# City Council Hearing July 26, 2022

Public Comments Received for Item 17

Public Draft 2023 Housing Element

# ALLIED

# Neighborhoods Association

BOARD OF OFFICERS

July 24, 2022

Mary Turley President

To: City Council

Cathie McCammon

1st Vice President

Re: Public Draft 2023 Housing Element (July 26 2022 Council Agenda, Item #26)

Jean Holmes 2<sup>nd</sup> Vice President

Dear Mayor Rowse and Council Members,

Bonnie Donovan Secretary

Mary Turley Treasurer

John DeVore Webmaster Allied Neighborhoods Association appreciates the opportunity to again provide comment on the Public Review Draft 2023 Housing Element (Draft HE). Attached please find our July 11, 2022 letter to Planning Commission for their July 14 hearing; this letter is our major letter on the Draft HE and we ask that you please review the letter again. Today's letter provides supplemental comments.

MEMBER ASSOCIATIONS. **1.** "We have an **Affordability** crisis". This is the overarching situation to tackle, and the critical housing need of our time.

Citizens for Livable Neighborhoods

Citizens Planning Association

Flamingo Neighborhood Association

Grove Lane Area Neighborhood Assoc.

Hidden Valley Residents Assoc.

La Mesa Neighborhood Association

Mesa Protection Alliance

Samarkand Neighborhood Assoc.

West Beach Neighborhood The Draft HE presents some important <u>2022</u> rental information (pg. 4). "As of April 2022, median rent for a 2 bedroom apartment was \$3,473 in Santa Barbara (<u>up 28 percent</u> from April 2021)... Median rent for a 2 bedroom house was \$4,500 in Santa Barbara (<u>up 58 percent</u> from April 2021)." (Emphasis added)

Table 16: Cost Burden by Tenure and Income Category (Draft HE, pg. 24). Some of the numbers are very sobering. The current situation must be worse as datasets were 2014-2018, and rents have increased considerably since then. From Table 16: Rental Households, Total Lower Income Overpaying (over 30% of income) is **77.2%.** Lower Income Overpaying (more than 50% of income) is **51.1%**; Over Moderate Overpaying (more than 50% of income) is only 2%.

It's hard to overstate the importance of adopted 2023 Housing Element Goal #2, "Prioritize Affordable Housing" and Goal #8, "Fund Affordable Housing". Affordable Housing (deed-restricted housing) is more important than ever.

- **2.** Update to attached PC letter, section E. At the PC hearing, staff stated the revised Draft being sent to HCD will be posted online. A message now on the Housing Element Update webpage includes "The revised draft will be posted to this site when available."
- 3. New language in the Draft HE, pg.2. "The City has a long-standing

commitment to affordable housing and sound community planning, and enhancing the quality of life by "living within our resources" has been a fundamental goal since adoption of the first General Plan in 1964."

The suggested new language is different enough from our current 2015 Housing Element that **the meaning is not the same,** and that's a problem. We suggest using our current, 2015 Housing Element language (Introduction, pg. 1, first and second sentences): "The City has a long standing commitment to affordable housing and sound community planning. Protection and enhancing the quality of life and "living within our resources" have been fundamental goals for Santa Barbara since the adoption of the first General Plan in 1964."

- **4.** "Importantly, the City does not charge any development impact fees for community infrastructure..." (Draft HE, pg. 62). Important to note, other South Coast jurisdictions charge development impact fees, which can be quite substantial.
- **5.** Average time from application submittal to Planning Approval (Draft HE, pg. 60). Table 32: Example Residential Development Timeline illustrates City compliance with permit streamlining timelines. It also shows three, 3- to 4-month periods between steps in the process by the Applicant. Long time gaps, adding to the length of the process, are on the Applicant side of the equation.
- **6.** Funding Affordable Housing. With 59.3% renters, we also have great need for Affordable Moderate Income rental housing. AMI is \$100,100; the Moderate Income category is 80 120% of AMI. Moderate Income housing does not qualify for federal tax credit programs used by the Housing Authority. We need to identify local funding so deed-restricted Moderate Income housing can be built. Otherwise, it will continue to be very difficult for residents and our workforce in this income category to afford to live in Santa Barbara, and it will also continue to affect public and private employers' ability to attract and retain workers.

"While financing is generally available for market-rate development, limited availability of funding to subsidize affordable projects is a <u>key impediment</u> to the construction of affordable housing, not only in Santa Barbara, but throughout California and the U.S." (Draft HE, pg. 66). (Emphasis added)

**7.** "By-right approval" and "by-right processing" (PC letter, section C). Again we ask, could staff please explain these two terms. Additionally, in Program HE-7 (pg. 90), how would the application of by-right approval work in this Program? (We are wanting to understand this, as it's included in Program language being sent to HCD. Also thinking about Charter provision for ABR or HLC approval.)

We would like to thank staff and others who worked on the Draft HE.

We appreciate your consideration of our comments.

Sincerely, Allied Neighborhoods Association Cc: Allison DeBusk, Rosie Dyste, Daniel Gullett, Renee Brooke, Elias Isaacson, Tava Ostrenger, Ariel Calonne, Rebecca Bjork

# ALLIED

# Neighborhoods Association

BOARD OF OFFICERS

Mary Turley President July 11, 2022

To: Planning Commission

Cathie McCammon 1<sup>St</sup> Vice President

Re: Draft 2023 Housing Element (July 14, 2022 Agenda, Item IV)

Jean Holmes 2<sup>nd</sup> Vice President

Chair Escobedo and Planning Commissioners,

Bonnie Donovan Secretary

Mary Turley Treasurer

John DeVore *Webmaster* 

MEMBER ASSOCIATIONS ,

Citizens for Livable Neighborhoods

Citizens Planning Association

Flamingo Neighborhood Association

Grove Lane Area Neighborhood Assoc.

Hidden Valley Residents Assoc.

La Mesa Neighborhood Association

Mesa Protection Alliance

Samarkand Neighborhood Assoc.

West Beach Neighborhood Allied Neighborhoods Association appreciates the opportunity to provide comment on the Draft 2023 Housing Element (Draft HE). Our comments are generally organized in two sections: general comments and more specific comments (mainly to Policies and Programs).

**A.** We have an *Affordability* crisis. Especially hard hit are our renters, who comprise almost 60% of our residents. This is vividly shown by Figure B-24, Renter Overpaying For Housing – Santa Barbara. Additionally, since this data was collected, rents have continued to increase. (We observe this as we collect rental data via advertised rental rates on Craigslist, Zillow, Apartments.com and other sites. We have submitted some data to Planning Commission and additional data sets to Council in letters when housing has been on the agenda.) Our adopted 2023 Housing Element Goals state, "Prioritize Affordable Housing" (Draft HE, pg. 90), and Fund Affordable Housing (Draft HE, pg. 102). Affordable Housing is more important than ever.

**B.** Planning Commission and City Council have previously reviewed the 5<sup>th</sup> Cycle 2015-2023 RHNA chart. It shows that construction of new housing units is <u>extremely lacking in Very Low, Low and Moderate Income categories</u>. We have tremendous need in these categories.

Our 6<sup>th</sup> Cycle allocation (Draft HE, pg. 71) shows around **37%** for Above Moderate (120%+ AMI). Adjustments to these 6<sup>th</sup> Cycle numbers, for Pipeline Project Units and ADUs, are shown in the Staff Report (pg. 4); doing the math, the remaining allocation for Above Moderate is **30%**. The Quantified Objectives Table for 2023 – 2031 (Draft HE, pg. 74) shows Above Moderate new housing units at **72%** of all new construction!

From the Quantified Objective section: "The quantified objectives do not represent a ceiling on development, but rather set a target goal for the City to achieve based on needs, resources and constraints. The City's

best estimate of what could actually be constructed during the 2023-2031..."

Something is terribly wrong when this (72% of all new construction at Above Moderate) is the "City's best estimate" of what could actually be constructed during 2023-2031, as further described in that section. This majority of new housing for the upper income category does not correspond with the need we have in our community, nor our allocations. And only reinforces that we need to focus our policies and programs for Very Low, Low and Moderate Income housing. This will require changing from incentivizing market rate housing (mainly what we've been doing) to focusing on our Very Low, Low and Moderate Income housing. Price-restricted housing is the method to insure it's affordable to our residents and workers. If it's not price restricted, it's market rate. (Please also see pg. 3, 2nd paragraph of #4, Housing Authority project with price-restricted Above Moderate housing in limited amount.)

**C.** No explanation or definition has been provided for terms "by-right approval" and "by-right processing". Both terms are used in the Draft HE, and "by-right processing" is used in the Staff Report (pg. 3). HE-7 (pg. 90) uses both "by-right approval" and "by-right processing". Without additional explanation of these terms, it is very difficult to evaluate text where these terms are used. We would appreciate staff explaining the terms, and application in the referenced sections.

The Charter speaks about ABR and HLC approval. How does this work with "by-right approval"?

**D.** As stated in the Staff Report (pg. 4) HCD now requires Programs (rather than Possible Implementation Actions to be Considered, as in our current Housing Element). From the description provided, Programs appear to be commitments the City is making to HCD. An overarching comment about the Housing Plan is, we need to be careful about the language regarding the Program commitments we're making, especially as most of these Programs have not had the opportunity for more detailed explanation and public discussion. Some Programs have many ideas listed, but these should not be commitments prior to our normal robust public process to determine the specifics of each Program. We assume this process is not in July.

