



County of Yolo

PLANNING AND PUBLIC WORKS DEPARTMENT

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TO: **SUPERVISOR DUANE CHAMBERLAIN**, Chairman,
and Members of the Board of Supervisors

FROM: **HEIDI TSCHUDIN**, General Plan Project Manager
Planning and Public Works Department

DATE: January 29, 2008

SUBJECT: General Plan Update – Provide revised and clarified direction to staff regarding agricultural districts, release of the Draft General Plan, implementation of an expanded public outreach and communications plan, and development of an Antiquated Subdivision Cluster Housing Ordinance. Accept revised schedule and report regarding Housing Element and housing grant eligibility. Provide direction regarding 2008 CDBG application. (No general fund impact)

RECOMMENDED ACTIONS

- A. Adopt Resolution (Attachment J) establishing the boundaries of the Clarksburg Agricultural District and identifying a process to define and implement the District.
- B. Direct staff to retain the Capay Valley and Dunnigan Hills agricultural district concepts for inclusion in the General Plan, but eliminate reference to specific boundaries at this time. Direct staff to identify the process for future consideration of the Capay Valley, Dunnigan Hills (as described generally in this Board letter), and potentially other agricultural districts in a specific Implementation Action(s) within the Agricultural Element of the Draft General Plan.
- C. Direct staff to proceed (as described generally in this Board letter) with preparation and release of the Draft General Plan based on the Preferred Land Use Alternative and on prior general policy direction provided during the course of the General Plan Update process.
- D. Direct staff to proceed with development and implementation of an expanded General Plan public outreach program and communications plan as described generally in this Board letter.
- E. Direct staff to develop an Antiquated Subdivision Cluster Housing Ordinance (as described generally in this Board letter) and return to the Board of Supervisors no later than December 2008.
- F. Direct staff to postpone the development of regulations for placement/location of homes and other structures on agricultural parcels. Staff recommends that the development and consideration of regulations for unit placement be identified as an implementation item of the General Plan to be undertaken after the General Plan Update has been adopted, and appropriate public outreach for that effort occur at that time.

- G. Accept the revised schedule for adoption of the new General Plan.
- H. Accept the report regarding the State deadline for update and certification of the Housing Element acknowledging potential concerns regarding grant eligibility.
- I. Direct staff to prepare CDBG grant applications as necessary to meet the April 3, 2008 application deadline and to make every effort to optimize the County's potential for a maximum award.

FISCAL IMPACTS

The cost for the General Plan Update is a general fund item. The staff and consultant team are operating under scopes of work and budgets approved by the Board of Supervisors in previous actions. The total budget for the General Plan Update process is \$1,862,158. To date, approximately \$ 917,380 or 49 % percent has been expended.

The County has previously been awarded a grant of \$221,000 from the Sacramento Area Council of Governments (SACOG) for preparation of the Circulation Element. In addition, the General Plan cost recovery fees collected on building permits has accrued \$598,000 to date. These incoming funds partially offset the actual cost to the general fund for the General Plan Update.

REASON FOR RECOMMENDED ACTION

On November 6, 2007 the Board of Supervisors re-affirmed direction to the General Plan team to report back on the issue of public outreach regarding the new concept of General Plan agricultural districts. This report is in response to that direction.

BACKGROUND/CHRONOLOGY

March 27, 2007

As part of other direction given pertaining to the General Plan Update, the Board of Supervisors:

- Approved the concept of establishing agricultural districts in the Capay Valley (Minute Order No. 07-215), Clarksburg (Minute Order No. 07-217), and the Dunnigan Hills (Minute Order No. 07-216) areas.
- Approved preliminary district boundaries coincident with the community boundaries for Capay Valley and Clarksburg, however the Board of Supervisors directed at the time that the community boundary for Clarksburg be expanded north to the West Sacramento city limits (see Attachments B and C).
- Directed staff to coordinate with the Agricultural Commissioner and return with a proposed boundary for the Dunnigan Hills Agricultural District on September 18, 2007.

