City updated its zoning in 2018 to put an ADU ordinance in place to address local needs and comply with recent changes to state law. The City will continue to make information about ADUs available on the City website and in the City newsletter, the Clam Chronicle. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Update zoning through the rest of the planning period if additional updates are made to state law; Making information available is ongoing **Corresponding Goal/Policy:** Goal 2; Policies 1, 2, 11	A new accessory dwelling unit (ADU) ordinance was adopted by the City Council in 2018. The City continues to make information about ADUs available on the City website and in the City newsletter, the Clam Chronicle. The City will make additional updates during the LCP update for consistency with new changes to state law since 2018.	Amend and continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-21. Housing Preservation The City will work to reduce the potential conversion of the 12 assisted affordable housing units at risk during the current planning period to market rate through the following actions: • Monitor the status of affordable projects, rental projects, and mobile homes in Pismo Beach. Should the property owners indicate the desire to convert properties, consider providing technical and financial assistance, when possible, to ensure long-term affordability. • If conversion of units is likely, work with local service providers as appropriate to seek funding to subsidize the at-risk units in a way that mirrors the HUD Housing Choice Voucher (Section 8) program. Funding sources may include state or local funding sources. Per state law, owners of deed-restricted affordable projects are required to provide notice of restrictions that are expiring after January 1, 2021, to all prospective tenants, existing tenants, and the City within three years of the scheduled expiration of rental restrictions. Owners shall also refer tenants of at-risk units to educational resources regarding tenant rights and conversion procedures and information regarding Section 8 rent subsidies and any other affordable housing opportunities in the city. If a development is offered for sale, HCD must certify persons or entities that are eligible to purchase the development and to receive notice of the pending sale. Placement on the eligibility list will be based on experience with affordable housing. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Revision of Zoning Codes by December 2019 to require notification by owners consistent with state law; ongoing communication with owners, service providers, and eligible potential purchasers **Corresponding Goal/Policy:** Goal 4; Policies 1, 5, 6, 7	The City continues to monitor existing affordable projects and units. No affordable units have converted to market rate since adoption of the previous Housing Element.	Continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-22. Fair Housing – Zoning Code Amendments In compliance with state law, the City will amend the 1983 Zoning Code for the Coastal Zone to allow small residential care facilities serving six or fewer clients in all residential zones without a Conditional Use Permit. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time frame:** Amend 1983 Zoning Code by December 31, 2020 **Corresponding Goal/Policy:** Goal 5; Policies 1, 13	The 1983 Zoning Code has not been amended to allow small residential care facilities serving six or fewer clients in all residential zones in the Coastal Zone without a Conditional Use Permit.	Continue.
HE-23. Fair Housing – Access to Mediation and Fair Housing Services The City will coordinate with San Luis Obispo County to provide access to landlord and tenant mediation and fair housing services. The City will also develop a fair housing brochure or acquire one from a fair housing provider and distribute it at City Hall, the library, and the post office. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Provide or develop brochure within one year of Housing Element adoption **Corresponding Goal/Policy:** Goal 5; Policies 7, 14	The City has continued to refer people to fair housing services and will provide a brochure on fair housing.	Continue.
HE-24. Transitional Housing The City shall amend the Zoning Codes to comply with SB 2 and define transitional and supportive housing as permitted residential uses only subject to the same restrictions that apply to other residential uses of the same type in the same zone. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Amend Zoning Codes by December 31, 2020 **Corresponding Goal/Policy:** Goal 5; Policy 13	The Zoning Codes have not been amended to allow transitional and supportive housing to comply with Senate Bill 2. These revisions will be made as part of the LCP update.	Combine this program with Program HE-30 from the previous Housing Element and continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-25. Reasonable Accommodation The City's approach to providing people with disabilities reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing is codified in the 1998 Zoning Code, Chapter 17.04. The City will continue to promote its reasonable accommodation procedures on its website and with educational material at City Hall. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Ongoing **Corresponding Goal/Policy:** Goals 3, 5; Policies 1, 13	The City approved a reasonable accommodation procedure in 2013. It is codified in the 1998 Zoning Code as Chapter 17.04.	Delete.
HE-26. Employee Housing Act To comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6), the City will review the Zoning Codes and amend them as necessary. Health and Safety Code Section 17021.5 requires the Zoning Codes to treat employee/farmworker housing that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone in all zones allowing single-family residential uses. Section 17021.6 requires that employee/farmworker housing consisting of no more than 12 units or 36 beds be treated as an agricultural use and permitted in the same manner as other agricultural uses in the same zone. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Review Zoning Codes by December 2019; make amendments if needed by June 2020 **Corresponding Goal/Policy:** Goal 5; Policies 1, 9, 13	The Zoning Codes have not been reviewed and amended if needed to allow employee housing per the Employee Housing Act. This analysis and if needed, revisions will be made as part of the LCP update.	Continue.
HE-27. Extremely Low-Income Households The City will meet with nonprofit developers and other stakeholders biannually to establish and implement a strategy to assist in the development of housing affordable to extremely low-income households. As part of this effort, the City will also consider prioritizing local financial resources and at least biannually seek and apply for state and federal funding specifically targeted for the development of housing affordable to extremely low-income households. The City will provide	The City maintains active and open communication with affordable housing developers such as People's Self-Help Housing (PSHH), Housing Authority of San Luis Obispo (HASLO), and private developers such as Coastal Community Builders (CCB) to obtain low-income housing. Regulatory concessions are provided through both state law and the City's	Continue.

Housing Program	Progress	Continue/ Modify/Delete
concessions and incentives to assist in the development of housing for extremely low-income households such as increased densities, modifications to development standards, and priority processing. Also, per AB 2634, to further meet the needs of extremely low-income households, the City will also amend the Zoning Codes to define and allow single-room occupancy units with a Conditional Use Permit in the R-4, R-R, and High Density Residential zone. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Update Zoning Codes by December 31, 2020; ongoing and at least biannual contact with stakeholders, depending on funding programs **Corresponding Goal/Policy:** Goals 2, 3; Policies 5, 6, 7, 8, 10	density bonus ordinance. Interviews with developers occurred in 2018 in order to gather input regarding housing in the City. The LCP update will reflect current legislation to allow single-room occupancy units in certain zoning districts.	
HE-28. State Energy Efficiency Standards The City will implement state requirements for energy conservation in new residential projects and encourage residential developers to employ additional energy conservation measures with respect to siting of buildings, landscaping, and solar orientation. To facilitate implementation, the City will make available, in the Community Development Department and Building Division, brochures from PG&E that detail energy conservation measures for existing buildings and for new construction. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Ongoing **Corresponding Goal/Policy:** Goal 6; Policy 15	The City has encouraged residential developers to employ additional energy conservation measures through design guidelines that discuss solar access, drought-tolerant landscape, and other types of passive energy/resource-conserving techniques.	Amend and continue.

Housing Program	Progress	Continue/ Modify/Delete
HE-29. Public Outreach and Education The City shall establish outreach and education programs to increase public awareness of housing policies and issues as they arise. Such efforts may include mailed notices to the public, posts on the City's website, and printed educational materials, as appropriate. In addition, the City shall submit to HCD an annual report for progress in implementing the City's Housing Element, as required by state law. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** Submit annual reports annually by April 1; conduct outreach and education as needed **Corresponding Goal/Policy:** Goal 5; Policy 7	The City posts issues related to housing policies on its website and through its newsletter, the Clam Chronicle. The City submits Housing Element annual reports to HCD.	Continue.
HE-30. Supportive Housing The City shall review its zoning codes to ensure compliance with AB 2162 related to allowing supportive housing. The zoning codes will be reviewed to assess whether supportive housing is allowed without discretionary review (besides coastal permits) in all zones that allow multifamily housing or mixed-use development, including nonresidential zones as applicable. If it is determined that the allowed uses in the zoning codes are not in compliance with AB 2162 the City will revise the allowed uses along with corresponding development standards as detailed in AB 2162. **Funding Source:** General Fund **Responsibility:** Community Development Department **Time Frame:** If determined to be necessary, revise zoning codes by December 31, 2020 as part of the update to the LCP/zoning ordinance. **Corresponding Goal/Policy:** Goals 1, 3, 5; Policy 13	The Zoning Codes have not been amended to allow supportive housing per AB 2162. These revisions will be made as part of the LCP update.	Combine this program with Program HE-24 from the previous Housing Element and continue.

