

CALIFORNIA COASTAL COMMISSION

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DATE: January 23, 2020

TO: Commissioners and Interested Persons

FROM: Steve Hudson, District Director
Barbara Carey, District Manager
Deanna Christensen, District Supervisor

SUBJECT: County of Santa Barbara Local Coastal Program Amendment No. LCP-4-STB-18-0098-3-Part B (Agricultural Employee Dwelling Ordinance), for public hearing and Commission action at the February 13, 2020 Commission hearing in Long Beach.

DESCRIPTION OF THE SUBMITTAL

The County of Santa Barbara is requesting an amendment to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) portion of its certified Local Coastal Program (LCP) to modify existing provisions regarding agricultural employee dwellings. Specifically, the amendment request includes changes to help streamline the permit process for agricultural employee dwellings, and other updates to the agricultural employee dwelling provisions of the County's certified IP/CZO.

The County of Santa Barbara submitted Local Coastal Program Amendment LCP-4-STB-18-0098-3 (Parts A and B) to the Commission on December 20, 2018. The amendment submittal was deemed complete on January 4, 2019. At the May 9, 2019 hearing, the Commission extended the 90-day time limit for Commission action on the amendment submittal for a period not to exceed one year to provide flexibility in scheduling both parts of the amendment submittal – Part A (Coastal Resiliency Project) which is tentatively scheduled for hearing in April 2020, and Part B (Agricultural Employee Dwellings) which is the subject of this staff report.

SUMMARY OF STAFF RECOMMENDATION

Commission staff recommends that the Commission, after public hearing, **reject** the proposed County of Santa Barbara LCP Amendment No. LCP-4-STB-18-0098-3-Part B as submitted, and **certify** the proposed amendment only if modified pursuant to five (5) suggested modifications ([Exhibit 1](#)). The modifications are necessary to ensure the proposed amendment to the IP/CZO conforms with and is adequate to carry out the policies of the County's certified Land Use Plan (LUP). All of the suggested modifications were developed in cooperation with County staff. The motions and resolutions to accomplish this recommendation are found on pages 6 and 7 of this staff report.

The County has indicated that high labor demand and a housing shortage countywide have created a significant need for affordable housing for agricultural employees and their families. The proposed amendment request includes changes to help encourage the development of, and streamline the permit process for, agricultural employee dwellings. Such streamlining is consistent with the Commission's environmental justice policy (EJ Policy), which recognizes that provision of affordable housing and agricultural worker housing are environmental justice issues, and that such housing should be encouraged in the coastal zone. However, the EJ Policy also states that housing must be encouraged in a manner that fully meets Coastal Act and LCP requirements.

Currently, the LCP permits agricultural employee dwellings in the Agriculture I (AG-I) and Agriculture II (AG-II) zones with a CDP and either a conditional use permit or minor conditional use permit, depending on the number of employees occupying the dwellings. When a conditional use permit is required in addition to a CDP, the time and cost of permit processing is greater. The proposed amendment would eliminate the need for a minor conditional use permit and conditional use permit for agricultural employee dwellings that accommodate less than 10 employees in the AG-I zone or less than 25 employees in the AG-II zone.

A primary issue raised by the proposed amendment relates to the siting of agricultural employee dwellings in a manner that is consistent with the agricultural resource protection policies of the County's LUP, including Coastal Act Policies 30241 and 30242 (which are incorporated in the LUP as guiding policies). The proposed amendment would modify an existing requirement that agricultural employee dwellings avoid all prime agricultural soils, and would instead require that such dwellings avoid all prime agricultural soils "to the maximum extent feasible." This proposed change could have negative impacts if large areas of agricultural land were converted to housing, and the provision also does not address the preservation of non-prime lands suitable for agricultural use, as required by Coastal Act Section 30242. However, since dwellings for agricultural employees are generally necessary for the continued use and operation of agricultural land, siting such structures to completely avoid prime and non-prime land suitable for agriculture is not always feasible. In order to ensure that prime agricultural soils and other land suitable for agriculture are preserved in the County's coastal zone, staff is recommending Suggested Modification Nos. 3 and 4 to clarify that agricultural employee dwellings shall be sited and designed to: (1) avoid prime soils *and* non-prime land suitable for agriculture to the maximum extent feasible, and (2) maintain the long-term viability of agricultural resources and operations on the property and on adjacent agricultural lands.

The proposed amendment is also not clear regarding when agricultural employee dwellings are considered a part of the "principal permitted use" of a property. This is important because Coastal Act Section 30603(a)(4) provides that County CDPs for development designated as the "principal permitted use" under the IP/CZO are not appealable to the Commission. A principal permitted use is a use that clearly carries out the designated land use and the intent and purpose of a particular zone. For example, the principal permitted use on land zoned for agriculture would be agricultural activities that include, but are not limited to, forms of cultivated agriculture, grazing, and ancillary agricultural accessory structures, while the principal permitted use on land zoned as residential would be residential structures. Although some residential-type

uses are essential to, or supportive of, continued agricultural use of the property, and thus may be considered a component of the agricultural principal permitted use, larger-scale housing may not be appropriate or compatible with agricultural uses. Suggested Modification No. 2 clarifies which types of agricultural employee dwellings shall be considered part of the agricultural principal permitted use.