September 18, 2007

As part of final action on the Preferred Land Use Alternative (see Attachment A), the Board of Supervisors provided additional direction pertaining to the General Plan Update:

- Approved preliminary boundaries for the Dunnigan Hills Agricultural District (Minute Order No. 07-265) (see Attachment D).
- Approved an initial working definition of Agricultural Districts (Minute Order No. 07-266 and 07-267) which is provided in Attachment E. Directed this language be used as a starting point for discussions.
- Directed staff to work with interested parties in each of the three districts to tailor the initial working definition to each individual district.
- Approved Minute Order No. 07-270 directing staff to remove the reference to 200 new rural residential units in the Clarksburg Agricultural District and clarifying that added rural residential units are not a component of the agricultural districts.
- Approved Minute Order No. 07-268 directing staff to return to the Board of Supervisors with a facilitated outreach process for discussion of the Dunnigan Hills Agricultural District, and if needed, for discussion of the Capay Valley and Clarksburg Agricultural Districts.

November 6, 2007

The Board of Supervisors approved Minute Order 07-343 confirming the direction given September 18, 2007 regarding a facilitated public outreach process for discussion of the agricultural districts.

REPORT BACK REGARDING GENERAL PLAN AGRICULTURAL DISTRICTS

The discussion of agricultural districts as a part of the General Plan has become politically charged. While many recognize the opportunities these districts hold for furthering the economic health of the County's agricultural sector, and for fostering new agricultural market opportunities, others are concerned that they will be used as a wedge to open up the countryside to rural residential housing. Support for agricultural districts from some members of the development community has caused distrust and suspicion among some residents. This has been particularly true for the Dunnigan Hills Agricultural District.

It is important under these circumstances to persevere and to create a forum for all views to be heard, but for facts to prevail and for solutions and positive change to emerge. The discussion of agricultural districts is about agricultural opportunity, rural health, and economic success. The fundamental goal underlying the agricultural district concept is to encourage voluntary participation in various programs that encourage agricultural business development and expansion. The Board of Supervisors has provided deliberate and strong policy direction that agricultural districts are not a way to "sneak in" rural housing development. The Board of Supervisors has asked for a framework for community discussion that will allow the General Plan to move forward. It is in this spirit that staff offers the following observations and recommendations:

OBSERVATIONS:

We Should Celebrate Our Hindsight

Yolo County has long been a leader in the preservation and conservation of agricultural land and the promotion of agriculture as an industry. Sometimes it is important to remind ourselves of research, policies, strategies, and commitments we have already undertaken. For example, in the literature the concept of agricultural districts typically refers to three primary functions: tax relief programs, local agricultural zoning, and nuisance protection. Yolo County already aggressively implements programs in each of these areas in the form of the Williamson Act, the A-P and A-1 zones in the Zoning Code, and the County's Right to Farm Ordinance. Furthermore, the agricultural districts concept is consistent with the 1996 Yolo County Agricultural and Tourism Targeted Industry Analyses Final Report (1996 Report), approved by the Board of Supervisors August 27, 1996 (Minute Order No. 96-361) (see Attachment K) , and the County's 2002 Agricultural Element, adopted by the Board of Supervisors November 26, 2002 (Resolution No. 02-202), both of which propose development of special agribusiness areas or farming districts to encourage opportunities for growing higher value-added crops and commodities.

Acknowledging the "Research Cycle"

There will always be jurisdictions generating useful information at a time when others are not, simply because every jurisdiction is operating under different timetables, formulas, and constraints for update and implementation of their General Plan. For example, two strong neighboring agricultural counties like Solano and Yolo have long looked over one another's shoulders as this cycle has ebbed and flowed. Currently, both Solano and Yolo are undergoing General Plan updates, and considerable information is flowing out of Solano as they too explore the concept of agricultural districts. It has been suggested that Yolo County should similarly undertake more extensive original research at this time as a precursor to exploration of the concept of agricultural districts. The staff agrees that additional research and analysis could be very useful, particularly to the extent that it supplements the 1996 Report and the 2002 Agricultural Element. However, as discussed later in this report, it is important to recognize that Yolo County's Housing Element is required under State law to be completed by June 30th of this year, whereas Solano County's housing element is not due until June 30th of 2009, thus giving them an additional year for their update. Were we to embark on additional research at this time it would further delay completion of Yolo County's Housing Element.