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Chapter 6

Goals, Policies, and Programs



This chapter identifies housing goals, policies, and programs for the City of Pismo Beach. Housing programs define the actions the City will use to enact policies and achieve housing goals. Proposed programs include providing adequate sites for a variety of housing types, density bonus incentives, updates to zoning, minimum densities, maintaining the existing housing stock, housing for special needs groups, funding strategies, strategies for irregular parcels, fair housing, and energy conservation. In order to make adequate provisions for the housing needs of all economic segments, the City has developed the following goals:

1) Identify sites with appropriate zoning and services to facilitate and encourage the development of a variety of alternative housing types for all income levels;

2) Assist in the development of adequate housing to meet the needs of lower-income and moderate-income households;

3) Address and, where appropriate and legally permissible, remove governmental constraints to the maintenance, improvement, and development of housing for people of all income levels and needs;

4) Conserve and improve the condition of the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action;

5) Promote housing opportunities for all persons regardless of race, religion, gender, marital status, ancestry, national origin, color, familial status, or disability; and

6) Preserve the unique environmental features of Pismo Beach and ensure there is adequate water, wastewater treatment, roads, parks, and other necessary infrastructure for new housing development.

Additionally, the following policies have been developed to complement these goals:

1) Provide a range of residential densities in the General Plan and Zoning Codes that permit a variety of housing types, including single-family homes, condominiums, rental apartments, mobile homes, and manufactured housing;

2) Promote efficient land use patterns and encourage more intense development near services;

3) Encourage residential development of high architectural and physical quality that is compatible with neighboring land uses;

4) Maintain an inventory of sites suitable for housing to accommodate the City's share of regional housing needs;

5) Seek appropriate private, local, state, and federal funding to implement housing programs for extremely low-, very low-, low-, and moderate-income households;

6) Maintain and expand relationships with nonprofit housing agencies with the goal of providing more affordable housing;

7) Assume a leadership role in attaining the goals of the City's Housing Element and encourage public participation by all economic segments;

8) Offer incentives to developers (profit and nonprofit) for affordable housing, such as modified parking standards to minimize the cost of parking;

9) Consider programs to provide workforce housing in Pismo Beach, particularly for those in the service industry;

10) Utilize state and federal funds to assist in creating affordable housing and rehabilitating unsound housing structures;

11) Promote smaller rental units and a variety of housing types, such as courtyard housing, studios, and live/work units;

12) Promote the continued maintenance of existing mobile home parks;

13) Accommodate and promote the development of housing for those with special needs, such as shelters for the homeless; transitional housing; housing for seniors, extremely low-income households, large families, and female-headed households; and housing for persons with physical, developmental, or mental disabilities.

14) Designate a point of contact for referral of discrimination complaints; and

15) Promote energy conservation and ensure all new development complies with state law regarding energy use and conservation.

Chart 6-1 summarizes the quantified objectives for the development, rehabilitation, and preservation of housing in the community over the 2020–2028 planning period. Programs to achieve these objectives are described in detail on the following pages.

Chart 6-1 Quantified Objectives for the 2020–2028 Housing Element

	Quantified Objectives by Income Group					Totals
	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate	
Regional Housing Needs Allocation	56	57	71	82	193	**459**
Residential Units Permitted/Constructed since 1/1/2019	0	0	1	1	35	**37**
New Construction Objectives	56	57	70	81	158	**422**
Housing Preservation Objectives	0	20	6	0	0	**26**
Housing Rehabilitation Objectives	1	2	2	0	0	**5**

Source: SLOCOG 2019; City of Pismo Beach 2020

HE-1. Density Bonus

The City will encourage and assist developers to utilize the density bonus provisions of the California Government Code that allow an increase in the number of units in the underlying zone in return for construction of lower-income housing (extremely low-, very low-, and low-income units). The City will also amend the Zoning Codes (both the 1983 and 1998 codes) to comply with changes in the state density bonus law (Government Code Section 65915) and develop an outreach program to ensure its successful implementation.

Funding Source: General Fund for administration

Responsibility: Community Development Department, City Manager

Time Frame: Revision of the Zoning Codes by December 31, 2021; implementation of density bonus for projects is ongoing

Corresponding Goal/Policy: Goals 2, 3; Policies 1, 2, 8

Quantified Objective: 10 density bonus units

HE-2. Code Enforcement

As a means to ensure the quality of homes and neighborhoods, the City will continue to operate the code enforcement program on a complaint basis, whereby the Community Development Department investigates complaints and ensures that property owners comply with City codes. Pismo Beach's housing is maintained and

generally in good condition. In addition, because of the high cost of land and significant escalations in housing prices over the past few years, property owners are rehabilitating older properties or demolishing units and rebuilding them. The City will develop a pamphlet to provide financial resource information to homeowners. The City will also conduct and document a windshield survey of the condition of the housing stock later in the planning period.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Develop pamphlet by January 2021 and ongoing; conduct housing conditions survey by 2027.
Corresponding Goal/Policy: Goals 3, 4; Policies 10, 12

HE-3. Contractual Agreement for Rental Assistance Program

The City shall continue to contract with the Housing Authority of San Luis Obispo or other agency, as appropriate, to authorize implementation of the U.S. Department of Housing and Urban Development (HUD) Housing Choice Voucher/Section 8 rental program.

Funding Source: General Fund and HUD
Responsibility: City Manager
Time Frame: Seek new vouchers and/or to raise the payment standard as needed annually
Corresponding Goal/Policy: Goals 3, 5; Policies 5, 6, 7

HE-4. Simultaneous Construction of Affordable Housing

When a project is required to provide a percentage of affordable units, the City shall require such housing to be built simultaneously or assured by bond or other acceptable security. Projects that are built in phases shall include the required percentage in each phase.

Funding Source: General Fund
Responsibility: Community Development Department, Engineering Division
Time Frame: When projects are submitted that are subject to this program
Corresponding Goal/Policy: Goals 2, 3, 5; Policies 3, 8

HE-5. Public-Private Partnerships

The City does not develop housing units. The City will partner with the development community to facilitate higher-density residential development to diversify the housing stock. Specifically, the City will:

- Contact potential affordable housing developers.

- Conduct a roundtable meeting to discuss constraints to affordable housing, workforce housing, and potential developer incentives.
- Maintain an inventory of adequate sites.
- Identify funding opportunities and assist in preparing applications for funds.
- Work with housing sponsors to help with scores for readiness and neighborhood revitalization.
- Provide regulatory concessions and incentives, as necessary, to encourage and facilitate the construction of affordable housing (e.g., reduce parking, revise landscaping requirements, density bonuses, expedited permit process, fee waivers or deferrals).

Funding Source: Grants; private development community
Responsibility: Community Development Department
Time Frame: Every two years starting in 2021 and more frequently if funds become available

Corresponding Goal/Policy: Goals 1, 2, 3; Policies 1, 2, 3, 7, 8

Quantified Objective: 75 units

HE-6. Equity Sharing Program

The City shall participate in an equity sharing program when funds are identified to assist low- and moderate-income individuals who work in Pismo Beach to purchase or rehabilitate housing. The equity sharing arrangement could be between the property owner, the City, and the developer. The City does not currently have funds available for this program.

Funding Source: Private funding sources (for homeowner), nonprofit corporations (e.g., People's Self-Help Housing and Santa Barbara Community Housing), other grants and loans, as appropriate
Responsibility: City Manager, Community Development Department
Time Frame: When funds are identified

Corresponding Goal/Policy: Goals 2, 5; Policies 5, 6, 8, 10

HE-7. Conversion of Rental Housing

The City shall consider the effects on the rental housing market in reviewing requests for conversions of rental units to condominium ownerships. Provisions for conversions shall include the following requirements: (1) written notification to tenants of the intent to convert at least six months prior to approval of application

(per Government Code 66427.1); and (2) first right of refusal to existing tenants to purchase the unit.

Funding Source: General Fund, State Homeowner Assistance Program, federal Section 234(c) mortgage insurance for purchase of condominium units

Responsibility: Community Development Department, Finance Department

Time Frame: When conversion requests are submitted

Corresponding Goal/Policy: Goal 4; Policies 1, 2, 7, 11

HE-8. Demolition or Conversion of Rental Housing in Coastal Zone

The City may issue permits for the demolition or conversion of housing occupied by low- to moderate-income persons in the Coastal Zone when the applicant meets certain conditions, including providing relocation assistance and replacement of affordable units (see Government Code 65590).

Funding Source: General Fund

Responsibility: Community Development Department, City Manager

Time Frame: When requests for demolition or conversion are submitted

Corresponding Goal/Policy: Goal 4; Policies 1, 2, 7

HE-9. Special Needs

The City will work with housing providers to ensure that special housing needs are addressed for seniors, large families, female-headed households, single-parent households with children, farmworkers, persons with disabilities and developmental disabilities, and homeless individuals and families. The City will seek to meet these special housing needs through a combination of regulatory incentives, zoning standards, new housing construction programs, and supportive services programs. Incentives and programs the City offers include density bonuses and a reasonable accommodation procedure. The City promote the availability of this reasonable accommodation process to the public by providing information at the public counter and on the City website. The City will also continue to work with lower-income housing providers and funders to construct or acquire a variety of types of lower-income housing opportunities for individuals and groups with special needs and extremely low-income households if any applicants come forward. Specific housing types include:

- Smaller units, including single-room occupancy units (see Program HE-26).
- Senior housing, including assisted living facilities (see Program HE-10).