The proposed amendment would also modify the employment location requirements for agricultural employee dwellings at each permit level. Currently, agricultural employee dwellings allowed with the lowest level permit in each of the agricultural zones are required to be employed full-time in agriculture on the farm or ranch where the dwelling is located. There is currently no restriction on employment location for the highest level permit (conditional use permit) in each of the agricultural zones. The proposed amendment would modify the employment location requirements for the higher level permits in the AG-I zone by allowing residents of dwellings for 10-19 employees to work up to 49% of their time off-site, and by removing all location restrictions for residents of dwellings for twenty or more employees. In the AG-II zone, the proposed amendment would eliminate the full-time on-site employment location requirement for the lowest level permit, so there would be no restriction on employment location for any permit level.

The County believes that it is often infeasible to require that occupants of agricultural dwellings work full-time on-site because employees may split their time among a patchwork of farms/properties in common ownership. However, eliminating the employment location requirements in the more rural AG-II zone has the potential to create a disproportionate increase in housing relative to agricultural land uses, and it could allow large-scale housing that may not be needed to support the coastal agricultural lands where it is located. As such, staff is recommending that the Commission modify the employment location requirements for AG-II in a way that is similar to the requirements the County proposed for the AG-I zone—i.e., the larger scale agricultural employee dwellings that allow greater employment location flexibility would require a higher level discretionary permit due to their heightened potential to take land out of agricultural production for housing.

Finally, other suggested modifications (Suggested Modifications 1, 2 and 5) are recommended to provide greater clarity and to ensure internal consistency within the LCP.

For the reasons described in this report, staff recommends that the Commission find the proposed IP/CZO amendment, only if modified as suggested, is consistent with and adequate to carry out the policies of the certified LUP. In addition, the proposed amendment, as suggested to be modified pursuant to the staff recommendation, encourages agricultural employee housing in a manner that meets Coastal Act Section 30604(h) and the Commission's EJ Policy.

<p>Additional Information: Please contact Deanna Christensen at the South Central Coast District Office of the Coastal Commission at (805) 585-1800 or 89 S. California St., Second Floor, Ventura, CA 93001</p>

TABLE OF CONTENTS

I. PROCEDURAL OVERVIEW	5
A. STANDARD OF REVIEW	5
B. PROCEDURAL REQUIREMENTS	5
C. PUBLIC PARTICIPATION	6
II. STAFF RECOMMENDATION, MOTIONS, AND RESOLUTIONS FOR THE IMPLEMENTATION PLAN/COASTAL ZONING ORDINANCE (IP/CZO) AMENDMENT	6
A. DENIAL OF THE IMPLEMENTATION PLAN AS SUBMITTED	6
B. CERTIFICATION WITH SUGGESTED MODIFICATIONS	7
III. FINDINGS FOR DENIAL AS SUBMITTED, AND APPROVAL OF THE AMENDMENT, IF MODIFIED AS SUGGESTED	7
A. AMENDMENT DESCRIPTION	7
B. CONSISTENCY ANALYSIS	10
1. Siting of Agricultural Employee Dwellings and Protection of Agricultural Resources	11
2. Permit Requirements for Agricultural Employee Dwellings	12
C. CALIFORNIA ENVIRONMENTAL QUALITY ACT	16

EXHIBITS

[Exhibit 1 – Suggested Modifications to the proposed Coastal Zoning Ordinance amendment](#)

[Exhibit 2 – Santa Barbara County Ordinance Nos. 5069 containing the proposed Coastal Zoning Ordinance amendment text](#)

I. PROCEDURAL OVERVIEW

A. STANDARD OF REVIEW

The Coastal Act provides:

The local government shall submit to the Commission the zoning ordinances, zoning district maps, and, where necessary, other implementing actions that are required pursuant to this chapter...

...The Commission may only reject ordinances, zoning district maps, or other implementing action on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. If the Commission rejects the zoning ordinances, zoning district maps, or other implementing actions, it shall give written notice of the rejection, specifying the provisions of the land use plan with which the rejected zoning ordinances do not conform, or which it finds will not be adequately carried out, together with its reasons for the action taken. (Section 30513)

The Commission may suggest modifications... (Section 30513)

The standard of review for the proposed amendment to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) component of a certified Local Coastal Program (LCP), pursuant to Sections 30513 and 30514 (“proposed amendments to a certified [LCP] shall be submitted to, and processed by, the commission in accordance with the applicable procedures ... specified in Sections 30512 and 30513...”) of the Coastal Act, is that the Commission must approve it unless the proposed amendment is not in conformance with, or is inadequate to carry out, the provisions of the Land Use Plan (LUP) portion of the certified Santa Barbara County LCP. All Chapter 3 policies of the Coastal Act have been incorporated in their entirety in the certified County LUP as guiding policies pursuant to Policy 1-1 of the LUP.