The Only Thing Constant is Change

In our lifetime we have watched the retail and grocery business change dramatically from small specialty shops to large big box outlets. These changes were much more about world politics, federal agricultural programs, foreign trade, and American tax policy than they were a result of local land use decisions. The local agricultural industry faces these same forces and will likely evolve in ways we fail to predict. It is important that we create programs that allow our farmers and ranchers to make successful business decisions that work for them and work for the County.

Thinking Outside the Box

Exploration of the agricultural district concept provides an opportunity to regroup and rethink creative ways to capitalize on emerging agricultural markets and circumstances. Much like the Board of Supervisors has embraced the strategy of developing a "specific plan" for new development in the town of Dunnigan, this is an opportunity to create a specific plan for agricultural economic development that will allow traditional agriculture, niche agriculture, and new agricultural processing to co-exist and flourish.

Testing the Concept

The concept of creating agricultural districts has been met with recommendations from some that whatever opportunities we create should be available equally to all types of agriculture located throughout the unincorporated County. Ideally this is true and working toward this should be a goal, but it is appropriate and reasonable to test a program on a smaller scale before broad application. This allows us to isolate results, identify costs, and make adjustments before making a larger commitment.

Biggest Bang for the Buck

Similarly, the County may or may not have the assets to apply great ideas countywide. It is legitimate to want to direct scarce resources as seed money to ideas with the greatest likelihood of success or to the most promising ideas in need of a boost. This may include emerging crops (such as olives and lavender) that offer promise for diversifying and strengthening the County's agricultural base.

What's in a Name

We should remain open to a variety of possible names that perhaps better define what we are currently calling "agricultural districts" including: Specialty Farming Districts, Agricultural Enterprise Zones, Agricultural Specific Plan Areas, or Agribusiness Development Areas.

RECOMMENDATIONS:

Start with Clarksburg

Staff proposes the Clarksburg Agricultural District move forward first, as a pilot program. There are several reasons for this:

- The Clarksburg "peninsula" provides clear boundaries for an agricultural district.
- The area has both physical and political identity.
- The area falls within a federally designated wine appellation.
- The area is coincident with the locally designated planning area.
- The area falls within the proposed West Sacramento Enterprise Zone.
- The County's Economic Development Division has received a \$35,000 CDBG Economic Development Planning/Technical Assistance Grant to study the growth potential for the emerging wine industry and other associated agri-tourism in the region. A consultant has been selected and the study is underway with a report due this year.
- The area already has an emerging value-added industry.
- Clarksburg accounts for 9.4 percent of the County's active farmland, but produces 21.7 percent of the total value of the County's top five crops (tomatoes, alfalfa, grapes, almonds, and seeds) (see Attachment I). Considering that there are no almonds grown in Clarksburg, this is extraordinary.

- Approximately 30 percent of the active farmland within the Clarksburg Agricultural District is devoted to wine grapes (see Attachment I).
- Clarksburg's grape acreage accounts for 63.8 percent of the County's total grape production (see Attachment I).
- Clarksburg also produces 85.1 percent of the County's total pear crop production and 38.7 percent of the County's ornamental turf production (see Attachment I).
- A total of 16 family groups own nearly half (47.6 percent) of all active farmland within the Clarksburg area (see Attachment I).
- The concept of an agricultural district has the support of growers and the community.
- The town of Clarksburg, including the Old Sugar Mill, provides an existing economic center.
- Clarification of community agricultural goals helps set the stage for coordination with the Delta Protection Commission on their update of the Land Use and Resource Management Plan.