**E.** This HE Update process has some very compressed timeframes; the month of July is one of these. The Housing Element Draft is 250 pages!! Only 7 days from release of Draft to the Planning Commission deadline for written public comment, and only 5 days from release of the Staff Report to the deadline. In addition, the one and only City Council hearing until the very end of this process in early 2023, is also in July.

This July work is without the benefit of the Draft EIR, and the analysis of environmental impacts. It's our understanding the Draft EIR also includes extension of our Program EIR - from 2031 to 2035.

"Updated Draft HE". Also in the timeline, it appears the public and decision makers will not see the "updated" Draft HE sent to HCD. Staff Report, Next Steps says: "The Public Review Draft 2023 Housing Element is scheduled for discussion and further public input at the July 26th City Council meeting. After the 30-day public review period closes on August 3, 2022, staff will review and consider comments received and make revisions as necessary. The updated Draft 2023 Housing Element will then be submitted to HCD for their 90- day review."

After HCD review, it's our understanding (based on a previous hearing timeline chart) that staff will again work on revisions, as necessary, based on HCD comment, with that (revised yet again) Draft being released in early 2023 prior to the Planning Commission hearing.

A red-lined version of the "updated" Draft sent to HCD <u>needs to be posted online</u> after it's sent. There is interest in seeing the "updated" Draft and being able to review changes made from the "original" Draft we're now reviewing.

Reading the "updated" Draft sent to HCD, during their 90-day period, will allow everyone to <u>understand the progression of the Draft Housing Element</u> before the "revised yet again" document comes to Planning Commission in early 2023. At that point, we're weeks away from Council adoption by February 15, 2023.

# Specific comments (mainly on Policies and Programs):

- 1. Policy 8.1. Identifying new funding sources for Affordable housing is absolutely necessary. We need to explore multiple ideas and not limit the effort to only looking at a single idea, in case that source of funding doesn't work out. At the kick-off of the City's Fiscal Sustainability Initiative (Finance Committee, June 14 meeting), we were encouraged to hear as part of the discussion the need for permanent funding for Affordable housing.
- **2.** HE-1: Facilitating Conversion of Nonresidential Buildings to Housing. We look forward to specific details and discussion of an adaptive reuse program. Assume that process would be our regular Ordinance process (Planning Commission hearing, Ordinance Committee, and adoption by Council). We also assume this will be the process for other ordinances that come out of the Draft HE.
- **3.** HE-5: Objective Design Standards. We'd like to highlight the last sentence: "This program is envisioned as an opt-in alternative for developers who are seeking a streamlined alternative to the City's design review process." This feature will be important as it will allow for flexibility and creativity in design, and all design won't have to be by-the-book design. A beautiful design such as the Courthouse (if it contained housing), might not be possible under these new Standards without the option to go through design review as a non-Objective Design Standards project, and forego the streamlined alternative and prescribed design features of the Standards. As another example, some of architect Jeff Shelton's forthcoming designs may not conform to adopted Objective Design Standards; now there would be flexibility for the designer and property owner.
- **4.** Policy 2.4: "Pursue partnership opportunities to develop affordable housing on City-owned sites.' As we have stated in more than one letter, City-owned property, if considered for housing, should only be for price-restricted or deed-restricted Affordable housing with no market-rate housing. Consider these sites as land banking for possible Affordable housing.

The Housing Authority project at the Carrillo/Castillo parking lot has been presented as having a large majority of Moderate Income Affordable housing (our understanding is housing above Low Income makes it ineligible to use federal tax credit program(s). There is a yet unknown (to the public) percentage of Above Moderate housing, with <a href="https://doi.org/10.1007/journal.org/">https://doi.org/10.1007/journal.org/</a>

<u>market rate</u>. All housing in the project will be price-restricted. We look forward to more information as this project proceeds.

**5.** Policy 2.1: "Prioritize production of deed-restricted affordable housing and community benefit land uses over all other land uses and housing types." As written, this seems to also prioritize non-residential community benefit projects. Is this what is intended? Does this fit within Goal 2, which only talks about housing?

Community benefit housing. Currently, rental projects are community benefit housing (<u>just because</u> they are housing, no matter how expensive the rents). As Ms. Brooke stated earlier this year, previously it had been decades since construction of rental units – <u>but now, this is not the case</u>. It seemed to be left open, that maybe we need to revisit this. <u>Yes, we need to revisit this topic</u> and have that discussion - whether market-rate rental projects should receive the perks of community benefit housing projects. Goal 2 is about prioritizing Affordable housing.

**6.** HE-15: Short-Term Vacation Rental/Hotel Ordinance. "The City will monitor the proliferation of legal and non-legal short term vacation rentals and fractional ownership projects in residential zones and will review zone districts that allow both hotel and residential use. The City will amend the Zoning Ordinance to further regulate legal short term vacation rentals and to rezone some areas of the City that allow both residential and hotel use, with the aim of increasing multi-unit residential development, reducing conversion of residential uses to hotel uses, reducing the development of new hotels, and incentivizing residential development over hotel development." **We strongly agree with this statement.** 

Looking at these zoning changes is an additional tool in the toolbox. There is a large percentage of high- and highest-density housing zoning that is also zoned for hotels. We need to have a discussion about cutting back some hotel zoning in some Title 30 Inland areas (non-Coastal Zone).

There were two Council hearings last month on an Interim Urgency Hotel Ordinance. In staff materials for both hearings, it said development of new hotel rooms can <u>frustrate</u> the approved Housing Element Goals in several ways. Our comment letters included that hotel development competes with housing where zoning is for both. Average room rates are higher than prepandemic, as reported by the Finance Department monthly TOT reports. Information released the last full week of May 2022 stated "...daily hotel rates are 51% higher than April 2019..." (prepandemic). Economics for hotels look attractive!

Our current 2015 Housing Element (pg. 53) identified Short-Term Vacation Rentals in the <u>Housing Challenges</u> section.

**7.** HE-7: Affordable Housing Overlay. We are interested in learning more about the concept of an Affordable Housing Overlay.

The second paragraph reads mainly like a list of ideas. "The AH Overlay incentives would be applicable for projects that substantially exceed the percentage of affordable units that would otherwise be required under inclusionary housing or local and state density bonus programs. AH Overlay projects will be provided incentives such as higher density, increased allowable height,

lower parking requirements, by-right approval, objective design standards, streamlined permitting, deferral or reduction of permit fees, etc."

Substantially is a very subjective term and will need to be discussed and defined. The above "provided incentives" read like a list of ideas which need further development of concept specifics, discussion, considered together – and our normal public ordinance process. We are concerned that "provided incentives" expressed here are not considered commitments by HCD at this time.

Thank you for consideration of our comments.

Sincerely, Allied Neighborhoods Association

Cc: Allison DeBusk
Rosie Dyste
Daniel Gullett
Renee Brooke
Elias Isaacson
Tava Ostrenger
Ariel Calonne
Rebecca Bjork
Mayor and City Council

July 22, 2022

Dear Mayor, City Council and others,

Subject: Housing Element Draft and upcoming City Council Meeting

Greetings and good tidings to you all.

On Wednesday, 7/20/22, I attended (virtually) the SB ACT All Call RAP Meeting. One of the main speakers was Gabe Escobedo. Rosie Dyste also spoke. Thank you to the 3 City Council members who attended this meeting. Mr. Escobedo spoke about the Housing Element Draft. Of course, housing in our Santa Barbara is complex. There is more I do not understand than what I do understand however it is clear that we need housing, affordable housing.

I will parrot some of what I heard. We need open funding streams for non-profits. We need housing equity. Perhaps we need an "affordable housing overlay". Maybe we need a Vacancy tax. We definitely need a Short-Term Rental Ordinance. Maybe we need a Voter Initiative for some of these asks.

Because the folks in that meeting are more knowledgeable than I and because I agree in concept about the directions needed for our housing in Santa Barbara, I support their "bullet points":

# In this Housing Element, we ask that the City prioritize:

- Goal 2 (Prioritize Affordable Housing)
- Goal 3 (Provide Housing and Assistance
- Goal 8 (Fund Affordable Housing)

# Within these goals, we ask that the City implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information
- HE-15: Short Term Vacation Rental Ordinance

Thank you for your service to Santa Barbara and for your time and consideration.

Sincere Regards, Chris Barros 805-722-2957 From: <u>Dustin Hoiseth</u>

To: Randy Rowse; Meagan Harmon; Alejandra Gutierrez; Mike Jordan; Oscar Gutierrez; Eric Friedman; Kristen

Sneddon; City Clerk

Cc: Kristen Miller

Subject: Public Comment - Item 17: Draft 2023 Housing Element

**Date:** Tuesday, July 26, 2022 12:15:18 PM

Attachments: SBSCCC Public Comment SB Housing Element.pdf

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#### **EXTERNAL**

#### Dear Mayor Rowse and City Council,

The Santa Barbara South Coast Chamber of Commerce, representing 1100 members from Goleta to Carpinteria, would like to offer comment on the Public Draft of the 2023 Housing Element. The Chamber has been a long-time advocate for increased housing throughout South Coast communities. Lack of housing for our local workforce has long been a barrier to economic and business growth in our region, and diminishes our communities' quality of life.

The 2023 Housing Element update offers a great opportunity for the City to address the housing shortage. The highest priority of the Housing Element should be to ensure housing attainable for the local workforce. Our local workforce is key to the success of our local businesses and economy. We applaud the City's prioritize encourage the city's prioritize programs which create new housing (Goal 1). It is essential that the City prioritize a wide variety of housing solutions, like HE-6. Our community's diverse housing needs can only be met by a commitment to housing at every level, from multi-unit to single family homes. The best solution to meeting our housing needs has always been and will continue to be to facilitate the creation of new housing.