- Units with special adaptations for people with disabilities, per California Title 24 standards.

In addition, if staffing resources allow, the City may seek funding under Community Development Block Grants (CDBG), HOME Investment Partnerships, federal Housing Opportunities for Persons with AIDS (HOPWA), California Child Care Facilities Finance Program, and other state and federal programs designated specifically for special needs groups such as seniors, persons with disabilities, and persons at risk for homelessness.

Funding Source: Federal HOPWA, CDBG, HOME Investment Partnerships, California Child Care Facilities Finance Program, and other state and federal programs designated specifically for special needs groups

Responsibility: Community Development Department

Time Frame: Seek funding annually and ongoing

Corresponding Goal/Policy: Goals 2, 5; Policies 1, 5, 6, 8, 10, 13

Quantified Objectives: Housing for 10 special needs persons

HE-10. Senior Housing Incentives

As an incentive to providing senior housing, the City will allow modifications to building lot coverage, lot size, parking requirements, and setbacks as provided for in Program HE-14. The City will also amend the Zoning Codes to specify standards and criteria for the modifications.

Funding Source: General Fund

Responsibility: Community Development Department

Time Frame: Amend the Zoning Codes by December 31, 2021

Corresponding Goal/Policy: Goals 1, 2, 5; Policies 1, 8, 13

HE-11. Workforce and Affordable Housing Incentives

As an incentive to providing workforce and affordable housing in the downtown core, the City will place an overlay on the downtown to address the need for multifamily housing. Modifications to building lot coverage, lot size, parking requirements, and setbacks will be permitted without a variance for residential or mixed-use projects with a finding that a certain percentage of units are affordable to lower- or moderate-income households. In particular, the City will evaluate the multifamily parking requirements, then review and revise those requirements for one-bedroom and studio units to ensure requirements do not unduly constrain housing development. The City will also amend the Zoning Codes to include the overlay and specify standards and

criteria for the modifications as referenced in Program HE-14, consistent with the Coastal Act.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Amend Zoning Codes by December 31, 2021
Corresponding Goal/Policy: Goals 1, 2, 3; Policies 1, 2, 3, 8

Quantified Objective: Incentivize 25 units

HE-12. Workforce and Affordable Housing Entitlements

The City shall consider options, such as a planned unit development (PUD) or other type of permit, to encourage the development of workforce and affordable housing throughout Pismo Beach. Incentives included in the permit to encourage workforce housing could include expedited permit processing or modifications to building lot coverage, lot size, parking requirements, and setbacks.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Establish incentives and update Zoning Codes (if necessary) by December 31, 2021
Corresponding Goal/Policy: Goals 1, 2, 3, 5; Policies 8, 9

Quantified Objective: 25 units

HE-13. Revision to C-1 Zone

The C-1 zone allows residential uses as part of a mixed-use project at one unit per 1,500 square feet of site area. The City will consider an amendment to the C-1 zone to increase the residential density in the zone.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Amend C-1 zone by December 31, 2021
Corresponding Goal/Policy: Goals 1, 3; Policies 1, 2, 3

HE-14. Multifamily Zone Densities

The Pismo Beach Zoning Codes allow the construction of single-family residences in multiple-family zones. This practice does not always result in the most efficient use of resources and may hamper the City's ability to achieve its regional housing needs goals. Thus, the Zoning Codes shall be amended to prohibit new single-family homes in medium- and high-density residential areas, unless a lot is substandard in size and cannot accommodate more than one unit. The City will amend the Zoning Codes to

include minimum densities in the R-2, R-3, RS-M, RR-L, R-4, RR, and RR-H districts to preserve the limited supply of multifamily zoned land for multifamily uses.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Amend Zoning Codes by December 31, 2021
Corresponding Goal/Policy: Goal 2; Policies 1, 2, 11

HE-15. Nonconforming Lots

Pismo Beach was subdivided many years before the formal adoption of a Zoning Code. Many lots in the community are substandard when current standards are applied. It is common to seek a variance to develop a parcel in certain areas. Moreover, numerous contiguous, often small and irregularly shaped lots are "underutilized." The Zoning Codes could be amended to facilitate and encourage the development of quality market-rate and affordable housing on these lots. The City will consider developing a director-level approval exception process for nonconforming lots that includes a flexible approval process and development standards beyond the exceptions that can currently be granted by the Planning Commission. Lot consolidation regulations could also help to merge otherwise substandard and underutilized sites.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Amend Zoning Codes within three years of Housing Element adoption if decision is made to make amendments as a result of program implementation.
Corresponding Goal/Policy: Goals 1, 2, 3; Policies 1, 2, 3, 8

HE-16. Zoning Code Update

In 1998, the City updated the Zoning Code for the entirety of Pismo Beach. However, the Coastal Commission did not certify the 1998 Zoning Code due to policy differences on bluff lots and development. Thus, Pismo Beach currently operates under two Zoning Codes (1983 and 1998). The City's 1983 Zoning Code applies to the two-thirds of the community within the Coastal Zone. The City initiated a project to amend the Local Coastal Program, including the coastal zoning regulations this spring. The City Council is in favor of this amendment, and it is a major City goal to complete the amendment over the next few years. Developing a consolidated code will assist developers and property owners in identifying development requirements, as well as providing a more streamlined approach to the approval process. Some specific potential constraints the City will analyze as part of the update include:

- Multifamily in R-4 requiring a CUP within the coastal zone

- Revising the open space requirement (currently it is 400 square feet per unit plus an additional 75 square feet per bedroom)

- Evaluating criterion four in the planning commission site plan and architectural review approval findings and how it is different from criterion one

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Complete zoning code update by December 31, 2021
Corresponding Goal/Policy: Goal 3; Policies 2, 7

HE-17. Housing Rehabilitation

The City will encourage local private and nonprofit organizations to assist elderly, disabled, and disadvantaged persons in the repair and rehabilitation of their housing, including mobile homes. The City uses CDBG funds for these services, which are provided by CAPSLO. The minor home repair program is available at no cost to seniors age 60 and over. They may include improvements such as grab bars, handrails, smoke alarms and carbon monoxide detectors, minor plumbing, carpentry, electrical and drywall work.

Funding Source: CDBG; Private or nonprofit funding; grants
Responsibility: Community Development Department
Time Frame: Implementation of program is ongoing
Corresponding Goal/Policy: Goals 4, 5; Policies 3, 6, 7, 8, 13

HE-18. Accessory Dwelling Units

The City shall continue to encourage the development of accessory dwelling units (ADUs) as a tool to provide affordable housing in the community. The City updated its zoning in 2018 to put an ADU ordinance in place to address local needs and comply with recent changes to state law. The City will make additional updates to address the updates to state law passed in 2019 and any other updates to state law as needed during the planning period. The City will continue to make information about ADUs, in particular ADUs affordable to lower income households, available on the City website and in the City newsletter, the Clam Chronicle. The City will monitor ADU permitting throughout the planning period to track whether permits are keeping up with the ADUs anticipated in the housing element. The City will work to conduct additional outreach if ADU permits are not keeping up with numbers anticipated in the housing element after 4 years. The outreach will include regular announcements (at least once a month) about options to build ADUs and ADU resources at Planning Commission and City Council meetings and prominent placement of ADU information and the process to permit them on the City's website.

Funding Source: General Fund

Responsibility: Community Development Department

Time Frame: Update zoning by May 31, 2021, and if needed later in the planning period if additional updates are made to state law and enforce state law until the zoning is updated; assess ADU approval progress in 2024 and conduct additional outreach after that if ADU numbers are not tracking with projections in Chapter 4 of the Housing Element; Making information available is ongoing

Corresponding Goal/Policy: Goal 2; Policies 1, 2, 11

Quantified Objective: 33 low income and 34 moderate income ADUs

HE-19. Housing Preservation

The City will work to reduce the potential conversion of the 12 assisted affordable housing units at risk during the current planning period to market rate through the following actions:

- Monitor the status of affordable projects, rental projects, and mobile homes in Pismo Beach. Should the property owners indicate the desire to convert properties, consider providing technical and financial assistance, when possible, to ensure long-term affordability.

- If conversion of units is likely, work with local service providers as appropriate to seek funding to subsidize the at-risk units in a way that mirrors the HUD Housing Choice Voucher (Section 8) program. Funding sources may include state or local funding sources.