The staff recommends the Board of Supervisors adopt the attached resolution (Attachment J) establishing the Clarksburg Agricultural District and identifying a process to define and implement the district. The staff recommends the process include the following steps:

- 1) A staff team comprised of the Planning Director, the Agricultural Commissioner, and the Economic Development Manager compiles available data for the area.
- 2) A team comprised of the Planning Director, the Economic Development Manager, and District Supervisor McGowan identifies a list of critical stakeholders and a framework for interview questions.
- 3) An interview panel is identified and a series of individual interviews and mini-focus groups are undertaken to explore key interview themes and questions.
- 4) Key interview themes and questions are also posed to the community advisory committee to allow for more generalized community input.
- 5) District Supervisor McGowan appoints a small advisory team of local agricultural leaders to work with staff to define the goals and strategies for the Agricultural District and produce a draft working plan for implementation of the Clarksburg Agricultural District. The working plan may include any or all of the ideas listed on the next two pages of this report.
- 6) After community review and input the plan is presented to the Board of Supervisors for adoption.
- 7) Specific implementation actions and deadlines are identified and undertaken.

Develop Other Districts After the General Plan is Adopted

Staff recommends that the Capay Valley and Dunnigan Hills agricultural district concepts be retained for inclusion in the General Plan, but that we not specify the boundaries for these districts at this time and that we not move forward with a facilitated public outreach process for them until after adoption of the General Plan update. At that time, the general policy direction of the County will be in place, there will no longer be risk of delay to the overall land use framework of the County, and the Board of

Supervisors can deliberate the priority of that item along with the many other important action items that will be necessary to implement the new General Plan. The process for future consideration of the Capay Valley, Dunnigan Hills, and potentially other agricultural districts, would be spelled out in a specific Implementation Action(s) within the Agricultural Element of the Draft General Plan and could include the following:

- Professional facilitation services as approved by the Board of Supervisors, to assist with public outreach.
- Research and analysis to develop fact summaries and educational information for consideration during the process (see list of ideas below) including crop information, soil and water considerations, demographics, etc.
- Informal “conversations with the community” in the form of: 1) get-togethers at people’s homes; 2) “round table” workshops sponsored by individual Board members within each supervisorial district; and 3) subject matter meetings with groups of a particular interest such as seniors, public health professionals, emergency services, environmentalists, etc.
- Workshops before relevant community advisory committees and before other interested parties including existing County agricultural working groups.
- Other ways to engage the public including write-ups and releases for local media, and guest presentations to various chamber and service groups.
- Ideas to be explored as part of the research and analysis component include the following (Note: these ideas are also applicable to the Clarksburg Agricultural District as appropriate) :
 - Expert Consulting Services – Consider use of expert outside consulting services from the UCD Agricultural Issues Center and/or from entities such as the American Farmland Trust to undertake original research and/or to update the 1996 Yolo County Agricultural and Tourism Targeted Industry Analyses Final Report. Experts in agricultural economics, water, and soils should be considered to help define the issues. A possible product would be analysis of agricultural data countywide to identify logical district boundaries based on a combination of physical and market data.
 - Yolo County Agricultural Summit – This could be used to kick off the future broader discussion of agricultural districts in the form of an “educational regrouping”. The County would reach out and involve local experts and interested parties, using a facilitated process, to provide educational material, identify issues, and define a procedural roadmap.
 - Agricultural Permit Center – This could be staffed by an Agricultural Permit Coordinator who would activate when necessary an agricultural “strike team” made up of representatives from the Planning Department, Agricultural Commissioner office, Health Department, Economic Development office, and perhaps other departments/divisions, organized to help a farmer or rancher with a promising value-added idea work successfully through the permitting process. This center could provide other hands-on assistance and would complement the current permit streamlining efforts of the Economic Development Division and the Planning and Public Works Department,
 - Regulatory Relief – As an incentive for agricultural economic development, the County could consider relaxed standards for qualifying agricultural endeavors. Allowance for alternate improvements in rural areas, such as parking (e.g. allowed use of gravel surfaces rather than

paved), occupancy (e.g. allowed use of barn structures for events), lighting (e.g. lower minimum standards), pedestrian circulation (e.g. allowed use of surfaces other than paved sidewalk), and sanitation for special events (e.g. allowed use of portable toilets and related facilities rather than permanent systems) could encourage agricultural tourism opportunities.