The Chamber encourages the City to prioritize programs which will incentivize private developers, remove barriers to development, and streamline the City's existing processes. HE-3 and HE-5, which both refer to streamlining the City's design review process, are examples of programs on the right track. While the public sector has seen success in addressing our community's housing needs, the private sector has the resources needed to create housing on the scale we require.

Thank you for your emphasis on ensuring that new housing stock is added to local inventory and removing barriers to development of housing at all levels.

Sincerely,

Kristen Miller President & CEO Santa Barbara South Coast Chamber of Commerce

DUSTIN HOISETH | Public Policy Manager SANTA BARBARA SOUTH COAST CHAMBER OF COMMERCE (805) 967-2500 | Dustin@SBSCChamber.com



916 Anacapa Street, Santa Barbara, CA 93101

July 23, 2022

**TO**: Mayor Rowse and Councilmembers

**RE:** 7/26/22 Council hearing, Item #17 re: HOUSING ELEMENT UPDATE:

Citizens Planning Association, since its founding in 1960, has supported good planning and historic preservation in Santa Barbara. Our mission statement says it well: "We advocate for the best standards of design and natural resource protection in order to maintain a sustainable community." CPA recognizes that the process that implements State Housing Element requirements and Regional Housing Numbers leaves little opportunity for local control over the number of allocated units. However, we encourage decision-makers to exercise the greatest possible discretion and restraint when embarking on policy and ordinance changes that have the potential to radically alter the characteristics that have shaped Santa Barbara into the community where we love to live, work and play; and which tourists like to visit, stimulating our local economy.

We support and list many of the listed goals and policies, while we urge caution or further analysis regarding others:

# **IN SUPPORT:**

*Goal 1 Create New Housing:* Create new healthy, safe, and energy-efficient housing that meets community needs, within our resources.

Policy 1.6: Maintain an up-to-date inventory of vacant and underutilized sites that allow housing, including City-owned sites.

Policy 1.9: Facilitate housing development for Santa Barbara's growing senior population

HE-6: Innovative Housing Types ...such as shared housing (co-living), cooperative housing, tiny homes on wheels, flexible spaces (mix of long and short-term tenancy types), housing oriented towards telework, and group quarters.

Goal 2 - Prioritize Affordable Housing: Prioritize housing that is affordable to the workforce and vulnerable communities, [using] deed restrictions and other measures, over other types of development, with special emphasis on housing that meets the needs of extremely low, very low, low, moderate, and middle income, and special needs households.

- HE-2: La Cumbre Plaza Specific Plan facilitates realization of the full residential development potential of the site with consideration of Arroyo Burro Creek, public open space, multi-modal circulation, utilities, topography, and increased height limits.
- **CPA comment:** We agree that the La Cumbre site has the *potential* to provide opportunities for the kind of housing we need, while maintaining a commitment to the City's environmental and historic resources. We urge a robust and transparent public engagement process, reaching out to current residential Santa Barbarans. That public engagement process should also address the infrastructure needs of our public schools and the existing traffic congestion on Upper State Street, as well as providing clear explanations of what plans, specifically, are proposed..
- HE-8: Inclusionary Housing Ordinance Evaluation The City will reevaluate the Inclusionary Housing Ordinances to determine if they could be adjusted to produce a greater percentage of affordable housing units or if the in-lieu fee could be raised to promote flexibility and increase the production of housing overall.
- HE-11: Accessory Dwelling Units Tracking The City will expand upon this initial survey and develop a program to collect and evaluate information on the intended use of new ADUs, and monitor rental income and duration of leases.
- Goal 3 Provide Housing Assistance: ... we support this Goal.
- Goal 4 Promote Housing Stability: Implement tenant protection measures, promote full-time occupancy of existing housing, and discourage conversion of housing to other uses.
- Policy 4.3: Promote the use of housing for residents through ordinances and zoning changes and limit practices such as short-term rentals, conversions to hotels, and prolonged vacancies.
- Policy 4.4: Encourage and promote the use of public and private funding to extend affordability covenants on units at risk of conversion to market-rate.
- HE-15: Short-Term Vacation Rental/Hotel Ordinance ...The City will monitor the proliferation of legal and non-legal short term vacation rentals and fractional ownership projects in residential zones and will review zone districts that allow both hotel and residential use. The City will amend the Zoning Ordinance to further regulate legal short term vacation rentals and to rezone some areas of the City that allow both residential and hotel use, with the aim of increasing multi-unit residential development, reducing conversion of residential uses to hotel uses, reducing the development of new hotels, and incentivizing residential development over hotel development.
- HE-16: Residential Units Conversion The City will evaluate the Conversion of Residential Units to Condominiums, Hotels, or Similar Uses ordinance to determine if amendments are needed to ensure no net loss of affordable units. **CPA comment:** We would support an Affordable Housing Replacement Ordinance that would be retaining the affordability of the units destroyed plus whatever percentage inclusionary; eg, if an affordable triplex is replaced with a multi- of 20 units, there must be 3 affordable plus 3 (if 15%).

**Goal 5 - Preserve Housing**: Maintain and improve the physical condition of existing housing at all affordability levels.

HE-18: Technical Assistance The City will provide technical assistance and personal appointments to residents, including seniors, veterans, and people with disabilities, to help review their housing rehabilitation needs.

HE-19: Fund Home Repairs for Senior and Disabled Homeowners and Renters To the extent possible, based upon the availability of funds .... **CPA comment:** This assistance should be for all income-qualified residents.

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**Concerns and caution:** In general, CPA urges you to exercise restraint when *eliminating* "constraints", and to remember that *constraints are not necessarily impediments*. That being so, we have concerns about the following proposed new policies and believe zoning and code amendments should be carefully evaluated before being eliminated:

Goal 1, Policy 1.4: Reduce and, where feasible and practical, remove unnecessary Cityimposed constraints that impede housing development.

Goal 1, Policy 1.5: Establish citywide objective design and development standards for multi-unit housing, coupled with alternatives to conventional zoning regulations, to accommodate infill development in existing neighborhoods.

Goal 1, HE 1: the City will evaluate, and if appropriate CPA comment, as determined by whom? amend the Zoning Ordinance and other portions of the Municipal Code to remove potential constraints for adaptive reuse, such as review/approval process, design, open yard, and parking standards.

Goal 1, HE 3 Streamline the design review process to reduce the number of hearings and appealable actions for projects that require design review approval. CPA comment, we are alarmed by this open-ended statement and point to Page 59 of the Draft that notes re coastal development processes, "While the City adheres to Permit Streamlining Act timelines... it is also required to comply with CEQA... and has little control over the time required to meet statutory requirements for the review and analysis of projects that are subject to these State laws." All such "streamlining" for coastal and inland projects must be done in the open, with ample public participation and input.

# Goal 2 HE-7: Affordable Housing Overlay

AH Overlay projects will be provided incentives such as higher densities, increased allowable height, lower parking requirements, by-right approval, objective design standards, streamlined permitting, deferral or reduction in permit fees, etc.;

**CPA comment**: we have concerns about how an overlay on an overlay would work: for instance, would a subsequent affordability overlay take precedence over an existing overlay, for instance, over the EPV, or over the Upper State Street overlay? There needs to be a full study of all effects of such an overlay, including of unintended consequences.

Goal 6 Policy 6.2: Develop campaigns that raise awareness about the importance of and need for housing and affordable housing citywide. Build and maintain relationships with local journalists, media outlets, and community organizations to help expand awareness of housing challenges, initiatives, needs, and resources. CPA Comment: We support this Goal, of course, with the important addition that education about the City's history of good planning, and historic and environmental protection be incorporated into any such campaign.

Goal 7 Coordinate with regional partners... The City will work with other jurisdictions to advocate for State legislation that would provide ongoing funding for nonprofit developers to build affordable housing and other programs to address South Coast housing needs. ...

CPA Comment and Recommendations: in addition to seeking State legislation to provide funding for affordable housing, the City could express opposition to the seemingly endless volume of State legislation that further removes and erodes local planning discretion. In addition, this would be an excellent opportunity for the City to advocate that the State provide funding to support infrastructure needed by these non-profit entities that won't be paying property taxes (water, roads, sewer, schools, etc.) as well as ongoing contributions to schools, fire, police etc.

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CPA looks forward to submitting additional comments on the next draft of the HEU, following State HCD's review.

Respectfully submitted,

Marell Brooks, President of Citizens Planning Association

CC: Elias Isaacson, Director of Community Development; Renee Brooke, City Planner; Dan Gullett, Principal Planner; Timmy Bolton, Project Planner; Rosie Dyste, Project Planner.

808 Laguna Street / Santa Barbara California / 93101 Tel (805) 965-1071 Fax (805) 564-7041 TTY (866) 660-4288 (En) TTY (866) 288-1311 (Sp)

July 25, 2022

Sent via email

Mayor Randy Rowse and City Councilmembers City of Santa Barbara 735 Anacapa Street Santa Barbara CA 93101

RE: JULY 26, 2022 COUNCIL MEETING – ITEM 17 HOUSING ELEMENT UPDATE HOUSING AUTHORITY COMMENTS

Dear Mayor Rowse and City Councilmembers:

On behalf of the Housing Authority Team and Housing Authority Commission, I am pleased to offer the following comments on the draft Housing Element Update (HEU) for your consideration as the process moves forward to adopting and submitting the HEU to the State Housing and Community Development Department for Certification.