Per state law, owners of deed-restricted affordable projects are required to provide notice of restrictions that are expiring after January 1, 2021, to all prospective tenants, existing tenants, and the City within three years of the scheduled expiration of rental restrictions. Owners shall also refer tenants of at-risk units to educational resources regarding tenant rights and conversion procedures and information regarding Section 8 rent subsidies and any other affordable housing opportunities in the City.

If a development is offered for sale, HCD must certify persons or entities that are eligible to purchase the development and to receive notice of the pending sale. Placement on the eligibility list will be based on experience with affordable housing.

Funding Source: General Fund

Responsibility: Community Development Department

Time Frame: Revision of Zoning Codes by December 2021 to require notification by owners consistent with state law; ongoing communication with owners, service providers, and eligible potential purchasers

Corresponding Goal/Policy: Goal 4; Policies 1, 5, 6, 7

HE-20. Fair Housing – Zoning Code Amendments

In compliance with state law, the City will amend the 1983 Zoning Code for the Coastal Zone to allow small residential care facilities serving six or fewer clients in all residential zones without a Conditional Use Permit.

Funding: General Fund
Responsibility: Community Development Department
Time frame: Amend Zoning Code by December 31, 2021
Corresponding Goal/Policy: Goal 5; Policies 1, 13

HE-21. Fair Housing – Access to Mediation and Fair Housing Services

The City will coordinate with San Luis Obispo County to provide access to landlord and tenant mediation and fair housing services. The City will also develop a fair housing brochure or acquire one from a fair housing provider and distribute it at City Hall, the library, and the post office.

Funding: General Fund
Responsibility: Community Development Department
Time Frame: Provide or develop brochure within one year of Housing Element adoption
Corresponding Goal/Policy: Goal 5; Policies 7, 14

HE-22. Transitional Housing

The City shall amend the Zoning Codes to comply with Senate Bill (SB) 2 and define transitional and supportive housing as permitted residential uses only subject to the same restrictions that apply to other residential uses of the same type in the same zone. In addition, the City shall review its zoning codes to ensure compliance with Assembly Bill (AB) 2162 related to allowing supportive housing. The zoning codes will be reviewed to assess whether supportive housing is allowed without discretionary review (besides coastal permits) in all zones that allow multifamily housing or mixed-use development, including nonresidential zones as applicable. If it is determined that the allowed uses in the zoning codes are not in compliance with AB 2162, the City will revise the allowed uses along with corresponding development standards, as detailed in AB 2162.

Funding: General Fund
Responsibility: Community Development Department
Time Frame: Amend Zoning Codes by December 31, 2021
Corresponding Goal/Policy: Goals 1, 3, 5; Policy 13

HE-23. Employee Housing Act

To comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6), the City will review the Zoning Codes and amend them as necessary. Health and Safety Code Section 17021.5 requires the Zoning Codes to treat employee/farmworker housing that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone in all zones allowing single-family residential uses. Section 17021.6 requires that employee/farmworker housing consisting of no more than 12 units or 36 beds be treated as an agricultural use and permitted in the same manner as other agricultural uses in the same zone.

Funding: General Fund

Responsibility: Community Development Department

Time Frame: Review Zoning Codes by June 2021; make amendments if needed by December 31, 2021

Corresponding Goal/Policy: Goal 5; Policies 1, 9, 13

HE-24. Extremely Low-Income Households

The City will meet with nonprofit developers and other stakeholders biannually to establish and implement a strategy to assist in the development of housing affordable to extremely low-income households. As part of this effort, the City will also consider prioritizing local financial resources and at least biannually seek and apply for state and federal funding specifically targeted for the development of housing affordable to extremely low-income households. The City will provide concessions and incentives to assist in the development of housing for extremely low-income households, such as increased densities, modifications to development standards, and priority processing. Also, per AB 2634, to further meet the needs of extremely low-income households, the City will also amend the Zoning Codes to define and allow single-room occupancy units with a Conditional Use Permit in the R-4, R-R, and High-Density Residential zone.

Funding: General Fund

Responsibility: Community Development Department

Time Frame: Update Zoning Codes by December 31, 2021; ongoing and at least biannual contact with stakeholders, depending on funding programs

Corresponding Goal/Policy: Goals 2, 3; Policies 5, 6, 7, 8, 10

Quantified Objective: 3 extremely low income units

HE-25. State Energy Efficiency Standards

The City will continue to implement state requirements for energy conservation in new residential projects and encourage retrofits of existing units. Provide materials/access to utility-sponsored programs that educate residents on ways to reduce energy usage or costs.

Funding: General Fund
Responsibility: Community Development Department
Time Frame: Ongoing
Corresponding Goal/Policy: Goal 6; Policy 15

HE-26. Public Outreach and Education

The City shall establish outreach and education programs to increase public awareness of housing policies and issues as they arise. Such efforts may include mailed notices to the public, posts on the City's website, and printed educational materials, as appropriate. In addition, the City shall submit to HCD an annual report for progress in implementing the City's Housing Element, as required by state law.

Funding Source: General Fund
Responsibility: Community Development Department
Time Frame: Submit annual reports annually by April 1; conduct outreach and education as needed
Corresponding Goal/Policy: Goal 5; Policy 7

HE-27. Low Barrier Navigation Centers

Per AB 101 (2019), the City will review its zoning ordinance and make revisions if necessary to allow low barrier navigation centers for the homeless per Government Code Sections 65660–65668.

Funding Source: General Fund
Responsibility: Community Development Department, City Council
Time Frame: Review development code by 2021. Make revisions by 2022.
Corresponding Goal/Policy: Goal 5; Policy 13

HE-28. Senate Bill 35 Procedure or Policy

Establish a written policy or procedure and other guidance as appropriate to specify the SB 35 (2017) streamlining approval process and standards for eligible projects, as set forth under Government Code Section 65913.4.

Funding Source: General Fund
Responsibility: Community Development Department

Time Frame: December 2021

Corresponding Goal/Policy: Goal 3; Policy 1

HE-29. Affirmatively Further Fair Housing

Pismo Beach will develop a plan to Affirmatively Further Fair Housing (AFFH). The AFFH Plan shall take actions to address significant disparities in housing needs and in access to opportunity for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act (Part 2.8, commencing with Section 12900, of Division 3 of Title 2), Section 65008, and any other state and federal fair housing and planning law. Specific actions will include:

- Provide dedicated staff that investigates fair housing complaints and enforces fair housing laws.
- Facilitate public education and outreach by creating informational flyers on fair housing that will be made available at public counters, libraries, and on the City's website. City Council meetings will include a fair housing presentation at least once per year.
- Actively recruit residents from neighborhoods of concentrated poverty (if applicable) to serve or participate on boards, committees, and other local government bodies.
- Ensure environmental hazards are not disproportionately concentrated in low-income communities and low-income communities of color.
- Develop a proactive code enforcement program that holds property owners accountable and proactively plans for resident relocation, when necessary.

Funding Source: General Fund

Responsibility: Community Development Department

Time Frame: Create plan by January 2022 and implement on an ongoing basis.

Corresponding Goal/Policy: Goal 5; Policy 14

REGIONAL VISION FOR HOUSING

In early 2020, local agencies adopted a San Luis Obispo Countywide Regional Compact to *establish a united regional framework to unlock our potential to develop an adequate supply of housing and infrastructure that support our economic prosperity.*

OVERVIEW

San Luis Obispo County is a rural coastal county with seven vibrant cities and numerous unincorporated communities that depend on collaborative relationships between and among government agencies, community organizations, and residents to solve the region's significant issues including inadequate supply of affordable housing and resilient water, wastewater, and transportation infrastructure and resources.

The County and all seven Cities are working collaboratively to develop the region's first Regional Infrastructure and Housing Strategic Action Plan (Regional Plan) that will identify actions to address these issues. A key component of the Regional Plan is the integration of efforts to address critical housing and related infrastructure needs. As part of the Housing Element update process, representatives of the County, seven Cities and San Luis Obispo Council of Governments (SLOCOG) developed this section to showcase the ongoing commitment of each agency to this collaborative effort. This Chapter presents a regional vision and policies focused specifically on fostering regional collaboration to plan and develop housing and supportive infrastructure.

ALIGNMENT WITH REGIONAL COMPACT

This effort is guided by the San Luis Obispo Countywide Regional Compact (Regional Compact). The Regional Compact, adopted by each jurisdiction in early 2020, outlines six shared regional goals to guide collaborative resolution of underlying housing and infrastructure needs:

Goal 1. Strengthen Community Quality of Life – We believe that our Region's quality of life depends on four cornerstones to foster a stable and healthy economy for all: resilient infrastructure and resources, adequate housing supply, business opportunities, and educational pathways.

Goal 2. Share Regional Prosperity – We believe that our Region should share the impacts and benefits of achieving enduring quality of life among all people, sectors and interests.

