

Public Comments Received on the Public Review Draft Housing Element

July 5 – August 3, 2022

From:	Amanda Cobb
То:	Housing Element Update
Subject:	Program idea for the Housing Element
Date:	Thursday, July 14, 2022 9:48:52 AM

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**EXTERNAL** 

Hello Housing Element team,

Congrats on finishing up the draft Housing Element, that is fantastic!

I recently went through the process of finding a rental which was a stressful experience. Ultimately, I did find something, however I have some ideas on programs that I believe would have eased my experience . I have listed these in order of priority for me personally:

1. Add language to an existing ordinance or develop one that requires landlords to provide at least 2 (maybe 4) weeks between the signing of the lease and the start of the lease. Almost everything I was looking at was a "start now," as in, the lease started in less than a week. For example, yesterday I found out I was approved for a place finally (after months of searching), and the lease starts tomorrow. Because starting leases so quickly is the norm, landlords often choose people who are able to move immediately so they can collect the most rent. I was told that there were groups who could move in on the 15th, so if I could not I would not be chosen. This makes sense, and I understand that landlords are also stakeholders and need to pay off their investments. However it ultimately leads to tenants having to pay double rent, or makes them wait until they are just about to get kicked out of a current lease to find a new home if that is not feasible. By requiring a buffer, this would shift the norms of the rental market and allow people to find new housing situations in advance, rather than scrambling.

2. Almost every housing unit I found was posted on craigslist. During my search, I would reach to almost 5-10 people a day in hopes that I could hear back. I rarely did from legitimate places because they were apparently receiving over 100 calls. I did however receive replies from scammers every day. I am lucky to have been able to spot this. My dad is also a commercial real estate agent and was able to look up the owner for me through some database he had before I gave anyone my SSN, bank info, etc.. for them to run a credit check. I am sure there are so many not lucky enough who have lost money. Is there a way the city can intervene? This would be a big undertaking I am sure, however a very positive one. This could also discourage landlords from running credit checks and taking money from multiple parties when they could just run one at a time. Many property management companies told me to apply because they were getting tons of applicants before I even toured a place, but to apply there was a fee. I did it, because I wanted to be considered, but there is no need to run a credit check on that many people, and it leads to tenants paying hundreds in application fees for places they will never be considered for.

Some ideas:

- Can credit check information be run through the city? Could residents send their personal information to a platform the city facilitates, and then the city can verify property management before passing along the information to the landlords? My fear with this is that it would be a huge extra cost that would be passed on through application fees, but if there is a way to keep the costs down that would be fantastic.

-Can the city host a platform like Zillow or craigslist that verifies ownership of units since the city already has that information?

3. Can the city encourage the development of more two or three bedroom units? This is just anecdotal, but I found that there were TONS of studios and some one bedrooms, as well as a lot of 4+ bedroom units, but very few 2-3 bedrooms. I think the studios come from the rise in ADUs which is fantastic. Is there space in current ADUs to provide two bedrooms? Large places are conducive to big families and student groups, but for those of us in that 25-35 age range, access to living situations where we can have 1-2 roommates or a partner would be helpful. Studio living is a challenge, especially in our work from home world. It also is more affordable seeming to find a place and split it. I saw multiple studios with a hot plate going for \$2-3k a month, while the 2 bedrooms were a bit more reasonable.

4. Tons of landlords do not allow Cosigners, and I was told directly from property managers that they do so because they do not want student groups. This is not applicable to me, however, I wanted to call it out because it seems like a covert way to practice age discrimination. Obviously, being able to have a cosigner is a privilege that not all can have, but it seems like a very obvious way for landlords to weed out young people, which is illegal. What is the harm in having a cosigner beyond the assumption that they are students? Can the city work on this issue? Incorporate it into the AFFH section, possibly do education on age discrimination?

Thanks so much for considering my ideas! I have not completely finished reading the draft, but am working through it. You guys did a great job!

Best, Amanda Cobb

From:	<u>Alex Pujo</u>
To:	Rosie Dyste
Subject:	RE: Questions about units built 2010-2022
Date:	Friday, July 15, 2022 12:20:41 PM

#### **EXTERNAL**

Thanks. An executive summary would really help...