The first page of the HEU states that the Housing Element law requires all cities and counties in California to establish a long-range plan to meet their fair share of regional housing needs. Cities are charged with planning for the welfare of their citizens, including ensuring that the existing and projected demands for housing are adequately met. The City's responsibility to meet housing needs and not just plan for them is a critical charge. As the City's affordable housing operating arm, the Housing Authority has played, and continues to play, an essential role in addressing the affordable housing needs of the community. We look forward to continuing to work with the City on this increasingly important issue.

To be effective in the upcoming HEU planning period, we must not only develop a realistic plan, but also one that contains quantifiable objectives and specific action steps that contain milestones for the City to meet, that are measurable to determine the efficacy of our combined and collaborative actions. Most importantly, as we have stated on several occasions, we believe that unless there is an established ongoing local funding source put into place, we will not come anywhere close to meeting the affordable housing needs of the City. Therefore, we would rank goal 8 of the draft HEU as the most important step.

City Staff has prepared a great base document within the shortened timeline, that I am sure it will continue to be refined based on additional community input, and feedback from your Council. Our Housing Authority team has some additional comments and suggestions to offer on some of the goals and actions within the plan as follows:

#### General Comments from the Plans Preamble prior to the section covering the HEU goals:

There were a number of statements in the narrative of the HEU that support the position for an ongoing local funding source dedicated to affordable housing which could not only provide for additional affordable housing, but permanent affordable housing through affordable housing providers. These statements are:

Pg. 26: "Upon expiration of a project's affordability controls, the affordable units are at risk of being sold or converted to market rate housing...nonprofit owners are considered more likely than for-profit owners to maintain housing units beyond the expiration of affordability controls."

Pg. 29: "The City encourages the Housing Authority and other nonprofits to acquire units with affordability limits that are due to expire."

Housing Authority Comment Letter – Draft Housing Element Update July 25, 2022 Page 2 of 3

Pg.30: "...the City subsidy for affordable housing projects is relatively low...it would cost nearly \$195 million to replace the 277 at risk units with new units."

- Pg. 30: "Affordable rental housing units under for-profit ownership are perceived as being at higher risk of conversion to market rate housing when affordability controls expire."
- Pg. 66: "While financing is generally available for market-rate development, limited availability of funding to subsidize for affordable projects is a key impediment to the construction of affordable housing, not only in Santa Barbara, but throughout California and the U.S."
- Pg. 82: "The Housing Authority of the City of Santa Barbara, and various other community affordable housing development organizations, are integral to implementing the City's affordable housing program, including activities for acquisition/rehabilitation, preservations of assisted housing and development of affordable housing."

In reviewing the suitable sites inventory (Exhibit G of the draft HEU), the list is extensive and probably physically suitable for additional housing, but we question how feasible it would be to acquire and develop units on these sites within the next planning period. For instance, our office is listed and we would most likely not be in a position to add units to this site within the next eight year planning period. There are shopping centers, single family homes, hotels, businesses, etc. that while suitable would most likely not be "available" for redevelopment for housing units. Therefore, under the "Site Status" column in the Suitable Site Inventory, we would like to know how the City is defining the term "Available". Perhaps some other more relevant term should be used, such as "potential site".

Lastly, since the new police station site has been formally set and the design plan for this station is moving forward with construction beginning perhaps in 2024, we would like to see the existing police station, which located at 215 East Figueroa Street to be listed on the Suitable Sites Inventory. This location is perfectly situated for affordable housing. We ask the City to formally designate the future use of this site for affordable housing dedicated to low-income households.

### Comments to the Housing Plan - Goals, Polices and Programs Section:

The Housing Authority is generally supportive of all of the goals and polices laid out within the plan, but we recognize that more specificity should be included within the separate sections to provide measurable objectives that are reviewed on an ongoing basis to determine if the City is meeting certain milestones throughout the planning period and to make adjustments as necessary.

### Specific comments:

# Policy 1.7: Prioritize residential development and community benefit projects on sites zoned for both residential and other uses.

The term "community benefit" currently includes <u>any</u> residential rental project whether market rate or affordable. We believe the "community benefit" is ill-defined and should <u>not</u> include all residential development projects. Only residential rentals that provide a 50% or more affordable units at moderate income or below should fall under the community benefit term to receive incentives available to this category, such as increased height limits.

#### HE-2: La Cumbre Plaza Specific Plan:

The Housing Authority encourages the City to include within the specific plan a substantial amount of affordable housing above the current inclusionary requirement – along the lines of the proposed Affordable Housing Overlay. This is one of the last large developable sites for housing that should include a healthy mix of market, middle income, and moderate- and low-income housing.

Housing Authority Comment Letter – Draft Housing Element Update July 25, 2022 Page 3 of 3

#### HE-4 Facilitate Production of Accessory Dwelling Units (ADUs)

Given the tremendous need for housing affordable to low-income households, we encourage the City to develop a program of incentives, such as fee reductions, in exchange for restricting the use of the rental to low-income households for a specific period of time. The Housing Authority is eager to participate in such a program with the City referring our voucher holders to the ADU owners for rentals.

Goal #2 – Prioritize Affordable Housing: Prioritize housing that is affordable to the workforce and vulnerable communities, by use of deed restrictions and other measures, over other types of development, with special emphasis on housing that meets the needs of extremely low, very low, low, moderate, and middle income, and special needs households.

We agree with the wording of this goal apart from "...and other measures". The term "other measures" is vague, and we know of no other mechanism to ensure that affordable housing is enforced and remains affordable, other than deed restrictions such as affordable housing covenants. Therefore, we believe that prioritization should be given strictly to deed restricted developments affordable to the City's workforce (moderate income and below) and other vulnerable residents. If the City does not prioritize deed restricted developments, a developer agreeing to provide a portion of affordable housing may then sell the development, the new owner would not be obligated to provide the affordability that was agreed to unless there is a **recorded covenant** that runs with the land and survives future conveyances. We need as much affordable housing as possible and for as long as possible.

#### HE-7: Affordable Housing Overlay

We support an affordable housing overlay to incentivize additional housing units provided to low-income households. The target percentage for the overlay should be well above the inclusionary requirements to receive the overlay benefits.

# Goal 8 – Fund Affordable Housing: Develop a permanent source of local funding to produce deed-restricted affordable housing.

The Housing Authority is very appreciative of the inclusion of this goal and the policy 8.1 and program HE-25. While the City has been, and continues to be, an important funding partner for our affordable housing developments; if as a community we are going to achieve our overarching goals of adequately providing for the affordable housing needs of Santa Barbara, this policy and program need to be at the top of the list and to have a time frame set for implementation.

Under the time frame – we would like to see more definitive milestones especially if the City were to move forward with a ballot initiative.

We appreciate the opportunity to provide comments on the draft HEU and again thank the City Housing Element planning team for the work to date on this document.

Sincerely,

HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA

Executive Director/CEO

cc: Housing Authority Board of Commissioners
 Rebecca Bjork, City Administrator
 Elias Isaacson, City of Santa Barbara Community and Development Director
 Renee Brooke, City Planner
 Rosie Dyste, City Project Planner
 Daniel Gullett, Principal Planner

From: <u>Joyce Berg</u>

To: City Clerk: +HEU@santabarbaraca.gov

Subject: Housing Element Public Draft Comments

Date: Thursday, July 21, 2022 5:05:35 PM

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#### **EXTERNAL**

### Hello,

My name is Joyce Berg. I am a resident of the City of Santa Barbara. I also work downtown so see first hand the need for housing as each day we find people sleeping in our doorway. I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

We ask that City Council prioritize:

- Goal 2 (Prioritize Affordable Housing)
- Goal 3 (Provide Housing Assistance)
- Goal 8 (Fund Affordable Housing).

Within each of these goals, we ask that City Council direct staff to implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information

Thank you for your time.

Sincerely, Joyce From: <u>June Michealsen</u>
To: <u>City Clerk</u>

Subject: housing element update comment

Date: Friday, July 22, 2022 5:04:27 PM

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#### **EXTERNAL**

Greetings—I am a resident of Santa Barbara, owning a home at 115 East Pueblo Street.

I have read through the housing plan and commend the gathering of data as well as the vision for the future contained in the document. It's a remarkable document. THANK YOU.

You have asked for feedback and so I offer mine.

# Please do everything possible to add affordable housing units to our city.

Don't just inventory vacant or underutilized sites but make plans to use those for housing (YES,YES to the LA CUMBRE SITE for example)

Consider nonresidential and motel sites for housing.

Consider a site for an additional trailer park or prefab housing (DIGNITY MOVES PROVIDES A MODEL)

STREAMLINE the design review and permitting process. People give up hope or run out of money before a project reaches completion.

Consider a tax on second homes/vacation rental properties that could help fund affordable housing.

Bless nonprofits who build housing units with streamlined approvals and reduced permitting costs.

Look at the model of units at Saint Vincents. No one talks about what they've done but it is remarkable. Support them and similar groups.

Grateful for the work being done to provide precious homes to more people — June Michealsen (805-687-0661) land line

From: <u>Jacqueline Robinson</u>

To: <u>City Clerk</u>

Subject: Housing Element Update Support Date: Tuesday, July 26, 2022 1:51:02 PM

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#### **EXTERNAL**

Hello,

My name is Jacqueline Robinson. I am a resident of the City of Santa Barbara and I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

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Within each of these goals, we ask that City Council direct staff to implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information
- HE-15: Short Term Vacation Rental Ordinance

Thank you for your time.