Goal 3. Create Balanced Communities – We believe that our Region should encourage new development that helps to improve the balance of jobs and housing throughout the Region, providing more opportunities to residents to live and work in the same community.

Goal 4. Value Agriculture & Natural Resources – We believe that our Region's unique agricultural resources, open space, and natural environments play a vital role in sustaining healthy local communities and a healthy economy, and therefore should be purposefully protected.

Goal 5. Support Equitable Opportunities – We believe that our Region should support policies, actions, and incentives that increase housing development of all types, available to people at all income levels.

Goal 6. Foster Accelerated Housing Production – We believe that our Region must achieve efficient planning and production of housing and focus on strategies that produce the greatest impact.

POLICIES

It will take regional collaboration and local actions to realize the vision and goals outlined in the Regional Compact. Below is an initial list of aspirational regional policies that further the Regional Compact vision, in addition to local policies. By listing these below, it does not mandate any individual agency to implement actions, but rather offers ways that the County, cities, SLOCOG, and other partners can consider moving forward, together. In addition, and consistent with each Housing Element cycle, each of the seven cities and the County has the opportunity to choose to implement local policies and programs that help to support their achievement of its RHNA, and if an agency chooses to, can also support the Regional Compact vision and goals in a way that works for its jurisdiction and community. Local Programs and Policies are found in the section above for Pismo Beach's anticipated actions during this Housing Element cycle.

R-1: Promote awareness and support of regional efforts that further housing and infrastructure resiliency by utilizing community engagement, and consistent and transparent communication.

R-2: Encourage an adequate housing supply and resilient infrastructure, services, and resources to improve the balance of jobs and housing throughout the Region.

R-3: Develop inter-agency partnerships as appropriate to implement goals and policies related to housing and infrastructure.

R-4: Coordinate State, Federal, and other funding opportunities for housing and infrastructure development throughout the Region.

R-5: Encourage developers to sell newly constructed housing units to individuals residing or employed within the area of the development (a city or the County) first before selling to individuals from outside the County, to promote local preference.

R-6: Encourage rental units be prioritized for long term residents rather than short term users or vacation rentals.

R-7: Support housing development that is located within existing communities and strategically planned areas.

R-8: Encourage regional collaboration on a menu of housing types, models, and efforts to support streamlined approvals for such developments (i.e. Accessory Dwelling Units, etc.).

MOVING FORWARD

The County, cities, SLOCOG, and other partners engaged in housing and infrastructure development will continue to collaborate on efforts moving forward – recognizing the benefits of working together to achieve an enduring quality of life among the region's people, sectors and interests. This ongoing collaboration will include learning from each other and sharing possible tools, policies and actions that can allow the collective region to move towards our adopted Regional Compact vision. Ongoing collaborative efforts will be described in the Regional Plan, anticipated to be complete in 2021, and related regional efforts will live outside of each individual agency's Housing Element.

Appendix

Appendix A Housing Conditions Survey Maps

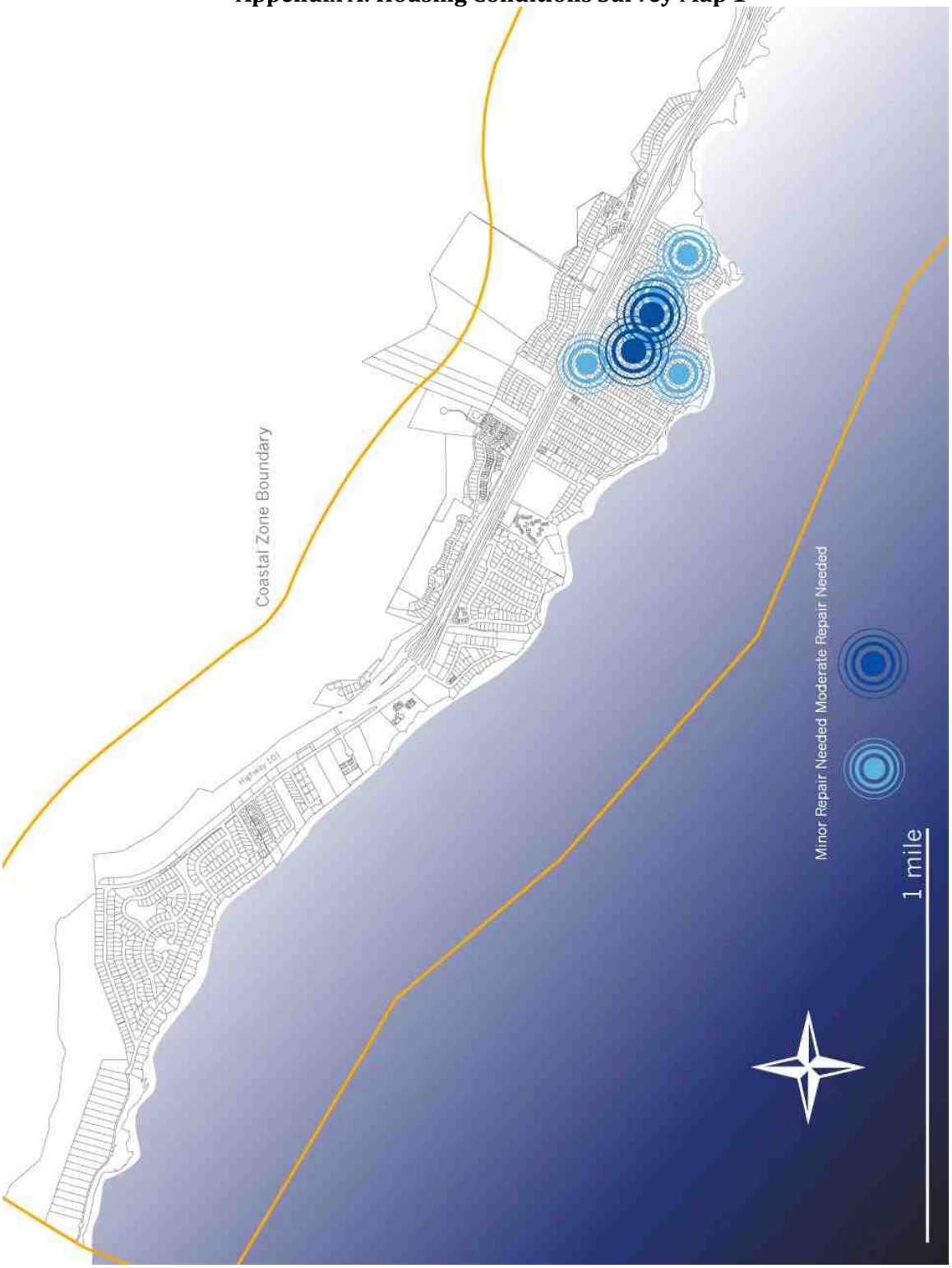
Appendix B Vacant Land Inventory Maps

Appendix C Vacant Land Inventory (detailed table)