B. PROCEDURAL REQUIREMENTS

Pursuant to Section 13551(b) of Title 14 of the California Code of Regulations, the County resolution for submittal may specify that a LCP Amendment will either require formal local government adoption after the Commission approval, or that it is an amendment that will take effect automatically upon the Commission's approval pursuant to Public Resources Code Sections 30512, 30513, and 30519. The Santa Barbara County Board of Supervisors submittal specified that this Amendment shall take effect automatically after Commission action. In this case, because this approval is subject to suggested modifications by the Commission, if the Commission approves the proposed amendment pursuant to the staff recommendation, the County must act to accept the certified suggested modifications within six months from the date of Commission action in order for the amendment to become effective (California Code of Regulations, Title 14, Sections 13542(b), (f), 13544, and 13544.5). If the Commission certifies the proposed LCP Amendment with suggested modifications and the County acts on those suggested modifications, then pursuant to Section 13544 of the California Code of Regulations, the Executive Director shall determine whether the County's action is adequate to satisfy all

requirements of the Commission's certification order and report on such adequacy to the Commission. Should the Commission deny the LCP Amendment, as submitted, no further action is required by either the Commission or the County.

C. PUBLIC PARTICIPATION

Section 30503 of the Coastal Act requires the provision of maximum opportunities for public input in preparation, approval, certification and amendment of any LCP. The County held a series of public hearings regarding the amendment. The hearings were noticed to the public consistent with Section 13515 of Title 14 of the California Code of Regulations. Notice of the subject Amendment has been distributed to all known interested parties.

II. STAFF RECOMMENDATION, MOTIONS, AND RESOLUTIONS FOR THE IMPLEMENTATION PLAN/COASTAL ZONING ORDINANCE (IP/CZO) AMENDMENT

Following public hearing, staff recommends the Commission adopt the following resolution and findings. The appropriate motion to introduce the resolution and a staff recommendation is provided prior to each resolution.

A. DENIAL OF THE IMPLEMENTATION PLAN AS SUBMITTED

MOTION I:

*I move that the Commission **reject** County of Santa Barbara Implementation Plan Amendment No. LCP-4-STB-18-0098-3-Part B as submitted.*

STAFF RECOMMENDATION OF REJECTION:

Staff recommends a **YES** vote. Passage of this motion will result in rejection of Implementation Plan Amendment No. LCP-4-STB-18-0098-3-Part B and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO DENY CERTIFICATION OF THE IMPLEMENTATION PLAN AMENDMENT AS SUBMITTED:

The Commission hereby **denies** certification of County of Santa Barbara Implementation Plan/Coastal Zoning Ordinance Amendment No. LCP-4-STB-18-0098-3-Part B, as submitted, and adopts the findings set forth below on grounds that the Implementation Plan Amendment, as submitted, does not conform with, and is inadequate to carry out, the provisions of the certified Land Use Plan. Certification of the Implementation Plan Amendment would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the

environment that will result from certification of the Implementation Plan Amendment as submitted.

B. CERTIFICATION WITH SUGGESTED MODIFICATIONS

MOTION II:

*I move that the Commission **certify** County of Santa Barbara Implementation Plan Amendment No. LCP-4-STB-18-0098-3-Part B if it is modified as suggested in this staff report.*

STAFF RECOMMENDATION TO CERTIFY WITH SUGGESTED MODIFICATIONS:

Staff recommends a **YES** vote. Passage of this motion will result in certification of Implementation Plan Amendment No. LCP-4-STB-18-0098-3-Part B with suggested modifications and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

STAFF RECOMMENDATION TO CERTIFY WITH SUGGESTED MODIFICATIONS:

The Commission hereby **certifies** the County of Santa Barbara Implementation Plan Amendment No. LCP-4-STB-18-0098-3-Part B, if modified as suggested, and adopts the findings set forth below on grounds that the Implementation Plan Amendment with the suggested modifications conforms with, and is adequate to carry out, the provisions of the certified Land Use Plan. Certification of the Implementation Plan Amendment, if modified as suggested, complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Plan Ordinance Amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

III. FINDINGS FOR DENIAL AS SUBMITTED, AND APPROVAL OF THE AMENDMENT, IF MODIFIED AS SUGGESTED

The following findings support the Commission's denial of the proposed Implementation Plan/Coastal Zoning Ordinance (IP/CZO) Amendment as submitted, and approval of the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) Amendment if modified as indicated in [Exhibit 1 \(Suggested Modifications\)](#) of this staff report. The Commission hereby finds and declares as follows:

A. AMENDMENT DESCRIPTION

Santa Barbara County is requesting an amendment to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) portion of its certified Local Coastal Program (LCP) to modify existing development standards and permit requirements for agricultural employee dwellings in order to help streamline the permit process for such dwellings ([Exhibit 2](#)). Agriculture is a dominant land

use and a significant production industry in Santa Barbara County. The south coast areas of the County produce cut flowers and nursery products, avocados, citrus, row crops, exotic fruits, and cannabis. The combination of mild climatic conditions, prime agricultural soils, available water sources, and proximity to major markets, makes the area a valuable agricultural resource. Farther north, the Gaviota Coast supports avocado, nut, citrus and exotic fruit orchards, and cattle grazing. The primary land use in the North Gaviota Coast is cattle grazing.