Sincerely, Jacqueline Robinson From: Kendra Webster
To: City Clerk

Subject: Housing Element Public Comment

Date: Thursday, July 21, 2022 3:47:54 PM

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Some people who received this message don't often get email from kwebster@fsacares.org. <u>Learn why this is important</u>

#### **EXTERNAL**

Hello,

My name is Kendra Webster. I am a resident of the City of Santa Barbara and I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

We ask that City Council prioritize:

- Goal 2 (Prioritize Affordable Housing)
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Within each of these goals, we ask that City Council direct staff to implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information
- HE-15: Short Term Vacation Rental Ordinance

Thank you for your time.

Sincerely,

Kendra L. Webster, MSW

#### Kendra L. Webster, MSW

Pronouns: She, Her, Hers

Mid & South County Director, Family Support Services

Visit us on the web and like us on Facebook!







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Sunday, July 24, 2022

Dear Mayor Rowse and City Council,

Thank you for the opportunity to give input to the City Council on the draft 2023 Housing Element Update (HEU). City staff have done an admirable job rising to the occasion when no consultant could be hired to pull together a comprehensive report and navigate an increasingly complex and often contradictory set of state housing directives.

More detailed comments on the draft HEU will be submitted to staff, but in the meantime I hope you will consider the following three overarching issues during your deliberations:

1) For Goal 1, deregulating building codes and streamlining approvals may generate more market rate housing, but it won't be "affordable."

An important lesson learned from the 5th Cycle is this: giving for-profit developers more financial incentives through greater regulatory flexibility isn't the panacea for resolving our affordability problem. Both the 2011 Land Use section of the General Plan (p. 11) and policymakers who helped to draft the Average Unit Density (AUD) program confirm that the program, which was viewed as experimental, was designed to see if allowing developers greater levels of density and more options on unit sizes would incentivize more affordable workforce housing at the moderate income level. On top of that, for-profit developers successfully lobbied the City to receive further concessions through the AUD programs, such as lowering parking requirements, allowing roof tops to fulfill open space requirements, allowing height restrictions downtown to be lifted from 45 to 48 feet, and filling in a section of the Central Business District with a density overlay.

Despite all of these additional incentives, AUDs have turned out to be largely unaffordable. A 2021 City study found that 1-3 bedroom AUD rental rates were 20 to 44% percent more expensive than average citywide rents. While the AUD program created more market-rate rental housing (about 1.000 units in this last cycle), only 265 AUD units were affordable and that's because they were built by the Housing Authority or non-profits. In fact, the only way the City could generate a trickle of affordable housing from market-rate AUD projects was to enact an inclusionary requirement in 2019 that requires 10% of rental units to be deed-restricted at the moderate income level.

Simply put, relying on for-profit developers to solve our affordability crisis isn't a viable short or long term strategy since their rents will always be based on what the market will bear. And in Santa Barbara the market is off-the-charts. Our town has always been an extremely desirable place that attracts large numbers of very wealthy people, including second-home buyers and now remote workers from all over the world, who will pay any price to live in paradise. While demand for housing is sky high, local infrastructure, environmental and geographical constraints severely limit the amount of developable land and the housing supply that the City can realistically build. There is only so much housing that can be built when we have a rising sea on

one side and fire-prone hillsides on the other. Other factors out of our control include UCSB's and the rest of the South County's failure to build adequate affordable housing. Such a perpetual tight housing situation also means decades-old, market rate housing may never fully depreciate to be affordable enough at lower income levels.

Therefore, the only real solution is to invest in deed-restricted housing that is affordable in perpetuity and not subject to market forces. This is why Goal 2 and Goal 8 are so important. If the City wants for-profit housing developers to build affordable housing, they'll have to mandate it or charge them to have someone else build it. I strongly support a more robust inclusionary program (Goal 2, HE-8) but encourage the City to explore the possibility of accepting from developers a significantly higher in-lieu fee for market rate housing instead of asking them to build affordable housing on-site. Those in-lieu dollars could then be funneled through the Affordable Housing Trust Fund (HE-12, Goal 3) to the Housing Authority or other non-profits to build deed-restricted housing. There may be other ways to incentivize for-profit developers to build deed-restricted housing, too, by tying it to greater density and height allowances as part of an Affordable Housing Overlay program (Goal 2, HE-7). In those instances, the City should require a very high affordability level and require the project to be carried out in partnership with the Housing Authority or a non-profit provider as the lead builder.

At the same time, the City should encourage the production of market rate or above moderate income housing. However, it should only be incentivized for the <u>right reasons</u>, in the <u>right places</u> and for the <u>right amount</u>. That's why I strongly support maximizing developer incentives to promote adaptive reuse (Goal 1, HE-1), which is an environmentally sustainable way of repurposing vacant older buildings without tearing them down completely. I'm also excited about the potential of (Goal 1, HE-2) which will develop the La Cumbre Plaza site. This location is close to amenities, wouldn't block views to the mountains if buildings were higher, isn't next to historic landmarks, and could accommodate a range of innovative housing types including first-time buyer housing for families at all income levels. Ideally, market rate housing should be for our local workforce, so corporate, non-profit and school district partnerships to build employee affordable housing should be explored and promoted, too.

# 2) State efforts to dilute Goal 2,, such as allowing ADUs to meet our lower income RHNA requirements, must be handled with caution.

Santa Barbara should continue to hold the line when shifts in state policy may not be in the best interests of our local community. Such is the case with the state's newest push: to promote Accessory Dwelling Units (ADUs) or granny flats as "affordable" and allowing them to be counted as very low, low and moderate income when the City reports its Regional Housing Needs Allocation (RHNA). This is troubling because ADUs are not deed-restricted or legally required to be rented at any of those income levels for a specific length of time. By comparison, an ADU's "affordability" is temporary and subject to the whims and changing circumstances of the property owner. Relatives may live in an ADU for free on one day, but the next day it could be rented at market rate, turned into a gym or an illegal short term rental.

Even the results of a very limited survey of ADU owners (2023 HEU draft, Appendix D, p. D-3) showed that only 40% are rented and the rest are used for a variety of other purposes (see Exhibit 1 attached). Thirteen percent of ADUs in that sample have a relative/caretaker living in them for free. Shockingly, the State allows that ADU situation to now be categorized as "very low income housing" without income verification.

If the City is seriously considering reporting ADUs in these lower income categories, then the ADU tracking system outlined in HE-11, Goal 2 must have a much higher and representative response rate than that of their recent survey, which was only 16% or 57 respondents (p. B-3, Appendix B, Draft 2023 HEU). The City must also commit to double-checking ADU rental status regularly and recategorizing RHNA numbers accordingly. <u>Until such a system is working reliably</u>, the City should report affordable housing outcomes in two categories: deed-restricted and non-deed restricted.

Allowing privately-owned ADUs to be categorized in the same way as deed-restricted housing is a very slippery slope – and runs counter to the intent of Goal 2. We must avoid an approach that leads to increased housing insecurity eight years from now. That will be the case if we over-rely on the whims and changing circumstances of private ADU owners as the dominant provider of "affordable" housing when we should have funded and built more permanent, deed-restricted housing that wasn't subject to market forces.

In the end, the City needs its own transparent, online affordable housing accountability system – apart from the State's – that both the public and decision makers can easily understand and access. Such data is critically important for understanding if we're making a dent in resolving our affordability crisis. This accountability system should:

- define and include valid outcome measures for affordable housing that distinguish between deed-restricted and non-deed restricted housing (HE 11, Goal 2)
- track housing production over time,
- provide comparative data on the length of time it takes market rate versus affordable housing projects to be permitted, and
- show how funds raised for deed-restricted affordable housing are spent (HE 12, Goal 3 and HE-25, Goal 8).

There would be no added paperwork or data input burden because most of the information is collected and regularly updated as part of the City's <u>Annual Progress Report</u> which is created, in part, by using information from the following three databases: <u>ADU statistics dashboard</u>, <u>AUD statistics page</u> and <u>Construction Monitor Report</u> system.

3) We have a humanitarian housing crisis that requires immediate financial relief because proposed HEU programs will take 4-8 years to implement and make a difference.

It will take several years for most of the programs outlined in Goal 2 and Goal 8 to be enacted by the City Council or approved by the voters. In Goal 2, for example, the Affordable Housing

Overlay (HE-7) is likely to take at least two years of study and deliberations before such a program is enacted – if it's enacted. Likewise for the Inclusionary Program, which usually requires a nexus and economic feasibility study to be completed to legally support raising the percentage of houses past 15% and/or pursuing a higher in-lieu fee. Meanwhile, many of the funding proposals in HE-25, Goal 8 require a 2024 ballot initiative and then would take two more years to generate revenue (if passed by two-thirds majority), which means they wouldn't generate any housing until near the end of the 8-year cycle. The consensus is that it is just far too little, too late. The City can't keep kicking this can down the road.

That is why I implore the City Council and the Finance Committee to work expeditiously and diligently to make it their very top priority to allocate bridge funding from the General Fund. Contingency Reserves or through whatever mechanism needed to provide renters some relief through emergency renter grants, similar to those provided during the pandemic. At the same time, the City should allocate as close to \$5 million in funding to the Housing Authority this next fiscal year so that they can leverage that to build 150 units of housing, as per Rob Fredericks' presentation to the City Council and Planning Commission last spring.