#### Alex

From: Rosie Dyste <rdyste@SantaBarbaraCA.gov>
Sent: Friday, July 15, 2022 11:57 AM
To: Alex Pujo <alex@pujo.net>
Subject: RE: Questions about units built 2010-2022

Hi Alex,

Sorry I didn't get to this yet, and I'll need to look into it but I've got it on my list to answer next week.

Best,

Rosie Dyste Project Planner CITY OF SANTA BARBARA, Community Development (805) 564-5470 x 4599 | rdyste@SantaBarbaraCA.gov SantaBarbaraCA.gov

From: Alex Pujo [mailto:alex@pujo.net]
Sent: Sunday, July 10, 2022 12:41 PM
To: Housing Element Update <<u>HEU@SantaBarbaraCA.gov</u>>
Subject: Questions about units built 2010-2022

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EXTERNAL

Hi Rosie,

I am reading the 2023 Draft looking for precise numbers of **dwellings built (and/or received a building permit)** in Santa Barbara since the last (2015) Housing Element. The document is long and thorough but... Is there a summary somewhere listing the actual accomplishments of the 2015 Housing Element?

- The Draft shows that the difference in inventory **between 2010 and 2019** is 1,741 dwellings (page 17).
- I remember reading that the total number of AUDs that received building permits **between**

2015 and 2021 is 1,682 units. (Is that the number of AUD units only?)

• I also remember reading that the total number of ADUs from **2018 to 5/17/22** is: 359 constructed + 224 with bldg. permits = 583.

Are these numbers correct? I understand that you must be busy this week and with limited time.

Thank you for your assistance. Best,

-Alex

Alex Pujo AIA Pujo & Associates, Inc. Architecture and Planning 2425 Chapala Street Santa Barbara, CA 93105 www.pujo.net (805) 637-7384 (Cell)

From:	Anne Hubbard
To:	Housing Element Update
Cc:	HSD Board of Trustees; Eric Friedman
Subject:	Public Comments on 2023-31 Housing Element Plan
Date:	Thursday, July 28, 2022 1:28:03 PM

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#### EXTERNAL

To Whom It May Concern,

I have reviewed with interest the 2023-31 Housing Element Plan and am submitting public comment to be considered with this email.

While I understand the need for more housing, especially low-income housing, in the city of Santa Barbara, I am concerned about two specific sections of this plan.

The first is on page 2 and the seven elements to consider for the housing plan. I notice that the impact on school districts is not one of the seven elements required, but that there is the ability to add elements. I am urging you to add this element. The city of Santa Barbara has several small elementary school districts. The district I lead, Hope School District, is one of them. We are a district with only 3 campuses, serving about 850 students. A large housing project located in any one of the small elementary school districts in Santa Barbara like mine could have a significantly negative impact on the district. Even a larger district such as SBUSD, would expect to be part of the consideration process when adding thousands of housing units.

The second section I am providing public comment on is on page 86, specifically HE2. This is where the plan notes that La Cumbre Plaza is a potential for housing. This plaza is part of the boundaries for Hope School District. It is noted that there is consideration for the following:

- Arroyo Burro Creek
- public open space
- multi-modal circulation
- utilities
- topography
- increased height limits.

There is no consideration at all for impact to the school districts serving that area. As I mentioned, Hope School District has only 3 small schools and a housing project with many units (1,900 units has been suggested in the article in the July 28th Independent) on this property would potentially double the enrollment size of our entire district. I am sure that you are aware that the costs of adding classroom spaces, as well as the slow timeline for construction, would be exceptionally prohibitive for the district adding more classroom spaces to accommodate more students.

Additionally, Hope School District is a community funded district (based on local property taxes), so there would be no additional per-pupil funding generated by this large increase to enrollment. This would have a hugely negative impact on the budget, class sizes, programs, and quality of education for the students in our schools.

Please note these comments and consider a plea to intentionally include school district leaders in any and all discussions about potential mid to large sized housing projects. At the very least, be sure to include the consideration of the impact on local school districts when making these decisions.