There are two general categories of agricultural employee housing provided for in the County's existing LCP – “farmworker housing” and “agricultural employee dwellings.” “Farmworker housing” is addressed in IP/CZO Section 35-144.P of the County's LCP and is regulated by the County and the California Department of Housing and Community Development (HCD) in compliance with the State Employee Housing Act, which is codified in Sections 17000 through 17062.5 of the California Health and Safety Code. Farmworker dwellings that provide accommodations for six or fewer employees and their family are allowed in residential zones, subject to the same permit requirement as a single family residence. Farmworker dwellings and housing complexes that consists of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household are allowed in agricultural zones (and other zones where agricultural uses are permitted), subject to the same permit requirements as other agricultural uses. The County updated its LCP provisions regarding State-regulated farmworker housing to comply with the State Employee Housing Act through an LCP amendment that was certified by the Commission in 2016. Those farmworker housing provisions of the LCP are not a part of the subject amendment request.

“Agricultural employee dwellings” are addressed in IP/CZO Section 35-144.R of the County's LCP and are only regulated by the County (not subject to State employee housing regulations and not required to house employee families). Currently, the LCP permits agricultural employee dwellings in the Agriculture I (AG-I) and Agriculture II (AG-II) zones with a conditional use permit or minor conditional use permit, depending on the number of employees occupying the dwellings. The majority of privately owned land under the County's jurisdiction is zoned one of these two agricultural zoning designations. AG-I is used to designate lands for long-term agricultural use within or adjacent to urbanized areas and to preserve prime agricultural soils, such as the high return, specialty crop areas within the urbanized portion of the County's south coast. The majority of the Carpinteria valley in the unincorporated area of the County is designated AG-I. AG-II is used to designate large prime and non-prime agricultural lands in the rural areas of the County and to preserve prime and non-prime soils for long-term agricultural use. The ranches and large scale grazing operations typical of the rural area from Ellwood to Gaviota, the Hollister and Bixby Ranches, and North Coast are designated as AG-II.

In the AG-I and AG-II zones, dwellings for one to four agricultural employees currently requires a coastal development permit (CDP) and a minor conditional use permit (MCUP), and dwellings for five or more agricultural employees currently requires a CDP and a conditional use permit (CUP). The only exception is in the Gaviota Coast Plan area of the County, in which dwellings for one to four agricultural employees do not require a minor conditional use permit (only a coastal development permit is required). The Gaviota Coast Plan was certified by the Commission in November 2018 and functions as a stand-alone area plan that is a component of the County's LCP.

Conditional Use Permits are a mechanism used by local governments to require special consideration of certain uses within each zoning designation. When a conditional use permit is required in addition to a coastal development permit for a development project in the coastal zone, the time and cost of permit processing is greater. The County has indicated that high labor demand and a housing shortage countywide have created a significant need for affordable housing for agricultural employees and their families. The intent of the proposed amendment request is to help streamline the permit process for agricultural employee dwellings by eliminating the need for a minor conditional use permit and conditional use permit for dwellings that accommodate less than 10 employees in the AG-I zone and for dwellings that accommodate less than 25 employees in the AG-II zone.

The proposed amendment would also modify the employment location requirements for agricultural employee dwellings at each permit level. Currently, agricultural employee dwellings allowed with the lowest level permit (CDP only in Gaviota Coast Plan or CDP with MCUP in all other areas) in each of the agricultural zones are required to be employed full-time in agriculture on the farm or ranch where the dwelling would be located. There is currently no restriction on employment location for the highest level permit (CDP with CUP) in each of the agricultural zones. The proposed amendment would retain this full-time, on-site employment location requirement for the lowest level permit (CDP only) in the AG-I zone. But the proposed amendment would eliminate the full-time on-site employment location requirement for the lowest level permit in the AG-II zone (CDP only). There would be no restriction on employment location for all permit levels in the AG-II zone under the proposed amendment. The proposed amendment would also modify the employment location requirements in the AG-I zone such that dwellings for 10-19 employees (CDP with a MCUP) would require full-time employment in agriculture, the majority of which (51% or more) must occur on the farm or ranch where the dwellings would be located, and dwellings for twenty or more employees (CDP with CUP) would have no restriction on location of employment relative to the location of the dwellings. Below is a table to summarize how the proposed permit requirements for agricultural employee dwellings compare to the existing permit requirements of the certified LCP.