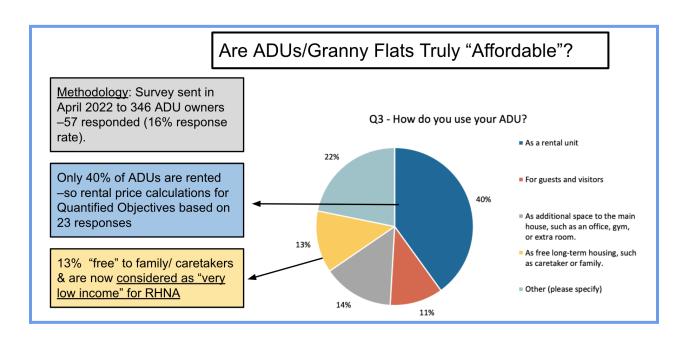
Thank you for considering my comments and your service to our fine City.

Respectfully yours,

Lisa Carlos Resident

Exhibit 1 Attached

Exhibit 1



Source: 2023 HEU Draft, Appendix D, p. D-3

# **Housing Element Update**

Hello,

My name is Lisabeth Pacheco. I am a resident of the City of Santa Barbara and I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

We ask that City Council prioritize:

- Goal 2 (Prioritize Affordable Housing)
- Goal 3 (Provide Housing Assistance)
- Goal 8 (Fund Affordable Housing).

Within each of these goals, we ask that City Council direct staff to implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information
- HE-15: Short Term Vacation Rental Ordinance

Thank you for your time.

Best Regards,

Lisabeth Pacheco



July 25, 2022

Re: Comments on the Draft Housing Element, July 26, 2022

Dear Mayor Rowse and City Council Members,

The League of Women Voters of Santa Barbara is pleased to have an opportunity to comment on the draft of the City's Cycle 6 Housing Element Update (HEU). The new goals contained in the HEU and our comments below closely align with our LWVSB Housing Positions which we adopted in 2021 after a year of study. Our current priorities are to 1) Support efforts to preserve and significantly increase low and moderate income housing supply for all ages, family size and disabilities, 2) Support prioritizing local residents and workers for new housing units and 3) Support policies that increase housing security for all, especially renters. We have also been asked by our national LWV office to view everything we do through a Diversity, Equity and Inclusion lens.

Based on the level of agreement we observed at the Planning Commission's HEU review we are optimistic that the update can address the City's dire affordable housing crisis with meaningful actions. The bullet comments below were informed and expanded by communicating with leaders of other organizations who care about housing. All of us are committed to helping the City of Santa Barbara provide a foundation for a more sustainable and equitable community. Specifically, we support the following changes and comments on the City's HEU Draft:

- We need to hear more from the less housing secure residents and workers. In a city with few
  vacancies and 59% renters there are thousands of residents without housing security. The efforts to
  reach them during the HEU process have fallen short. We encourage the City to step up its efforts to
  reach out to this large segment of the community to hear their concerns and attempt to meet their needs.
- We request that the 'Quantified Objectives' be revised upward to show a commitment to Capital A Deed Restricted Affordable Housing and confidence in the proposed programs in the HEU plan. The City's Cycle 6 RHNA (Regional Housing Needs Allocation) target from the state is 4969 units for the very low, low and moderate income households. The Quantifiable Objectives (QO) "target goal" for the same affordability levels is just 859. We understand that goals may not be achieved because of environmental, financial and other constraints but we should make a meaningful effort to increase very low to moderate income housing units and the RHNA numbers are based on appropriate data which define actual needs. The status quo is unacceptable.
- The reliance on ADUs (Accessory Dwelling Units, aka 'Granny Flats') to meet the majority of very
  low and low income units in the City of Santa Barbara is overly optimistic. In order to count towards
  the lower income RHNA targets, ADUs should have a restricted deed or enforcement mechanism that
  can be monitored.
- Policies 1.7 and 2.1: Clarify the meaning of 'Community Benefit' and consider replacing it with
   'Affordable Housing Benefit'. Whatever the term, it needs to be clear that the ONLY way to be eligible

for the maximum local incentives such as taller buildings or use of publicly owned land is with a high percent of affordable units of the total built.

- HE-2 (Goal 1): La Cumbre Plaza Specific Plan needs a creative vision and a chance to leverage that
  site for a significant amount of affordable housing. This should occur with a robust community input
  visioning process that includes workers and renters who are the most impacted by escalating rents.
  Stakeholders could explore feasibility of low and moderate workforce housing projects and new
  innovative models of housing developments (HE-6, Goal 1) such as co-housing for purchase
  developments or limited equity cooperatives for all incomes and family types.
- HE-7 (Goal 1 and 2): "Affordable Housing Overlay" and HE-8 "Inclusionary Housing Evaluation"
  programs are place holders. We would like to see a timeline and commitment to actions that examine
  different solutions to incentivize production for the low and moderate income levels.
- HE-25 (Goal 8) We recommend a completion target of the end of 2023 for the program study "to secure permanent source(s) of funding for affordable housing and renter protections."
- Finally, we request that a **Glossary of Terms** be included at the end and throughout the HEU document to aid in the understanding and intention of the policies and programs that use them. In particular, the public should know the meaning of the following when used for City purposes: "Middle Income," "Above Moderate Income," "Upper Middle Income," "Workforce," "Downtown Workforce," and "Community Benefit."

We also support the following short-term actions where an urgent response is required to help our population that does not have housing security.

- We need an emergency ordinance for Rent Stabilization. We need rent stabilization to strengthen the
  necessary tenant protections to support renters from displacement that can come from increased housing
  development in our City. As part of that ordinance we hope the City can get started on the Rental
  Registry for new buildings as suggested by the Planning Commission.
- We need the City to commit to a short-term funding source that can be used to leverage other monies to fund the Housing Authority's production and tenant protections such as a right to counsel as recommended in program HE-25 while we wait for progress on Goal 8 Funding Options.
- A few City-owned parking lots should be identified as "Suitable Sites" for affordable housing so HACSB and non-profit developers can start planning and evaluating project possibilities.

Thank you for your attention. We look forward to working with you and others to have a future Santa Barbara that can accommodate a diverse population with increased housing stability.

Sincerely,

Vicki Allen

Victi alle

League of Women Voters of Santa Barbara VP Communications

Re: Comments on the Draft Housing Element Update, July 26, 2022

Dear Mayor Rowse and City Council Members,

I am writing to comment on the draft of the City's Cycle 6 Housing Element Update (HEU).

At the outset I want to indicate that I support **all the points** made in the letter sent to you yesterday by the Santa Barbara League of Women Voters on this matter. I am writing to highlight three areas of particular concern to me.

In my opinion, there is a very real need to reach out and get feedback about housing issues in the city from the less housing secure residents and workers. Frankly wherever I go, the lack of housing or security in housing comes up in daily conversations whether in the hair salon, dental or doctor office, grocery store, library or school. People everywhere are expressing concern they cannot continue to live in town.... unable to find a place to live, afraid their rents will go up more than they can afford and so forth. The council needs to put more effort into hearing from these folks to understand the issues from their perspective.

Additionally, I feel strongly that the city needs to raise the "target goal" for very low, low and moderate income households (a quantified objective) from 859 units to a higher, more meaningful number. Afterall, the state set a target of 4,969 units and the current goal is only 17 percent of the state target. We will not achieve a meaningful increase in the actual number of such units if we do not set a higher goal and work to achieve it.

Finally, I fully support the point in the letter from the League of Women Voters regarding Policies 1.7 and 2.1 that the term 'Community Benefit' needs to be defined in such a way that the only way to be eligible for the maximum local incentives such as taller buildings or use of publicly owned land is with a high percent of affordable units of the total built. I like the suggestion that the term "Community Benefit" be replaced with 'Affordable Housing Benefit'.

Thank you for your consideration,

Mary Jacob

Mary Jacob

From: Megmyday23@gmail.com

To: <u>City Clerk</u>

Subject: Housing Element Public Draft Comments

Date: Thursday, July 21, 2022 6:18:17 PM

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#### **EXTERNAL**

Hello,

My name is Meghan Macias. I am a resident of the City of Santa Barbara and I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

We ask that City Council prioritize:

- Goal 2 (Prioritize Affordable Housing)
- Goal 3 (Provide Housing Assistance)
- Goal 8 (Fund Affordable Housing).

Within each of these goals, we ask that City Council direct staff to implement the following programs first:

- HE-25: Affordable Housing Funding
- HE-12: Affordable Housing Trust Fund
- HE-13: Support Rental Housing Mediation Program
- HE-20: Renters' Rights Information
- HE-15: Short Term Vacation Rental Ordinance

Thank you for your time.

Sincerely,

Meghan Macias

# **Council Meeting Date: 7/26/22**

# Agenda Item 17 - Comment Letter to Council on Housing Element

**TO:** Mayor Randy Rowse, Mayor Pro Tempore Meagan Harmon, Councilmember Alejandra Gutierrez, Councilmember Mike Jordan, Councilmember Oscar Gutierrez, Councilmember Kristin Sneddon, and Councilmember Eric Friedman

**FROM:** Andrew Fuller, John Blair, Matthew Taylor, Jordan Price, Jason Price, Peter Lewis, Greg Reitz, & Ray Mahboob.

Mayor Rowse and Members of City Council,

Below are the collective comments and thoughts of several of the active multi-family/housing developers in the City of Santa Barbara. This letter is intended to provide constructive and actionable review of the first draft of the Housing Element Update from this group.