- Expanded Agricultural Commissioner Office – Consider a larger, more prominent role for the Agricultural Commissioner office. The San Luis Obispo County Department of Agriculture Land Use Program provides a nice example of this. It is important to note that Yolo County engages in many of the same programs as San Luis Obispo County, however where the programs are housed, how they are staffed, the way in which they are implemented, and the coordination and cooperation between County representatives can make a significant difference in terms of the success of the program through the eyes of the user.
- Performance-Based Agricultural Districts – Under this concept the County would create a list of basic criteria for any eligible group of farmers to form an agricultural district anywhere in the unincorporated area if they satisfy the minimum required performance criteria. Examples might include:
 - Minimum economically feasible area (total acreage)
 - Minimum critical mass of crops (total acreage)
 - Contiguous land mass
 - Willing participation of landowners
 - Identified economic center to provide centralized processing and serve as distribution point
 - Business plan including: coordinated growing and/or marketing of commodities; specified economic development goals; and County review.
- Agricultural Economic Centers – Under this concept the County would focus on economic centers rather than district boundaries. The County would designate focus points intended to become centers of shipping, processing, trade, downtown revitalization, visitation, and services. These economic centers could be used by any farmer, regardless of farm location. Economic centers are emerging already in Clarksburg and Esparto. The opportunities for these economic centers and others throughout the County should be explored as a part of the research and analysis phase of looking at agricultural districts.
- Agricultural Development Block Grants – If a revenue source is available, the County could consider creation of a local grant program for qualifying agricultural development projects such as new agricultural processing facilities in targeted areas. The County could create a matching grant program for example using general funds, Tribal mitigation money, or perhaps available State funding as seed money.
- Regional Cooperation – The neighboring counties of Solano, Yolo, and Napa are all three agricultural strongholds and together comprise the geographic heart of the state. Curiously, they also form an almost perfect circular land mass that looks a bit like a bulls-eye which reinforces them jointly as “the” place to experience the best of agricultural tourism. These counties might benefit from a cooperative and creative venture where each commits a certain level of funding and energy to joint marketing of the region. The play on the word “SYnergy” might become a part of the branding for this marketing effort as it includes the first letter from each county’s name – Solano, Yolo, and Napa.
- Other Marketing Assistance, Financial Incentives, and Regulatory Relief – Attachment F includes in summary form many other ideas that staff has collected from past public meetings, conversations, and comments. This list is “unabridged” in that it has not been edited for

feasibility or practicality. It provides a good starting point for looking at possible programs for agricultural districts.

RELEASE OF THE DRAFT GENERAL PLAN

The next major step in the General Plan Update process will be release of the Draft General Plan document. The staff proposes to present the Draft General Plan to the community at a planned joint meeting of the Board of Supervisors and the Planning Commission in Spring of 2008. At this meeting staff intends to present the following:

- Detailed overview of the draft document including a summary of each of the elements
- Request to have the Board of Supervisors authorize distribution of the Draft General Plan
- Proposal for detailed public outreach including:
 - Proposal for professional facilitation services to assist with public outreach
 - Workshops before the community advisory committees
 - Workshops before other interested parties throughout the County
 - Write-ups and releases for local media
 - Guest presentations to various chamber and service groups
 - Coordination with Yolo County cities and neighboring counties
 - Coordination with UCD and the Rumsey Tribe
 - Formal comment period for written, oral, and electronic comments
 - Formal hearings before the Planning Commission and Board of Supervisors
 - Formal consultation with appropriate State agencies as required under State law

Attachment G provides an outline for the proposed organization of the General Plan Update including a table to show how the existing elements and proposed new elements will correlate.