Agricultural Employee Dwellings in Agriculture I (AG-I) Zone			
Existing IP/CZO	<u>1-4 Employees</u>		<u>5 + Employees</u>
	<ul style="list-style-type: none"> - CDP and Minor Conditional Use Permit (MCUP) - requires full-time on-site employment 		<ul style="list-style-type: none"> - CDP and Conditional Use Permit (CUP) - no restriction on employment location
Proposed Amendment	<u>1-9 Employees</u>	<u>10-19 Employees</u>	<u>20 + Employees</u>
	<ul style="list-style-type: none"> - CDP only - requires full-time on-site employment 	<ul style="list-style-type: none"> - CDP and MCUP - requires majority (51% or more) time on-site 	<ul style="list-style-type: none"> - CDP and CUP - no restriction on employment location

	employment	
Agricultural Employee Dwellings in Agriculture II (AG-II) Zone		
Existing IP/CZO	<u>1-4 Employees</u>	<u>5 + Employees</u>
	<ul style="list-style-type: none"> - CDP and MCUP* - requires full-time on-site employment <p style="text-align: center;">*CDP only in Gaviota Coast Plan area</p>	<ul style="list-style-type: none"> - CDP and CUP - no restriction on employment location
Proposed Amendment	<u>1-24 Employees</u>	<u>25 + Employees</u>
	<ul style="list-style-type: none"> - CDP only - no restriction on employment location 	<ul style="list-style-type: none"> - CDP and CUP - no restriction on employment location

The proposed amendment would also re-organize existing Section 35-144.R (Agricultural Employee Dwellings) of the certified IP/CZO; add a new permit requirement table for agricultural employee dwellings; update the proof of employment submittal requirements, minimum size requirements, and required findings for agricultural employee dwellings; clarify that mobile homes, manufactured homes, and park trailers may be used for agricultural employee dwellings to comply with State law; and add definitions for “park trailer” and “manufactured home” that comply with the California Health and Safety Code.

B. CONSISTENCY ANALYSIS

Pursuant to Sections 30513 and 30514 of the Coastal Act, the standard of review for the proposed amendment to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO) portion of the certified LCP is whether the proposed amendment would be in conformance with, and adequate to carry out, the provisions of the certified Land Use Plan (LUP) component of the certified LCP.

The County’s LUP contains a number of policies aimed at the protection of a range of housing opportunities (Policies 5-1 through 5-10). Policies 2-1 and 2-6 of the County’s LUP require that new development must ensure that adequate services (i.e., water, sewer, roads, etc.) are available. In addition, Policy 2-12 of the LCP provides that the densities specified in the land use plan are maximums and shall be reduced if it is determined that such reduction is warranted by site specific conditions to ensure consistency with the other policies of the LCP. In addition, all Chapter 3 policies of the Coastal Act have been incorporated in their entirety in the certified County LUP as guiding policies pursuant to Policy 1-1 of the LUP. In order to ensure that new development is sited in areas able to accommodate it and where it will not have significant cumulative impacts on coastal resources, as required by Section 30250 of the Coastal Act (incorporated by reference into the certified LUP), the siting and design of new development must adhere to the requirements of other applicable policies of the certified LUP. Such policies include but are not limited to, policies and provisions regarding coastal protection and the

protection of agricultural productivity, bluff top development, environmentally sensitive habitat areas, public access, visual resources, and shoreline processes and development.

The County's existing certified LCP allows farmworker housing and agricultural employee dwellings in many of the County's zoning designations that allow residential and agricultural land uses. The proposed amendment includes changes to help streamline the permit process for agricultural employee dwellings. However, future development of farmworker housing and agricultural employee dwellings would still require compliance with the Coastal Development Permit provisions of the LCP, and individual projects within the coastal zone must be consistent with all of the applicable policies and provisions of the certified LCP including those pertaining to coastal resource protection.

The Commission's environmental justice policy (EJ Policy) recognizes that affordable housing and agricultural worker housing is an environmental justice issue and a priority that is to be encouraged in the coastal zone. The Commission's EJ Policy also states that the provision of housing cannot be permitted at the expense of coastal resource protection:

*The Commission recognizes the myriad laws and regulations that regulate housing, including those that dictate the kinds and amounts of housing that local governments must provide in their communities. **Implementation of these housing laws must be undertaken in a manner fully consistent with the Coastal Act.** The Commission will work with local governments to adopt local coastal program policies that allow for a broad range of housing types including affordable housing, ADUs, transitional/supportive housing, homeless shelters, residential density bonuses, farmworker housing, and workforce/employee housing, **in a manner that protects coastal resources consistent with Chapter 3 of the Coastal Act.** (Emphasis added.)*

1. Siting of Agricultural Employee Dwellings and Protection of Agricultural Resources

The proposed amendment would modify a required finding specific to agricultural employee dwellings in the existing IP/CZO that currently requires such dwellings to avoid all prime agricultural soils. The proposed amendment would change the finding to require that such dwellings shall avoid all prime agricultural soils "to the maximum extent feasible."