**Intent/Goals of the Housing Element Update:** Our understanding is that this Housing Element is meant to accurately analyze, inventory, and set into motion action items for more housing development to meet our community needs. We have a unique opportunity to implement what we have learned over the last several years and make significant progress towards straightforward, objective development standards and processes that actually work. To that end we feel this first draft falls short.

Only 0.6% of the current housing inventory has been built since 2014 per the information provided in the Housing Element and approximately 22,000 existing residents are between the ages of 5-24. Over the next 8 years it is a fair assumption that a significant number of those individuals will need housing. This excludes any growth or people moving to our city, just the needs of the families that are already here.

**Suitable Site Analysis:** The Housing Element is supposed to provide a parcel-by-parcel inventory of land suitable and available for residential development. Sites shown in the inventory must also have a realistic and demonstrated potential for redevelopment during the next RHNA cycle. Government Code 65583(a)(6) requires that non-governmental constraints also be analyzed, but the City provides no analysis that shows how "realistic" it is for units to be accommodated on its inventory site. As but one of many examples, the City identifies 39 units of residential housing at 115 South La Cumbre Rd. This property is an operating Chevron Gas Station owned by, or on a long-term lease to, Chevron Inc - unless the City has had conversations with the property owner where they represented a desire to redevelop the property into residential units in the near term, how can this site be listed as suitable, available, and realistic for 39 units of housing during this RHNA cycle? Unless the City has specific information on this site that is not shared in the Housing Element, we don't see how this property (and many others) can be placed in the City's inventory. Other such examples include:

- · 23 South Hope - Slated for 76 residential units; however, the site is heavily constrained by Arroyo Burro Creek and USS Overlay, which significantly limits the height and imposes parking and setback requirements that we believe prevent development of anything close to 76 units.
- 3311 McCaw & 3303 State Street - Slated for a total of 212 residential units; however, these sites are also impacted by USS Overlay and are part of Loretto Plaza, which is likely encumbered by long-term leases and easements that may preclude residential uses.
- · 2840 De La Vina Street - Slated for 45 residential units; however, this property is subject to a long-term lease to Grocery Outlet and is also part of a larger shopping center, which likely has restrictions on the conversion of uses, as well as access restrictions.
- · 217 E Gutierrez - Slated for 221 residential units, but it has multiple long-term leases

It doesn't seem like the City researched the parcels it placed in its inventory to make sure they are suitable, available and realistic for development. We know other nearby jurisdictions are talking with land owners before including their parcels in the Housing Element inventory, which seems to be more in line with what the Housing Element should reflect. Many of the parcels in the inventory are operating very successfully without residential development. The parcels' development potential value must exceed its existing value otherwise there is no development incentive for the owner. The City can create this incentive through zoning changes and development standards that do not exist today. We had hoped the Housing Element would focus on proactive changes, rather than simply listing parcels, most of which are not suitable, available or realistic for residential development.

Additionally, any parcel that is subject to the Historic Landmarks Commission (HLC) design board should merit further study about its ability to be developed with high-density. Recently a project at 222 E. Canon Perdido was forced to remove units by the HLC's comments. That parcel size could accommodate nearly 40 units based on zoning density, but is now going to be developed with 27 units. All of which are one-bedroom or smaller. This appears to fly directly in the face of state law that prevents design boards from requiring projects to reduce units.

**Development Standards:** The draft Housing Element includes multiple references to the existing development standards but doesn't say how they will be updated and/or changed to facilitate more housing. For example, the draft Housing Element includes the updated stormwater regulations that inaccurately list tier 1 & 2 projects as "medium" and tier 3 as "large". However, nearly every project over 24 units will be a Tier 4 project, which has extremely difficult standards to hit.

Another example is the calculation of net vs gross lot area. Development density is often calculated from "net" lot area. Why shouldn't this be "gross" lot area? If the City's desire is to spur additional housing and meet our RHNA allocation, then let's do away with the complicated equation that determines the number of units allocated to a particular lot that staff and developers often argue over.

**Economics/Affordability Expectations:** The draft Housing Element assigns affordability levels and or potential buildout to sites listed in its inventory without any analysis of the feasibility of developing housing at these affordability levels. The draft Housing Element says the Suitable Sites Inventory considered the "financial viability" of sites based on "assessor parcel improvement value, land value, and parcel area" and "Properties chosen were all within the parameters of projects that were proposed and constructed during the 5<sup>th</sup> RHNA Cycle." We don't see how this is possible given the number of affordable units assigned to every parcel in the Inventory.

The "financial viability" of the residential project is not solely based on its assessed value, land value and parcel area. Developers don't rely on these metrics when considering a residential development project. Residential development is based on market forces, such as construction costs, entitlement timelines, availability of construction financing and desirability of location within the City. None of these factors are considered in the City's "financial viability" analysis. They need to be.

The affordability levels assigned to properties are unrealistic. Most properties listed in the inventory are assigned affordable units at or above 50% of the total unit count. That is financially untenable and completely contradictory to the BAE Study done by the City. The draft Housing Element says that properties listed in the Inventory and the affordability levels assigned to the properties are "within the parameters of projects that were proposed and constructed during the 5<sup>th</sup> RHNA cycle." This isn't consistent with our collective experience developing residential projects in Santa Barbara. The City needs to show how projects proposed and constructed in 5<sup>th</sup> cycle achieved these levels of affordability. Also, the City can't assume every development project will be a subsidized low-income housing project like those executed by the City Housing Authority or a private non-profit housing provider. While we know the City has to meet certain affordability levels in its Housing Element, the numbers assigned in the Inventory can't be supported. The Housing Element also doesn't acknowledge the City's current practice of "double dipping" on affordability restrictions through its inclusionary housing requirements. The City already requires developers to provide moderate-income housing for projects in addition to affordable units provided through the State Density Bonus Program. Developers are forced to accommodate two layers of affordability restrictions. The City needs to consider this in its "financial viability" analysis and rethink whether its inclusionary requirement is actually an impediment to housing production at the level contemplated in the Housing Element.

Past Council Direction: Past council direction on Housing Element appears to be missing. Previously council has provided a directive to staff to investigate increased density on both sides of Upper State Street and the De La Vina corridor. We had hoped the City would have taken the new Housing Element as an opportunity to analyze and promote ways the City can further encourage housing by looking at its own ordinances and building regulations. This kind of practical analysis didn't happen. If the City is serious about solving its housing crisis, it needs to look at how its own regulations prevent development.

From: Patricia Saley

To: Kristen Sneddon; Randy Rowse; Oscar Gutierrez; Eric Friedman; Alejandra Gutierrez; Mike Jordan; Meagan

Harmon; City Clerk

Cc: Rosie Dyste; Daniel Gullett; Renee Brooke

Subject: Draft Housing Element Update recurring themes - CC meeting on July 26th

**Date:** Sunday, July 24, 2022 12:35:09 PM

#### **EXTERNAL**

### Dear Mayor Rowse and Councilmembers,

Given the tight timeline for review of the Draft Housing Element Update (HEU), really good work has been done by staff, decision-makers and the public. Over 25 individuals and organizations wrote letters or spoke at the Planning Commission's hearing on July 14th, and the quality of the comments was impressive. The Commission took those comments and added to them, clarifying and improving on what was suggested by the public. I concur with the comments and offer my take on the revisions to the HEU that came out of that meeting:

#### **Broad consensus on these items:**

- Virtually everyone agreed that Santa Barbara has a <u>housing affordability problem</u> and more of the same won't solve it.
- Definitions are needed, especially, what is "affordable?" Consensus that it means legally binding housing for very low, low, moderate income and special needs groups. "Quantified Objectives" also need to be clarified and consistent with RHNA requirements and definitions.
- "Community benefit" projects should not include above-moderate and high income rental or ownership projects. We have done extremely well in these categories to the detriment of where the greatest need is, low through moderate income housing.
- Programs should include action verbs, e.g., amend ordinances, engage the public, etc. Too many programs use passive language, e.g., suggesting that an existing program be evaluated or track "no net loss" of units with no future action required.

# **Goal 1 - Create New Housing**

- The upcoming La Cumbre Specific Plan has great potential to provide many lower income units with onsite and nearby amenities and services.
- The discussion about Accessory Dwelling Units needs more work as the data provided in the HEU is based on a voluntary survey with a very low 16% return rate. Some sort of tracking system is needed to give annual (or more frequent) data about use and rental rates of ADUs. Incentives to have most of these units be truly (deed-restricted) Affordable should be provided..

### **Goal 2 - Prioritize Affordable Housing**

- Many would argue that this should be the first goal.
- The City's 10% inclusionary rate is too low, e.g., Santa Monica, a coastal city of a similar size, has a 30% inclusionary rate.
- The Affordable Housing Overlay should only be for projects with a substantial number

of lower-income units. Recognition that upzoning without Affordability requirements produces only market-rate housing.

### **Goal 3 - Provide Housing Assistance**

- There was strong support for Affordable Housing Trust Fund, including a reliable funding source comparable to the funding from the now-defunct Redevelopment Agency.
- In the early discussions of the HEU and AUD programs, there was considerable support for giving priority for new housing to people already living in Santa Barbara or workers who commute from Ventura or North County. This large group is one who should be provided housing assistance and preference.

# **Goal 5 - Preserve Housing**

- The language of this goal relates only to improving the physical condition of the housing stock, which is important. However, it doesn't speak to:
  - Maximizing the use of existing housing, e.g., pass a vacancy or similar tax on homes that are not occupied at least half the year. This may encourage homeowners to live here most of the year and would raise funds for Affordable housing.
  - Encouraging Adaptive Reuse of non-residential buildings into housing.
  - Reducing the existence of short-term rentals and fractional ownership units that reduce the housing supply. Enforcement of existing and future requirements is needed.