OTHER GENERAL PLAN PUBLIC OUTREACH

The County's General Plan Update process would benefit from a robust public outreach program. The County's Public Information Officer has been brought into the General Plan team to determine how best to expand the public outreach component in the form of a Communications Plan. The following initial steps have been identified and will be implemented:

- Regular educational articles and columns for the newspapers.
- Improved website services, information, and linkages.

- Press releases preceding all staff reports, document releases, workshops, and hearings.
- Interviews with reporters to assist with in-depth analytical articles at key points in the process.

MANAGEMENT OF RURAL RESIDENTIAL DEVELOPMENT

Minute Order No. 07-269, adopted September 18, 2007, directed staff to develop a countywide program to address rural residential development through such methods as clustered housing and unit location criteria, engaging in a facilitated community process, and returning to the Board of Supervisors by March 2008. The staff has examined this assignment, and in the spirit of public outreach, recommends refinement of the direction.

As discussed during the September 18, 2007 meeting, there are several aspects to this issue. Attachment H provides a brief summary of Antiquated Subdivisions and Transfer of Development Rights. In short, staff believes that the development of a “cluster housing ordinance” that would apply solely to recognized antiquated subdivisions is a task that has been discussed fairly extensively and for which there is strong support among various sectors of the community. Therefore, staff recommends the following:

- 1) Direct Planning staff, assisted by Environmental Health staff and in coordination with County Counsel, to develop an Antiquated Subdivision Cluster Housing Ordinance to apply solely to antiquated subdivisions (consistent with the County’s legal position on this issue). This ordinance would allow and encourage owners of antiquated subdivisions to cluster allowed residential units, utilizing standard well and septic systems, if feasible, and would allow for common water and septic systems meeting specified conditions where standard systems are not feasible. By doing this, the effects of development in antiquated subdivisions recognized by the County could be minimized including loss of farmland and impacts to agricultural operations.
- 2) Direct staff to distribute the draft ordinance to the various community advisory committees and interested parties for early review and comment prior to public hearings at the Planning Commission and Board of Supervisors. Confirm that additional “facilitated” public outreach is not necessary.
- 3) Staff also respectfully requests that the timeframe for completion of this item be adjusted to December 2008 in recognition of the current status of the General Plan Update and to allow it to be integrated with the other workload of the department.

The discussion of unit placement criteria for individual farm dwellings throughout the agricultural areas of the County remains controversial. While the Board of Supervisors has initially deliberated this item and provided preliminary direction (Minute Order 07-99), staff concurs that additional community discussion of this issue is critical. Rather than attempt to undertake a facilitated community outreach process on this specific topic in the midst of the General Plan Update process, staff recommends that the development and consideration of regulations for unit placement be identified as an implementation item of the General Plan to be undertaken after the General Plan Update has been adopted. At that time, the general policy direction of the County will be in place, there will no longer be risk of delay to the overall land use framework of the County, and the Board of Supervisors can deliberate the priority of that item along with the many other important action items that will be necessary to implement the new General Plan.

SCHEDULE

The schedule for completion of the General Plan Update is in flux. There are different implications for the schedule depending on what actions the Board of Supervisors takes. Based on the recommendations provided by staff herein, the following new schedule would be applicable:

Release Draft General Plan	May 2008
Workshops	June-September 2008
Clarksburg Agricultural District Program	September 2008
Release Draft EIR	September 2008
Antiquated Subdivision Cluster Ordinance	December 2008
Planning Commission Hearings	Early 2009
Board of Supervisors Hearings	Spring 2009

HOUSING ELEMENT

The Housing Element is one of the seven mandatory General Plan elements. It is the only element for which State certification is required. It is also the only element with a required update cycle. State law requires that Housing Elements be updated every five years. The update deadlines are set by region. As a part of the SACOG region, the County has a requirement to update its Housing Element by June 30, 2008. Based on where we are currently in the General Plan Update process, the County will be unable to meet this deadline. Staff has alerted the State Department of Housing and Community Development (HCD) about the situation and discussed the implications with HCD representatives.