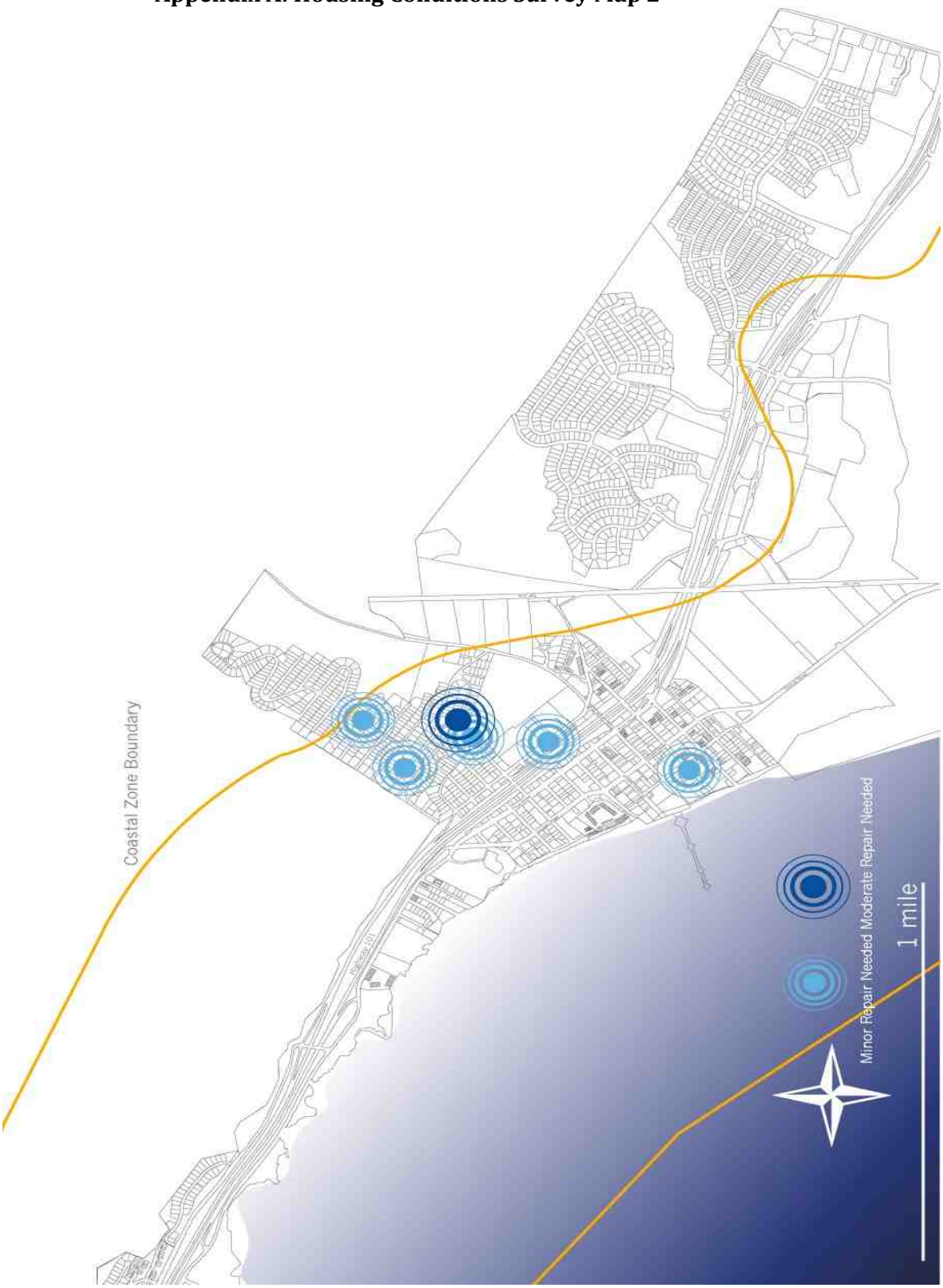
Appendix D 100- and 500-Year Floodplain Map

Appendix E Public Outreach List

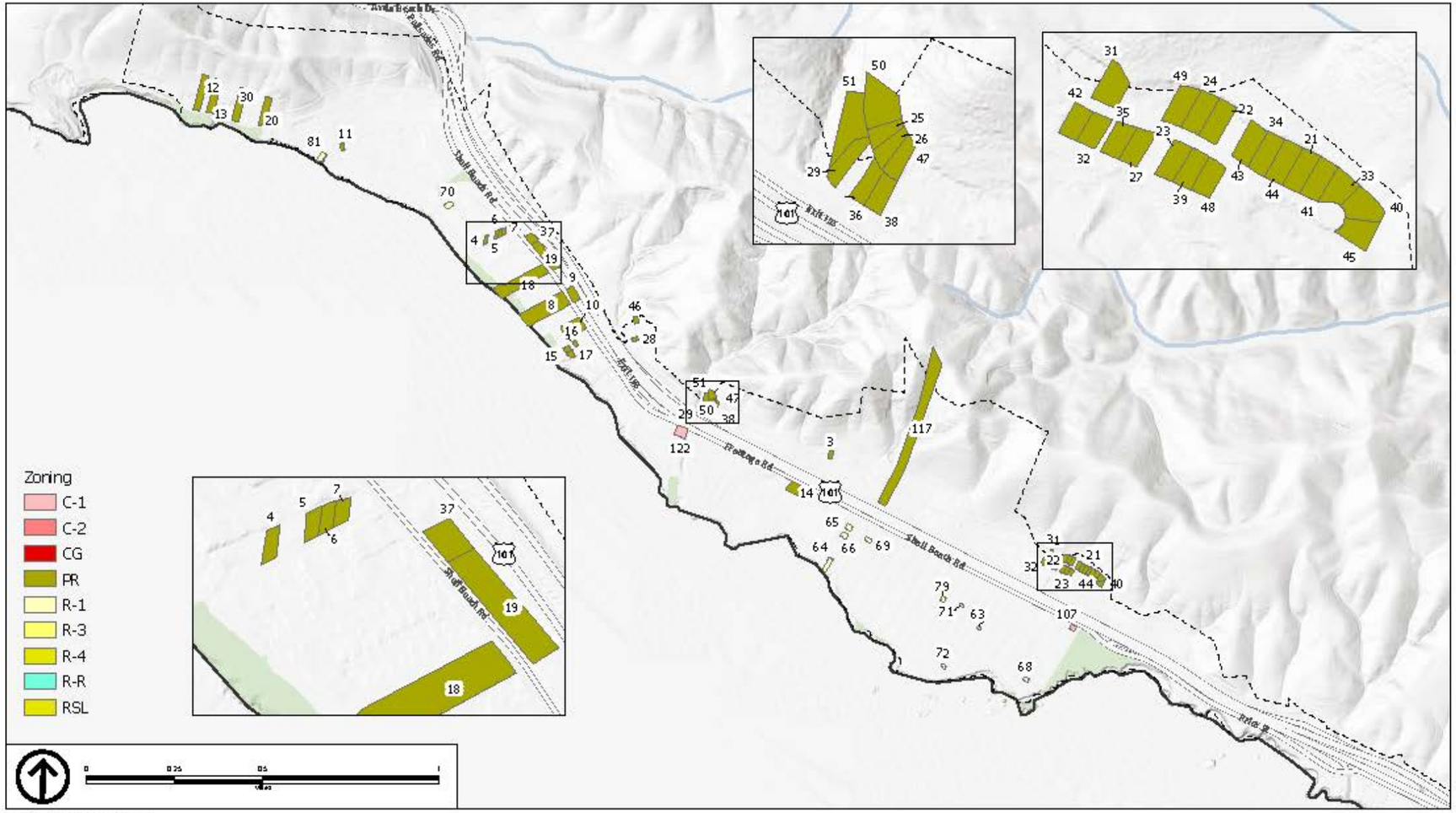
Appendix A: Housing Conditions Survey Map 1