# **Goal 6 - Engage the Community**

• There was support for engaging tenants and other groups whose voices have not been well represented in this process, including coordinating with groups that have the trust of these communities.

# **Goal 8 - Fund Affordable Housing**

• There was a lot of support for increased funding for Affordable housing. There was also recognition that, if a tax measure of some sort were pursued, the lead time to put that in place would be a minimum of two years. It was suggested that a funding analysis be done and a short-term funding strategy be developed.

Thank you for considering these comments.

Pat Saley, AICP

From: Paige Sawaya

To: City Clerk: +HEU@santabarbaraca.gov

Subject: Housing Element Public Draft Comments

Date: Tuesday, July 26, 2022 6:52:12 PM

Some people who received this message don't often get email from paige.sawaya@gmail.com. Learn why this is important

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#### **EXTERNAL**

# Hello,

My name is Paige Sawaya. I am a resident of the City of Santa Barbara, and I currently work locally in the homeless services industry. Santa Barbara's housing crisis deeply concerns me, and I believe it is imperative that our system honor and assist our unhoused population. Santa Barbara cannot only be a land for the wealthy. I want to share my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need City Council's leadership.

We ask that City Council prioritize:

- Goal 2 (Prioritize Affordable Housing)
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Within each of these goals, we ask that City Council direct staff to implement the following programs first:

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- HE-15: Short Term Vacation Rental Ordinance

Thank you for your time.

Sincerely, Paige Sawaya From: Rich Block
To: City Clerk

Subject: Public Comment in Support of the Housing Element

**Date:** Friday, July 22, 2022 9:12:08 AM

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#### **EXTERNAL**

# Public Comment in Support of the Housing Element Tuesday, July 26

Santa Barbara City Council Members:

My name is Rich Block. I am not a resident of the City of Santa Barbara, <u>but</u> my involvement with the Santa Barbara Zoo and its proximity to Dwight Murphy Park and the Union Pacific railroad tracks/101 requires that issues related to housing receive my attention. I regret that I am away at meetings this week, but I wanted to have a voice in supporting efforts to address Santa Barbara's housing issues. My wife and I are regular supporters of *Transition House* and most recently the *DignityMoves* project, both located in Santa Barbara. I want to express my support for the 2023-2031 Housing Element Update draft.

In the next Housing Element cycle, we need to prioritize funding affordable housing, building affordable housing, and keeping people in their homes. As written, this Housing Element has a lot of potential to help, but we need your leadership.

We ask that City Council prioritize:

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- HE-15: Short Term Vacation Rental Ordinance

Thank you for your attention to this pressing issue.

Sincerely,

Rich Block (he/him/his)

President & CEO
Santa Barbara Zoo
500 Ninos Drive
Santa Barbara, CA 93103
rblock@sbzoo.org
www.sbzoo.org
(805) 679-8429 Direct

From: Richard Flacks

To: Santa Barbara City Council

Cc: nadia@sbcan.org; Linda Honikman; Rodriguez Frank
Subject: Agenda item #17 7/26/22 Hiusing Element

**Date:** Monday, July 25, 2022 2:11:01 PM

#### **EXTERNAL**

July 25, 2022

Dear Mayor Rowse and councilmembers:

SBCAN appreciates the opportunity to participate in the housing element process. We join with the League of Women Voters, CAUSE and other groups in supporting the language and spirit of Goal 2: -

"Prioritize Affordable Housing: Prioritize housing that is affordable to the workforce and vulnerable communities, by the use of deed restrictions and other measures, over other types of development, with special emphasis on housing that meets the needs of extremely low, very low, low, moderate, and middle income, and special needs households"

We believe the HE needs to be more explicit in defining the concrete objectives this goal seeks to achieve, and in spelling out some specific policies that will enable these objectives.

RHNA target numbers offer a concrete way to define the housing needs of our community. And they show the gap between the need and the housing supply that existing modes of development can provide. RHNA target for the city is 8000 units over the next decade. The current housing element draft (under 'quantitative objectives") estimates that some 3300 market and below market units can be actually built based on a realistic assessment of the resources available in the coming time period.

We need to set our sights higher. The HE makes clear that the needs for affordable housing are far more urgent than the figure cited. The HE should incorporate specific policy ideas that can help the community raise its housing sights. In particular, the city needs to consider specific ways to create a reliable revenue stream that will enable the Housing Authority sof Santa Barbara and other non-profit entities to increase affordable housing production.

Such a package, earmarked for affordable housing, could include;

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<!--[if !supportLists]-->a. <!--[endif]-->An increase of bed tax rates (Santa Barbara city bed tax is lower than comparable communities. An increase to 15% from 13% would bring the city in line with other communities' TOT. This should be proposed as a specific tax for support of affordable housing.

)
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- <!--[if !supportLists]-->b. <!--[endif]-->A 'deed transfer' tax aimed at high end property sales (many California cities have been instituting a version of this)
- <!--[if !supportLists]-->c. <!--[endif]-->A 'vacant homes' tax on vacant residences (and commercial space?) and possibly aimed at vacation rental uses of residential property

These are among the taxing measures that communities are now adopting--and that affordable housing advocates in Santa Barbara are actively discussing—aimed at creating an ongoing affordable housing revenue stream to enable non-profit housing development.

Such a strategy should be clearly articulated in the HE discussion of 'goal 2".

It will be several years before this strategy, if successful, can produce needed funding. In the meantime, the HE should point out several ways the city could immediately begin creating an affordable housing revenue stream:

- <!--[if !supportLists]-->o <!--[endif]-->Allocate a portion of the annual bed tax revenue to the SB Housing Authority and other nonprofits to initiate a regularized financial resource for social housing (pending passage of the proposed TOT rate increase)
- <!--[if !supportLists]-->o <!--[endif]-->Explore the investment of city reserve funds in housing development to strengthen the social housing funding stream.
- <!--[if !supportLists]-->o <!--[endif]-->Encourage formation of a housing land trust to enable the banking of land for social housing.
- <!--[if !supportLists]-->o <!--[endif]-->Designate city owned land, including parking lots, for affordable housing development.
- <!--[if !supportLists]-->o <!--[endif]-->Implement ideas already mentioned in the HE: encourage ADU development earmarked for affordability, provide tenant 'first right of refusal" when rental property is for sale.
- <!--[if !supportLists]-->o <!--[endif]-->Finally—and crucially—the HE should suggest that the city adopt a rent stabilization ordinance as a necessary immediate measure in the face of inflation. Along with an annual anti-inflationary cap on rents, the city should be urged to establish a rental property registry as a necessary tool for managing the cost and habitability of rentga housing.

Thanks to you all for your labors on behalf of our community,

Richard Flacks.

Co-chair

Santa Barbara County Action Network (SBCAN)



TO: Mayor Rowse and Santa Barbara City Councilmembers

RE: Draft Housing Element

DATE: July 26, 2022

FROM: Shelley Bookspan, President, Riviera Association.

# Dear Mayor and Councilmembers,

On behalf of the Board of Directors of the Riviera Association, I am submitting to you these brief comments on the current draft of the Housing Element for the revised general plan. I am basing these comments on the concerns that our general membership expressed last year when surveyed on their local priorities.

- 1) While we appreciate that the draft plan mentions, albeit parenthetically, that the area of the City designated "high fire zone" shall be excluded from some of the additional density demands, we belief that that exclusion is important enough to receive more emphasis in the final document;
- 2) We also believe that additional development in environmentally sensitive areas needs bo be explicitly excluded; and
- 3) From our reading of the draft, we infer that, in adopted, the City will primarily be hoping that additional Accessory Dwelling Units will work toward satisfying the housing needs of our city's very low, low, and moderate income residents. Given that most ADUs constructed to date are either not being used as rental units at all or, if they are, are being rented at "market rate," we doubt that ADUs will provide the sought-after solution. We expect that the City will need to invest, perhaps through the Housing Authority and/or other forms of partnership, in additional deed-restricted housing conversion or construction. Indeed, our members strongly expressed their preference that new housing in the city qualify as "affordable" rather than as "market rate." We fear that in reliance on ADUs will fail to satisfy needs in the "affordable" category.

Thank you.

From: <u>Steve Johnson</u>
To: <u>City Clerk</u>

Subject: Housing Element Update

**Date:** Thursday, July 21, 2022 5:00:41 PM

#### **EXTERNAL**

# From the League of California Cities:

https://www.calcities.org/news/post/2022/03/30/cal-cities-briefs-city-leaders-on-priority-bills-for-2022-legislative-session

"However, the most immediately significant bills are two parking bills, SB 1067 (Portantino) and AB 2097 (Friedman)."

SB 1067 promotes "car-free" housing projects within 1/2 mile of public transit.

The City could improve on SB 1067 by zoning for "car-free" housing within 1/2 mile of public transit, with the caveat that residents must annually submit confirmation that they do not own or lease a vehicle (anywhere). Such projects (if built) would be 100% affordable by design;

above moderate income earners will be unlikely to accept the car free requirement.

The worst possible outcome from car-free zoning is that no such projects would be built.

The best possible outcome is a spike in the production of market rate, moderate income housing.

Steven Johnson steve@stevej.com http://www.stevej.com 805-699-5364 319 W Cota, SB 93101