The status of the Housing Element raises two distinct issues for the County: grant funding and legal adequacy of the General Plan. Each is discussed in more detail below. In short, the inability to have an updated and State-certified Housing Element in place by June 30, 2008 may affect the County's ability to compete for up to \$1 million in the HOME program in 2008/09; and may affect the County's ability to submit for up to \$800,000 under the CDBG program for 2009. Also affected would be the ability of the Madison Community Service District to submit in 2008/09 for up to \$500,000 in the Small Communities Facilities Grant program. Regarding General Plan legal adequacy, County Counsel sees no significant legal risk or exposure.

Grant Funding

There are several funding programs (primarily related to housing and social services grant funding) for which the County can submit applications over the next year:

- CalHome program
- Emergency Housing and Assistance Program operating facility grants (EHAP)
- Enterprise Zone program
- Federal Emergency Shelter Grant (FESG) program
- Joe Serna Jr. Farmworker Housing Grant (JSJFWHG) program
- Multifamily Housing Program (MHP)
- Predevelopment Loan Program (PDLP)
- HOME Investment Partnerships (HOME) program
- Building Equity and Growth In Neighborhoods (BEGIN) program
- California Infrastructure and Economic Development Bank (IBANK)
- State Community Development Block Grant (CDBG) program (General and Economic Development components)

- Small Community Facilities Grant program
- Proposition 1c Infill Funding
- Proposition 63 Mental Health Services Act (MHSA) program

Staff has asked HCD to provide advice as to whether the timing for the Housing Element will adversely affect the County's ability to compete and/or secure any of the funding. Paul McDougall, Manager of the Division of Housing Policy Development, has indicated that there are three likely levels of influence that Housing Element compliance may have on these programs: no affect; affect on County competitiveness; and affect on County ability to apply.

The County's participation in the following programs would **not be affected** by the status of the Housing Element:

- CalHome program
- Emergency Housing and Assistance Program Operating Facility grants (EHAP)
- Enterprise Zone program
- Federal Emergency Shelter Grant (FESG) program
- Joe Serna Jr. Farmworker Housing Grant (JSJFWHG) program
- Multifamily Housing Program (MHP)
- Predevelopment Loan Program (PDLP)
- Proposition 63 Mental Health Services Act (MHSA) program

The County's **ability to compete would be affected** for the following programs, meaning that if applications for these funds were submitted, the County could not accrue "bonus points" thus compromising the application's competitive edge in terms of rating and ranking:

- HOME Investment Partnerships (HOME) program – The purposes of this program are to: provide decent affordable housing to lower-income households; strengthen ability of state and local governments to provide housing; expand capacity of non-profit housing providers; and leverage private sector participation. The County would be eligible for up to \$1 million per funding year. The County frequently participates in this program. In 2005, Yolo County was awarded \$800,000.
- Building Equity and Growth In Neighborhoods (BEGIN) program – The purposes of this program are to: reduce local regulatory barriers to affordable ownership housing; provide down payment assistance loans to qualifying first-time low- and moderate-income buyers of homes in BEGIN projects. Awards are formula based. The County would be eligible for up to \$20,000 per unit in a low income housing development project; however, the County has never undertaken a project under this program, nor is one planned.
- California Infrastructure and Economic Development Bank (IBANK) – The purposes of this program are to: finance public infrastructure and private investments that promote economic growth; revitalize communities and enhance the quality of life throughout California. The County would be eligible for between \$250,000 and \$10 million. The County has not participated in this program in the past; however, future participation is contemplated by the Economic Development Manager.

The County would be **ineligible to submit** an application for the following programs:

- State Community Development Block Grant (CDBG) program – The purpose of the General component of this program is the development of viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for

persons of low- and moderate-income. The purpose of the Economic Development (ED) component of the program is to create or retain jobs for low-income workers in rural communities. The County would be eligible for up to \$800,000 for the General and ED components combined. The County frequently participates in this program. In 2005, Yolo County was awarded \$453,000.