The policies of the Santa Barbara County LCP and Coastal Act provide for the protection of agricultural resources and the continuation of coastal agriculture on prime agricultural lands. Coastal Act Section 30241 requires preservation of the maximum amount of prime agricultural land, and Coastal Act Section 30242 requires the preservation of lands suitable for agricultural use, the long-term productivity of soils, and limits the conversion of agricultural lands to non-agricultural uses. In comparison to Section 30241 and its focus on conversions of prime agricultural lands around the urban fringe and creating a stable urban-rural boundary, Coastal Act Section 30242 addresses conversions of any land suitable for agriculture in all locations—i.e., including in rural locations without conflicts "between agricultural and urban land uses." Section 30242 includes no direct requirement for considering the resulting stability of the urban limit and in general provides a different standard of review than does Section 30241(b). Notably, Section 30242 does not deal with "agricultural land," but rather with "all other lands suitable for agriculture." One of the tests for conversion of such land is that agricultural use cannot feasibly

be continued or renewed. This wording indicates that the policy was intended to be broadly applied, even to rural land that is not currently in agricultural use. These Coastal Act policies are incorporated into the County's LUP pursuant to Policy 1-1. In addition, Policies 8-1, 8-2, and 8-4 of the County's LUP provide for the designation of agricultural lands and limit the conversion of agricultural land uses to non-agricultural land uses.

The proposed change to the required finding specific to agricultural employee dwellings does not address the preservation of non-prime lands suitable for agricultural use, as required by Section 30242, and requires that such dwellings shall avoid all prime agricultural soils "to the maximum extent feasible." The proposed change could potentially impact agricultural land itself, if large areas of existing land with agricultural potential, or land that is currently used for agriculture, were converted to housing. While agricultural employee housing is supportive of agricultural uses, the development of such structures can also harm the long-term productivity of agricultural soils and land suitable for agriculture. The cumulative effect of these structures may encourage urbanization or industrialization of an area. However, since dwellings for agricultural employees are generally necessary for the continued use and operation of agricultural land, siting such structures to completely avoid prime and non-prime land suitable for agriculture is not always feasible. In order to ensure that prime agricultural soils *and* other land suitable for agriculture are preserved in the County's coastal zone, **Suggested Modification Nos. 3 and 4** are required to clarify that agricultural employee dwellings shall be sited and designed to: (1) avoid prime soils *and* non-prime land suitable for agriculture to the maximum extent feasible, and (2) maintain the long-term viability of agricultural resources and operations on the property and on adjacent agricultural lands. The clarifications included in **Suggested Modifications 3 and 4** are necessary to find that the proposed IP/CZO amendment is consistent with the agricultural resource protection policies of the certified LUP.

2. Permit Requirements for Agricultural Employee Dwellings

The proposed amendment would modify existing permit requirements for agricultural employee dwellings in order to help streamline the permit process for such dwellings in the County's agricultural zones. The County's certified LCP currently allows agricultural employee dwellings subject to either a conditional use permit or minor conditional use permit (in addition to the required CDP). Dwellings for one to four agricultural employees currently requires a minor conditional use permit (MCUP), and dwellings for five or more agricultural employees currently requires a conditional use permit (CUP). The only exception is in the Gaviota Coast Plan area of the County, in which dwellings for one to four agricultural employees do not require a minor conditional use permit (only a CDP is required). CUPs are a mechanism used by local governments to require special consideration of certain uses within each zoning designation. When a CUP is required in addition to a CDP for a development project in the coastal zone, the time and cost of permit processing is greater.

The proposed amendment would eliminate the need for a minor CUP and CUP for dwellings that accommodate less than 10 employees in the AG-I zone and for dwellings that accommodate less than 25 employees in the AG-II zone. The proposed amendment adds a new permit requirement table for agricultural employee dwellings to existing Section 35-144.R (Agricultural Employee Dwellings) of the certified IP/CZO. The table identifies the type of permit required in each zone designation for agricultural employee dwellings of various magnitudes that is based on number

of employees that can be accommodated. However, the proposed table does not provide clarity regarding when such dwellings are considered the “principal permitted use” pursuant to Section 30603(a)(4).

Section 30603(a)(4) of the Coastal Act requires that all development within the coastal zone of a coastal county be appealable to the Coastal Commission unless the development is designated as the “principal permitted use” under the zoning ordinance or zoning district map. A principal permitted use is a use that clearly carries out the designated land use and the intent and purpose of a particular zone. For example, the principal permitted use on land zoned for agriculture would be agricultural activities that include, but are not limited to, forms of cultivated agriculture, grazing, and ancillary agricultural accessory structures, while the principal permitted use on land zoned as residential would be residential structures. However, there are a range of uses that are agricultural in nature and some residential-type uses that are essential to, or supportive of, continued agricultural use of the property and may be considered a component of the agricultural principal permitted use. Some uses may be appropriate or compatible with agricultural uses, but the permit processing procedures may vary depending on the type, magnitude, and location of development.