Thank you,

\_\_\_

Anne Hubbard, Ed.D. Superintendent Hope Elementary School District Office: (805) 682-2564 Fax: (805) 687-7954



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Rosie Dyste Project Planner City of Santa Barbara Via email to: <u>HEU@SantaBarbaraCA.gov</u>

Re: City of Santa Barbara draft 2023-2031 Housing Element

Dear Ms. Dyste,

Community Environmental Council has reviewed the draft 2023-2031 Housing Element and generally supports the City's approach to building more housing in the City. We strongly support policies that lead to more affordable infill housing that is sustainable by design, enables residents to live car-free or car-lite lifestyles, and that prioritizes housing Santa Barbara's workforce and correcting the jobs/housing imbalance. We offer the following comments on specific Housing Element Goals:

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

SBCAG estimates that tens of thousands of commuters drive to the South Coast from Ventura County and North County Santa Barbara, clogging freeways and leading to significant greenhouse gas emissions. Easing the jobs/housing imbalance is a major priority for sustainability and for local employers. The City should maximize opportunities and incentives for denser, infill multifamily projects that:

- Are close to transit and active transportation options to prioritize affordable options for residents who want to live car-free or car-lite lifestyles
- Incorporate smaller units that are more affordable and sustainable by design
- Reduce parking maximums and unbundle parking to minimize the high additional cost that unnecessary parking adds to units

- Incorporate carsharing where possible
- Focus on all-electric, energy-efficient units that are affordable for residents

HE-2: La Cumbre Specific Plan – CEC supports planning elements that maximize housing affordability and ease of transit and active transportation modes. Design that encourages carcentric lifestyles should be avoided.

## Goal 2 – Prioritize Affordable Housing

CEC supports the proposed Affordable Housing Overlay Zone and efforts to encourage development of more affordable housing. While CEC supports the Zone's lower parking requirements, we would go further and recommend minimal parking be developed, and parking spots to be offered unbundled at market rates. Minimizing parking has a large impact on increasing affordability, and those residents lucky enough to secure subsidized housing should not have their private auto use also subsidized. Affordable developments should prioritize robust transit, active transportation, and carsharing usage.

CEC appreciates the opportunity to comment on the draft 2023-2031 Housing Element and is ready to assist the City in efforts to create more sustainable, affordable housing in Santa Barbara.

Sincerely,

Michael Chiacos Director of Climate Policy

[You don't often get email from matisj@gmail.com. Learn why this is important at <u>https://aka.ms/LearnAboutSenderIdentification</u>]

#### EXTERNAL

Any plan upper or lower state needs to crest community centers, splash parks, family friendly locations for the kids of Santa Barbara County. Our parks have been overran and occupied by homeless and unless you own a home with a yard or insist on packing up for the beach every day there is just a shortage of alternatives for our most precious Human Resources, the children.

John Matis

Upper state parent

T S	rom: io: Subject: Date:	Kristian Blom Oscar Gutierrez; nick@independent.com; Alejandra Gutierrez; Kristen Sneddon; Laura Dubbels; Elias Isaacson; Santa Barbara Design Standards Housing costs and confusion about what works Friday, July 29, 2022 10:44:59 AM		
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		EXTERNAL		

#### Dear friends,

Thank you for your work on housing affordability. It's critical that the city council and other policy makers come to understand the difference between shelter and housing, or housing affordability will never be achieved. Adding more private market housing units relative to public sector units, will drive up housing costs further.

Plans like those currently contemplated in the Funk Zone and La Cumbre Plaza will not address the fundamental problem which is that the ratio of private market relative to public sector housing continues to grow. Planners and policy makers must take the time to learn how the real world of finance actually functions in terms of real interest rates and how asset demand, not shelter demand, determines housing prices.

#### Mr. Kristian Blom

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Jean Sedar			
Housing Element Update			
Housing Element			
Friday, July 29, 2022 8:54:47 AM			

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**EXTERNAL** 

Dear Council and Planning groups,

Please FIRST prove there is guaranteed water to support this building expansion enough to allow for discontinuing rationing in current homes. Otherwise I don't believe most of your constituents will support these Housing Element plans, regardless of any mandates from Sacramento.

I tried to find any mention of water resources in the report for building new housing. The headline 'Environmental Conditions' on page 68 seemed to be the most promising but had nothing. Did I miss something since I didn't read every page?

From my interactions with other California, and specifically Santa Barbara area residents, we are at a total loss trying to understand how adding 8,000+ units to our water needs can even be discussed unless we will no longer need, or be mandated, to reduce our water usage on current properties.

Please provide clear and guaranteed water supply information in your proposals.