- Small Community Facilities Grant program (funded through the State Water Resources Control Board) – The purpose of this program is to aid small, financially disadvantaged communities in correcting public health and water quality problems. Maximum award amounts are calculated based on a formula that takes into account the number of community residents and median household income. These funds are applied for directly by Community Service Districts (CSDs). The CSDs would be eligible for \$500,000 each. The Madison CSD is contemplating submittal of an application for 2008 and would be affected by the compliance situation.
- Prop 1C Infill Funding – The purpose of this program is to provide direct assistance to mixed-income, mixed-use developments with the greatest potential for catalyzing community growth and revitalization. Awards range from \$5 million to \$20 million per eligible infill project or infill area. The County has not participated in this program in the past.

Of the aforementioned affected programs, the County most frequently applies for HOME and CDBG funding. As of June 30, 2008, approximately 260 jurisdictions around the state (including those within the Sacramento Area Council of Governments and the Southern California Association of Governments) will face the same deadline for revision and state certification of their Housing Element. HCD has speculated that perhaps ten percent will actually meet this deadline. This creates an interesting dynamic for the State. Most of these programs have federal roots. If the State fails to allocate the available grant money, the State risks losing the federal funding for the program. In other words, on the one hand the State wants all jurisdictions in compliance regarding their housing elements but on the other hand there is little incentive for the State to take a heavy hand on the issue of program compliance because it hurts the State as well as locals if funding is not achieved.

With respect to the CDBG program, the Notice of Funding Availability (NOFA) was issued January 22, 2008 and established an application deadline of April 3, 2008. We understand that HCD purposefully set this year's application deadline prior to June 30, 2008 so that the issue of Housing Element compliance will not affect most jurisdictions eligible for 2008 funding. County staff proposes to take full advantage of 2008 CDBG opportunities and seeks the Board of Supervisors confirmation of this approach.

In addition, County programs previously funded by HOME and CDBG generate program income, which the County is required to continuously and substantially revolve each year. Program Income would allow the County's current programs originally funded by HOME and CDBG to be self-sustaining while regaining Housing Element compliance.

General Plan Adequacy

Ensuring the legal adequacy of the General Plan is important, because without a legally adequate general plan the County's ability to make land use decisions is affected. County Counsel has advised that the San Mateo County Coastal Landowners' Association v. County of San Mateo case (38 Cal. App. 4th 523, 1995) is applicable. In that decision, the court held that the timeframe in Government Code Section 65588 for updating housing elements is "directory," not "mandatory." In other words, if a jurisdiction does not meet the timeframe, its Housing Element remains valid as does its General Plan. The court noted one possible exception, suggesting that there could be a different result if a party established that the failure to update the Housing Element gave rise to a substantive inadequacy in the General Plan or a related land use action. County Counsel has indicated they are

not aware of any reason this would be an issue for Yolo County. As such, they have concluded that the legal risk to the County of failing to update its housing element pursuant to the State schedule is quite low.

ATTACHMENTS

All referenced General Plan documents are on file with the Clerk of the Board of Supervisors and available through the County's General Plan website at www.yolocountygeneralplan.org.

Attachment A – Preferred Land Use Alternative Table
Attachment B – Capay Valley Agricultural District Boundary
Attachment C – Clarksburg Agricultural District Boundary
Attachment D – Dunnigan Hills Agricultural District Boundary
Attachment E – Agricultural District Conceptual Language
Attachment F – Summary of Possible Agricultural District Programs
Attachment G – Proposed General Organization of General Plan
Attachment H – Summary of Antiquated Subdivisions and Transfer of Development Rights
Attachment I – Clarksburg Agricultural Information
Attachment J – Resolution Establishing Clarksburg Agricultural District
Attachment K -- 1996 Yolo County Agricultural and Tourism Targeted Industry Analyses (distributed separately; copy on file)