As proposed, the subject amendment does not specify what types of agricultural employee dwellings are part of the principal permitted use. In order to adequately execute the provisions of Section 30603(a)(4), it is important to clarify in this amendment when agricultural employee dwellings are considered a component of the principal permitted use in each zone designation. This issue was addressed for the Gaviota Coast area already when the Gaviota Coast Plan was certified as a component of the LCP in 2018. Agriculture is the main land use on the Gaviota Coast, with approximately 77% of land zoned for agriculture (AG-II). In the Gaviota Coast Plan and its implementation measures, agricultural employee dwellings for one to four agricultural employees is identified as a component of the agricultural principal permitted use (and therefore a CDP for this use would not be appealable to the Commission). The proposed amendment that is the subject of this staff report does not propose to change the specific Gaviota Coast Plan permit requirement provisions. However, the County is proposing to change the general agricultural employee dwelling permit requirement provisions that would apply throughout the County’s coastal zone without specifying the principal permitted use for each zone. Further, for the AG-II zone, the proposed changes would be inconsistent with the permit requirements contained in the Gaviota Coast Plan. For these reasons, the Commission finds that **Suggested Modification No. 2** is necessary in order to clarify when agricultural employee dwellings shall be considered part of the agricultural principal permitted use—where the required CDP is not appealable to the Coastal Commission (unless the project site is otherwise located within a geographic appeals area)—versus when such dwellings may be allowed with a CDP that is appealable to the Coastal Commission.

Consistent with the Gaviota Coast Plan, dwellings that accommodate one to four agricultural employees may be considered a component of the agricultural principal permitted use, and thus, not appealable to the Coastal Commission. The permit levels proposed by the County that are based on the number of employees the dwellings can accommodate would be retained, which means that a conditional use permit or minor conditional use permit would no longer be required for dwellings that accommodate less than 10 employees in the AG-I zone and dwellings that

accommodate less than 25 employees in the AG-II zone. Although an appealable CDP would still be required for dwellings that accommodate 5-9 employees in the AG-I zone, and 5-24 employees in the AG-II zone, the County's LCP includes a provision that allows for the public hearing requirement to be waived for qualifying development that is appealable to the Commission. To qualify, the County must determine that the development is consistent with the certified LCP, requires no discretionary approvals other than the subject Coastal Development Permit, and has no individual or cumulative adverse effect on coastal resources or public access to and along the coast.

The permit levels proposed by the County for agricultural employee dwellings will serve to streamline the permit process and reduce costs for applicants. The requirement that larger scale dwellings are subject to a MCUP or CUP in the agricultural zones, as proposed by the County, recognizes that there is the potential to undermine the protection of agricultural land by taking land out of agricultural production, and thus that such projects require greater scrutiny. However, agricultural employee housing development proposals at all permit levels must still be consistent with the policies and provisions of the LCP. In order to ensure internal consistency within the LCP, **Suggested Modifications 2 and 5** include other minor changes to the permit requirement table in proposed Section 35-144R of the amendment request, and the permit requirement Table 18-2 in Section 35-430 (Gaviota Coast Plan Overlay Table). These changes were developed in cooperation with County staff.

The proposed amendment also modifies the list of permitted and conditionally permitted uses in the AG-I and AG-II zones that is contained in IP/CZO Sections 35-68 and 35-69 to reflect the proposed permit level changes for agricultural employee dwellings. However, since amending those lists of permitted and conditionally permitted uses as part of the subject amendment request, the County has approved, and the Commission has certified, other County LCP amendments related to accessory dwelling units and cannabis uses that changed those lists of uses. To ensure that the proposed amendment does not inadvertently undo previously approved certified language in those sections, **Suggested Modification 1** is necessary to make sure the County updates the proposed amended sections to capture the changes certified by the Commission recently in LCP Amendment Nos. LCP-4-STB-18-0071-2-Part B and LCP-4-STB-18-0039-1-Part C.

The proposed amendment would also modify the employment location requirements for agricultural employee dwellings at each permit level. Currently, agricultural employee dwellings allowed with the lowest level permit (CDP with MCUP) in each of the agricultural zones are required to be employed full-time in agriculture on the farm or ranch where the dwelling would be located. There is currently no restriction on employment location for the highest level permit (CDP with CUP) in each of the agricultural zones. The proposed amendment would retain this full-time on-site employment location requirement for the lowest level permit (CDP only) in the AG-I zone. The proposed amendment would also modify the employment location requirements for the higher level permits in the AG-I zone such that dwellings for 10-19 employees with a minor conditional use permit would require full-time employment in agriculture, the majority of which (51% or more) must occur on the farm or ranch where the dwellings would be located, and dwellings for twenty or more employees with a conditional use permit would have no restriction on location of employment relative to the location of the dwellings.