Appendix A: Housing Conditions Survey Map 2



Appendix B: Vacant Land Inventory Maps

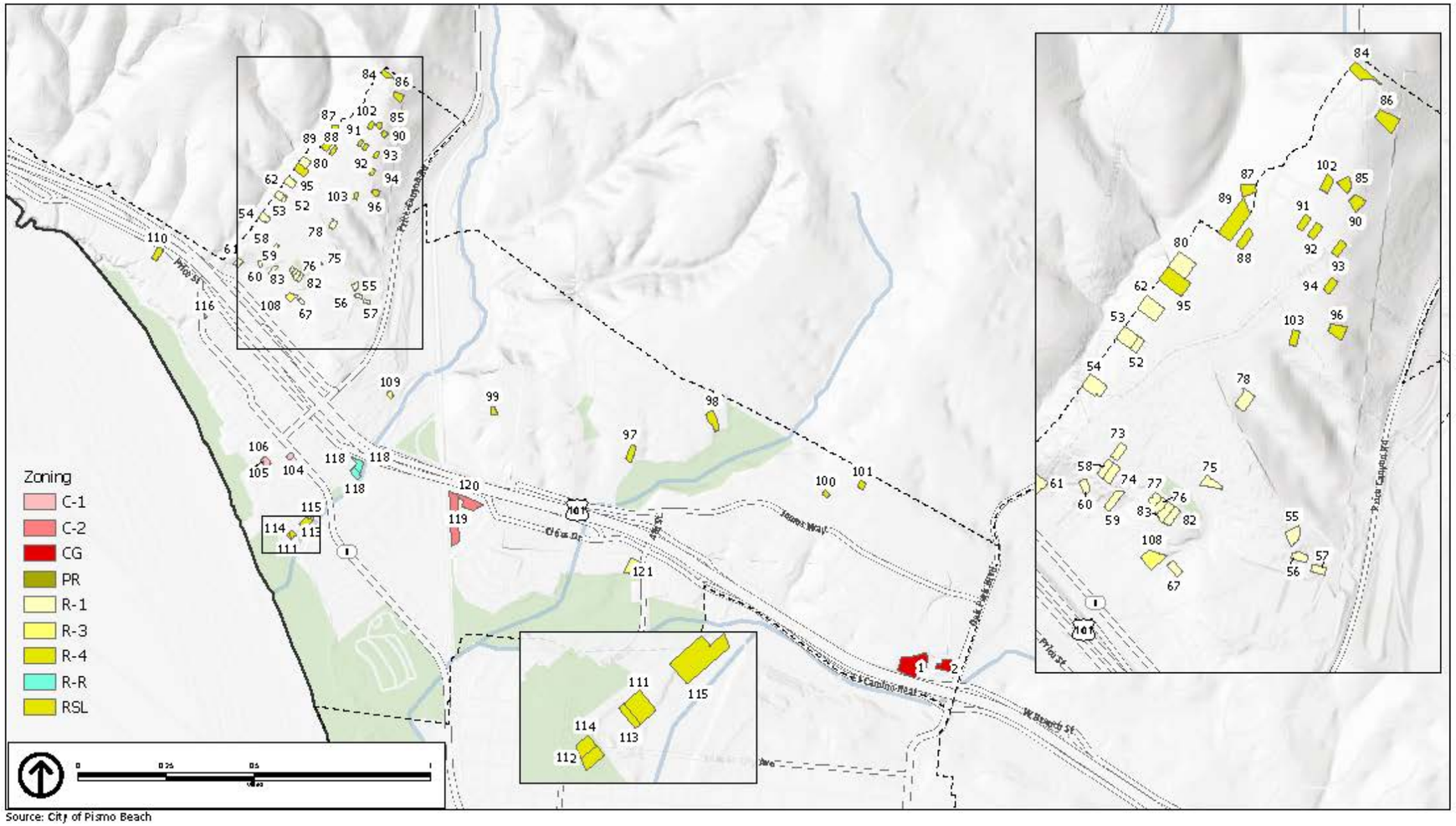


Source: City of Pismo Beach

Sites Analysis: North

PLACEWORKS

HOUSING ELEMENT 2020-2028
CITY OF PISMO BEACH
SITES INVENTORY



Source: City of Pismo Beach

Sites Analysis: South

Appendix C: Vacant Land Inventory

2020-2028 Housing Inventory Number	APN Number	Address	Street Name	General Plan	Zoning	Planning Area	Acres	Possible Units	Realistic Units	Notes	Vacant	Water	Sewer	Internet	Electricity
Vacant Parcels Suitable for Above-Moderate Income Units															
CG															
1	005-398-042	0	Oak Park	Medium Density Residential	CG	Toucan Terrace	2.47	2.5	2.0		Vacant	Yes	Yes	Yes	Yes
2	005-398-043	0	Oak Park	Medium Density Residential	CG	Toucan Terrace	1.06	1.1	1.0		Vacant	Yes	Yes	Yes	Yes
							3.53	**3.5**	**3.0**						
PR															
3	010-045-063	2121	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
4	010-141-034	168	Searidge	Medium Density Residential	PR	South Palisades	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
5	010-141-037	148	Searidge	Medium Density Residential	PR	South Palisades	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
6	010-141-038	130	Searidge	Medium Density Residential	PR	South Palisades	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
7	010-141-039	120	Searidge	Medium Density Residential	PR	South Palisades	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
8	010-152-007	2900	Shell Beach	Medium Density Residential	PR	South Palisades	3.67	52.0	32.0		Vacant	Yes	Yes	Yes	Yes
9	010-152-036	0	Frontage	Open Space	PR	South Palisades	0.57	0.0	0.0		Vacant	Yes	Yes	Yes	Yes
10	010-152-009	2799	Shell Beach	Medium Density Residential	PR	South Palisades	1.46	22.0	22.0		Vacant	Yes	Yes	Yes	Yes
11	010-155-023	380	Encanto	Low Density Residential	PR	Sunset Palisades	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
12	010-562-012	98	Bluff	Low Density Residential	PR	Sunset Palisades	1.18	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
13	010-562-014	82		Low Density Residential	PR	Sunset Palisades	1.24	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
14	010-531-052	2251	Shell Beach	High Density Residential	PR	Spindrift	1.17	12.0	12.0		Vacant	Yes	Yes	Yes	Yes
15	010-143-041	303	Radda	Medium Density Residential	PR	South Palisades	0.19	0.0	1.0		Vacant	Yes	Yes	Yes	Yes
16	010-143-049	205	Radda	Medium Density Residential	PR	South Palisades	0.12	0.0	1.0		Vacant	Yes	Yes	Yes	Yes
17	010-143-042	305	Radda	Medium Density Residential	PR	South Palisades	0.18	0.0	1.0		Vacant	Yes	Yes	Yes	Yes
18	010-144-025	3000	Shell Beach	Medium Density Residential	PR	South Palisades	2.99	44.0	32.0		Vacant	Yes	Yes	Yes	Yes
19	010-144-023	0	Shell Beach	Open Space	PR	South Palisades	1.27	44.0	32.0		Vacant	Yes	Yes	Yes	Yes
20	010-562-022	22	Bluff	Low Density Residential	PR	Sunset Palisades	0.93	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
21	010-073-037	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
22	010-073-032	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
23	010-073-010	1270	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
24	010-073-031	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
25	010-043-011	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.11	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
26	010-043-012	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
27	010-073-012	0	Mattie	Medium Density Residential	PR	Freeway Foothills	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
28	010-047-004	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
29	010-043-016	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
30	010-562-018	50	Bluffs	Low Density Residential	PR	Sunset Palisades	1.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
31	010-073-027	1279	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes

2020-2028 Housing Inventory Number	APN Number	Address	Street Name	General Plan	Zoning	Planning Area	Acres	Possible Units	Realistic Units	Notes	Vacant	Water	Sewer	Internet	Electricity
32	010-073-014	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
33	010-073-039	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
34	010-073-035	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
35	010-073-013	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
36	010-043-004	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
37	010-141-044	0	Shell Beach	Open Space	PR	South Palisades	0.37	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
38	010-043-003	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
39	010-073-009	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
40	010-073-040	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
41	010-073-038	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
42	010-073-015	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
43	010-073-034	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
44	010-073-036	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
45	010-073-041	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
46	010-047-010	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
47	010-043-013	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
48	010-073-008	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
49	010-073-030	0	Costa Brava	Medium Density Residential	PR	Freeway Foothills	0.17	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
50	010-043-014	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.30	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
51	010-043-017	0	Mattie	Low Density Residential	PR	Freeway Foothills	0.29	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
							22.13	**214.0**	**173.0**						
R-1															
52	005-011-031	990	Fresno	Low Density Residential	R-1	Pismo Heights	0.11	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
53	005-011-032	990	Fresno	Low Density Residential	R-1	Pismo Heights	0.26	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
54	005-013-026	991	Stratford	Low Density Residential	R-1	Pismo Heights	0.32	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
55	005-022-035	620	Hanford	Low Density Residential	R-1	Pismo Heights	0.18	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
56	005-023-019	233	Porterville	Low Density Residential	R-1	Pismo Heights	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
57	005-026-003	222	Porterville	Low Density Residential	R-1	Pismo Heights	0.11	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
58	005-031-030	921	Hanford	Low Density Residential	R-1	Pismo Heights	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
59	005-032-007	0	Bay	Low Density Residential	R-1	Pismo Heights	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
60	005-032-021	681	Bay	Low Density Residential	R-1	Pismo Heights	0.10	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
61	005-032-077	0	Baxter	Low Density Residential	R-1	Pismo Heights	0.22	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
62	005-235-024	990	Bakersfield	Low Density Residential	R-1	Pismo Heights	0.36	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
63	010-311-036	240	Boeker	Medium Density Residential	R-1	Shell Beach	0.06	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
64	010-521-012	335	Terrace	Low Density Residential	R-1	Terrace Ave	0.28	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
65	010-521-049	135	Terrace	Low Density Residential	R-1	Terrace Ave	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes

2020-2028 Housing Inventory Number	APN Number	Address	Street Name	General Plan	Zoning	Planning Area	Acres	Possible Units	Realistic Units	Notes	Vacant	Water	Sewer	Internet	Electricity
66	010-521-051	215	Terrace	Low Density Residential	R-1	Terrace Ave	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
67	005-036-025	600	Wadsworth	Low Density Residential	R-1	Pismo Heights	0.11	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
68	010-353-021	0	Seaview	Medium Density Residential	R-1	Shell Beach	0.10	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
69	010-232-044	135	Vista Del Mar	Medium Density Residential	R-1	Shell Beach	0.11	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
70	010-551-017	0	Hermosa	Low Density Residential	R-1	Sunset Palisades	0.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
71	010-283-008	207	Santa Fe	Medium Density Residential	R-1	Shell Beach	0.05	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
72	010-291-082	0	Placentia	Medium Density Residential	R-1	Shell Beach	0.06	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
73	005-014-007	0	Wadsworth	Low Density Residential	R-1	Pismo Heights	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
74	005-031-045	911	Hanford	Low Density Residential	R-1	Pismo Heights	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
75	005-017-028	790	Lemoore	Low Density Residential	R-1	Pismo Heights	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
76	005-031-047	0	Hanford	100	R-1		0.13	1.0	1.0		Vacant				
77	005-031-046	0	Hanford	100	R-1		0.10	1.0	1.0		Vacant				
78	005-015-018	0	Bakersfield	100	R-1		0.22	1.0	1.0		Vacant				
79	010-261-036	0	Esparto	100	R-1		0.11	1.0	1.0		Vacant				
80	005-233-001	0	Visalia	100	R-1		0.41	1.0	1.0		Vacant				
81	010-175-010	0	Indio	100	R-1		0.27	1.0	1.0		Vacant				
82	005-031-015	0	Hanford	100	R-1		0.16	1.0	1.0		Vacant				
83	005-031-025	0	Hanford	100	R-1		0.16	1.0	1.0		Vacant				
							5.41	**32.0**	**32.0**						
RSL															
84	005-211-002	1261	Longview	Low Density Residential	RSL	Pismo Heights	0.21	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
85	005-211-023	1111	Longview	Low Density Residential	RSL	Pismo Heights	0.14	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
86	005-213-025	1250	Longview	Low Density Residential	RSL	Pismo Heights	0.29	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
87	005-221-017	971	Longview	Low Density Residential	RSL	Pismo Heights	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
88	005-221-036	950	Tulare	Low Density Residential	RSL	Pismo Heights	0.16	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
89	005-221-044	980	Tulare	Low Density Residential	RSL	Pismo Heights	0.59	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
90	005-222-015	951	Longview	Low Density Residential	RSL	Pismo Heights	0.18	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
91	005-223-007	841	Merced	Low Density Residential	RSL	Pismo Heights	0.10	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
92	005-223-009	821	Merced	Low Density Residential	RSL	Pismo Heights	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
93	005-223-013	781	Merced	Low Density Residential	RSL	Pismo Heights	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
94	005-224-007	831	Delano	Low Density Residential	RSL	Pismo Heights	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
95	005-233-019	980	Taft	Low Density Residential	RSL	Pismo Heights	0.47	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
96	005-234-015	780	Tulare	Low Density Residential	RSL	Pismo Heights	0.19	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
97	005-286-001	49	La Garza	Low Density Residential	RSL	Pismo Oaks	0.48	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
98	005-288-043	106	La Floricita	Low Density Residential	RSL	Pismo Oaks	0.70	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
99	005-381-039	260	Reef	Low Density Residential	RSL	Pacific Estates	0.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
100	005-401-007	231	Ridge	Low Density Residential	RSL	Toucan Terrace	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes

2020-2028 Housing Inventory Number	APN Number	Address	Street Name	General Plan	Zoning	Planning Area	Acres	Possible Units	Realistic Units	Notes	Vacant	Water	Sewer	Internet	Electricity
101	005-401-034	832	Dugan	Low Density Residential	RSL	Toucan Terrace	0.20	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
102	005-221-029	0	Longview	Low Density Residential	RSL	Pismo Heights	0.13	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
103	005-234-010	0	Visalia	Low Density Residential	RSL	Pismo Heights	0.12	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
							4.81	**20.0**	**20.0**						
						LOW DENSITY SUBTOTALS	**35.87**	**269.53**	**228.00**						
Vacant Parcels Suitable for Moderate Income Units															
C-1															
104	005-134-023	501	Dolliver	Central Commercial District	C-1	Downtown Core	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
105	005-152-022	184	Hinds	Central Commercial District	C-1	Downtown Core	0.03	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
106	005-152-028	555	Cypress	Central Commercial District	C-1	Downtown Core	0.28	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
107	010-335-008	301	Shell Beach	Commercial	C-1	Shell Beach	0.15	1.0	1.0		Vacant	Yes	Yes	Yes	Yes
							0.61	**4.0**	**4.0**						
R-3															
108	005-035-006	581	Wadsworth	Medium Density Residential	R-3	Pismo Heights	0.27	8.1	6.0		Vacant	Yes	Yes	Yes	Yes
109	005-086-049	483	Ocean View	High Density Residential	R-3	Pismo Heights	0.15	5.0	5.0		Vacant	Yes	Yes	Yes	Yes
							0.42	**13.1**	**11.0**						
R-4															
110	005-053-001	1851	Price	Resort Commercial	R-4	Motel District	0.37	11.0	11.0		Vacant	Yes	Yes	Yes	Yes
111	005-163-021	0	Addie	Mixed Use District	R-4	Downtown Core	0.17	5.0	4.0		Vacant	Yes	Yes	Yes	Yes
112	005-163-031	0	Addie	100	R-4		0.08	2.4	1.0		Vacant	Yes	Yes	Yes	Yes
113	005-163-019	0	Addie	100	R-4		0.05	1.6	1.0		Vacant	Yes	Yes	Yes	Yes
114	005-163-030	0	Addie	100	R-4		0.07	2.0	1.0		Vacant	Yes	Yes	Yes	Yes
115	005-163-023	0	Addie	33	R-4		0.41	12.3	9.0		Vacant	Yes	Yes	Yes	Yes
							1.14	**34.3**	**27.0**						
R-R															
116	005-064-003		Dolliver	Mixed Use District	R-R	Downtown Core	0.23	5.0	4.0		Vacant	Yes	Yes	Yes	Yes
PR															
117	010-082-001	1996	Mattie	Mattie Road Specific Plan - LU-Q-6	PR	Freeway Foothills	7.47	14.0	14.0		Vacant	Yes	Yes	Yes	Yes
							7.47	14.0	14.0						
						MODERATE SUBTOTALS	**9.87**	**70.45**	**60.00**						
Vacant Parcels Suitable for Lower Income Units															
R-R															
118	005-101-029	NA	Park	Mixed Use District	R-R	Downtown Core	0.01			combined site - same owner	Vacant	Yes	Yes	Yes	Yes
	005-101-031	NA	Park	Mixed Use District	R-R	Downtown Core	0.53			combined site - same owner	Vacant	Yes	Yes	Yes	Yes
	005-101-037	NA	Park	Mixed Use District	R-R	Downtown Core	0.35			combined site - same owner	Vacant	Yes	Yes	Yes	Yes

2020-2028 Housing Inventory Number	APN Number	Address	Street Name	General Plan	Zoning	Planning Area	Acres	Possible Units	Realistic Units	Notes	Vacant	Water	Sewer	Internet	Electricity
							0.89	**19.4**	**15.0**						
C-2															
119	005-242-073	NA	Five Cities Drive	Commercial	C-2	Pismo Marsh	1.96	53.8	43.0	GIS noted that this parcel is part of a larger parcel in the GIS data we have	Vacant	Yes	Yes	Yes	Yes
120	005-242-074	NA	Five Cities Drive	Commercial	C-2	Pismo Marsh	0.82	22.5	18.0	GIS noted that this parcel is part of a larger parcel in the GIS data we have	Vacant	Yes	Yes	Yes	Yes
							2.78	**76.3**	**61.0**						
R-3 with RVHD Overlay															
121	005-242-019		4th St		R-3		1.20	60.0	60.0	Capacity based on site-specific analysis by owner for a potential affordable housing project.	Unused medical building. Owner intends to develop site as high density affordable housing.	Yes	Yes	Yes	Yes
C-1															
122	010-042-042	2265	Shell Beach Road	Commercial	C-1		0.57	25.0	25.0	Capacity based on site-specific analysis by potential applicant for a mixed use project that includes 25 affordable senior units.	Vacant	Yes	Yes	Yes	Yes
						HIGH DENSITY SUBTOTALS	**5.44**	**180.7**	**161.0**						
						TOTAL VACANT SITES	**51.19**	**520.66**	**449.00**						

Appendix D: 100- and 500-Year Floodplain Map



Appendix E: Public Outreach List

Organization/Name
South County Chambers of Commerce
Pismo Beach Chamber of Commerce
Pismo Coast Association of Realtors
Lucia Mar Unified School District
San Luis Coastal Unified School District
California Department of Housing and Community Development (HCD)
California Department of Transportation (Caltrans)
Central Coast Commission for Senior Citizens
City of Arroyo Grande
City of Grover Beach
Community Action Partnership, San Luis Obispo (CAPSLO)
New Life Church
Corporation for Better Housing
5Cities Homeless Coalition
Habitat for Humanity
Housing Authority of San Luis Obispo (HASLO)
Homeless Services Oversight Council (HSOC) San Luis Obispo County
San Luis Obispo County Housing Trust Fund
Independent Living Resource Center, Inc. (ILRC)
Local Agency Formation Commission (LAFCO)
Peoples' Self Help Housing (PSSH)
San Luis Obispo Council of Governments (SLOCOG)
San Luis Obispo County Air Pollution Control District (APCD)
San Luis Obispo County Planning and Building
SLOCo YIMBY
Transitions Mental Health Association (THMA)
Tri-Counties Regional Center
Cal Coastal Properties
Century 21 Hometown Realty
Economic Vitality Corporation
Home Builder's Association of the Central Coast
Shea Homes
Coastal Community Builders

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