AG-I designated lands are for long-term agricultural use within or adjacent to urbanized areas and to preserve prime agricultural soils, such as the high return, specialty crop areas within the urbanized portion of the County's south coast. The majority of the Carpinteria valley in the unincorporated area of the County is designated AG-I. The rationale for the proposed employment location requirement changes is that it is often infeasible to limit the occupancy of agricultural dwellings to employees who work full-time on the same site as where the dwelling(s) is located given that employees may split their time among a patchwork of farms/properties in common ownership. As proposed, the larger scale agricultural employee dwellings that allow greater employment location flexibility would require a higher level discretionary permit due to their potential to undermine the protection of agricultural land by taking more land out of agricultural production for housing.

In the AG-II zone, the proposed amendment would eliminate the full-time on-site employment location requirement for the lowest level permit (CDP only), so as proposed there would be no restriction on employment location for any permit level in this zone. The AG-II designation is reserved for large prime and non-prime agricultural lands in the rural areas of the County from Ellwood to Gaviota, the Hollister and Bixby Ranches, and the County's north coast. The rationale for the proposed employment location flexibility in the AG-II zone is the same as the rationale discussed above for the AG-I zone - employees may split their time among a patchwork of farms/properties in common ownership so it is often infeasible to limit the occupancy of agricultural dwellings to employees who work full-time on the same site as where the dwelling(s) is located. However, completely eliminating the employment location requirements in the more rural AG-II zone has the potential to create a disproportionate increase in housing relative to agricultural land uses, and excess housing would not be supportive of the coastal agricultural lands where it is located. As such, the Commission finds it necessary to modify the employment location requirements for the AG-II in a way that is similar to the requirements the County proposed for the AG-I zone in which the larger scale agricultural employee dwellings that allow greater employment location flexibility would require a higher level discretionary permit due to their potential to undermine the protection of agricultural land by taking land out of agricultural production for housing. As suggested to be modified in **Suggested Modification 2**, the full-time on-site employment location requirement would be restored for dwellings that accommodate one to four employees with the lowest level permit (non-appealable CDP) in the AG-II zone. Dwellings for 5-24 employees that require an appealable CDP would require full-time employment in agriculture, the majority of which (51% or more) must occur on the farm or ranch where the dwellings would be located. Dwellings for 25 or more employees that require the highest level permit in the AG-II zone (a CUP in addition to a CDP) would have no restriction on location of employment relative to the location of the dwellings. The Commission finds that the proposed IP/CZO amendment, only if modified as suggested, will conform to and be adequate to carry out the agricultural resource protection policies of the certified LUP.

Lastly, the County also proposes to re-organize existing Section 35-144.R (Agricultural Employee Dwellings) of the certified IP/CZO; update the proof of employment submittal requirements and minimum size requirements for agricultural employee dwellings; clarify that mobile homes, manufactured homes, and park trailers may be used for agricultural employee dwellings to comply with State law; and add definitions for "park trailer" and "manufactured

home” that comply with the California Health and Safety Code. These changes would not fundamentally alter the intent of the existing IP/CZO and would not affect the consistency of the IP/CZO with the policies of the LUP or its ability to carry out any of the other provisions of the LUP. Therefore, the Commission finds that these proposed changes are consistent with and adequate to carry out the policies of the LUP.

In conclusion, for the reasons discussed above, the Commission finds that only if modified as suggested will the IP/CZO amendment conform with and be adequate to carry out the applicable policies of the certified Land Use Plan.

C. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 21080.9 of the California Public Resources Code – within the California Environmental Quality Act (CEQA) – exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its activities and approvals necessary for the preparation and adoption of a local coastal program. Instead, the CEQA responsibilities are assigned to the Coastal Commission; however, the Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP.

Nevertheless, the Commission is required, in approving an LCP submittal, to find that the approval of the proposed LCPA does conform with CEQA provisions, including the requirement in CEQA section 21080.5(d)(2)(A) that the amended LCP will not be approved or adopted as proposed if there are feasible alternative or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. 14 C.C.R. §§ 13540(f) and 13555(b).

The County's IP/CZO amendment as originally submitted does not conform with, and is not adequate to carry out, the policies of the certified LUP. The Commission has, therefore, modified the proposed IP/CZO amendment to include all feasible measures to ensure that such significant environmental impacts of new development are minimized to the maximum extent feasible consistent with the requirements of the Coastal Act. For the reasons discussed in this report, the LCP amendment, as suggested to be modified, is consistent with the applicable policies of the certified Land Use Plan, including the Coastal Act policies, incorporated by reference therein, and no feasible alternatives or mitigation measures beyond those already required are available which would lessen any significant adverse effect which the approval would have on the environment. In addition, the findings in this staff report address and respond to all public comments regarding potential significant adverse environmental effects of the project that were received prior to preparation of the staff report. Therefore, the Commission finds that the proposed LCP amendment, as suggested to be modified, is consistent with CEQA.