Thank you, Jean Sedar

Jean Sedar Coldwell Banker Realty 805.637.7848 jean@jeansedar.com www.JeanSedar.com DRE# 00954229

From:	charles faulding			
То:	Santa Barbara Design Standards			
Subject:	Housing			
Date:	Monday, August 01, 2022 7:57:28 PM			

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EXTERNAL

#### Hello,

The state is gonna mandate housing which always has then they should also supply funds in order to support the water needs of all those increased individuals. Now we have a limited resource of water and yet we keep out of the housing which is a draw on that resource. Every city on the coast should have its own diesel plant so that we can leave water in the Central Valley and the Eastern Sierra and Thera and allow that water to go to farming. The solution to a limited resource is not to hope and pray for a rain and to stop using it government solution should be to obtain the resource needed especially for adding that many people to the San Barbara area. Every city on the coast should have a diesel plant at a 100 plus capacity we should build a Philip kuchuma and allow For overflow so that the sun and the river can flow more often and thus improve the ability for the steel heads to climb the river and repopulate. So the state's gonna mandate housing they need to do something about creating a water and we have an ocean full of it we just need to put the resources there as a state. Thank you,

**Charles Faulding** 

Sent from Yahoo Mail on Android

August 2, 2022

Dear Ms. Dyste,

Below are my comments on the draft 2023 Housing Element for your consideration. Thank you for your tremendous efforts pulling this report together and to all the staff who have done an admirable job in such a short time frame. These comments are to be considered in addition to the letter I submitted to the Planning Commission on the draft HEU.

# **Introduction**

I understand the City will be including an executive summary which is a good idea. I would recommend that such a summary include a paragraph that includes an analysis of the Average Unit Density (AUD) program and reflects a more robust analysis of what worked and didn't work with that program, as I've suggested under Appendix A comments below.

# Housing Needs Summary/Community Profile

Tables 5-7 in this section reflect 2019 Census data when the 2020 Census data is now available. I recommend updating. Regardless of which data set is used there should be a caveat statement added about how neither the 2018, 19 or 2020 Census data reflect how the pandemic and skyrocketing real estate markets has most likely exacerbated many of the cost burdens faced by lower income households. It's fair to say the most current Census data, therefore, underestimates these cost burdens by an unknown amount.

Pp 39-40. This section on "Large Households" makes statements that are confusing and contradictory. The first paragraph under this subsection the data claims large households have trouble finding affordable and adequate housing leading to overcrowding. The third paragraph, however, then states that there is a greater need for smaller units than larger units. Where is this data to support this assertion? This **section erroneously cites "Chart 6"** which is in another section of the report on page 44 on homelessness.

# **Goals, Policies and Programs**

## Goal 1 - Create More Housing

P. 85 - Overall comment on Goal 1: Include a call out box that defines all the terms used in this goal, including "extremely low" to "middle" and special needs populations" to the workforce.

P. 85 Overall comment on Goal 1: Throughout add language that incentives should prioritize or be tied to greater levels of affordability whenever possible.

P. 85 Comments on policies:

- Policy 1.2, **Amend to say** "Encourage development of housing on infill sites, particularly redevelopment of sites suitable for <u>affordable housing that are not in very high fire</u> <u>zones, including the Foothill and High Foothill zones.</u>"
- Policy 1.4 **Amend to say**: "Reduce and, where feasible and practical, remove unnecessary City-imposed constraints that impede housing development, <u>especially for affordable housing projects</u>."
- Policy 1.5 **Change word** "establish" to the word "<u>conside</u>r" for citywide objective design and development standards and add at the end: "<u>that provides special priority to the</u> <u>development of affordable housing</u>."
- Policy 1.8 Amend to say: "Increase flexibility in multi-unit housing densities and other standards to allow a variety of unit sizes <u>in exchange for greater deed-restricted</u> affordability levels."
- Add new policy Policy 1.9: "Avoid harm to people and property by prohibiting whenever possible adding more density to high fire hillsides, especially the Foothill and Extreme High Foothill areas."

P. 86 HE-1: <u>Facilitating Conversion of Nonresidential Buildings to Housing</u>: Adaptive reuse is an environmentally-sustainable approach because a building isn't torn down and then rebuilt from scratch. If a large building has been empty for a number of years and then is repurposed I also consider that a community benefit to repurpose it for a residential use. For those two reasons, we should grant for-profit developers the maximum flexibility allowed, which might include providing an in lieu fee instead of on site affordable housing and no open space requirements. I have no changes to this program.

P. 86 HE-2: <u>La Cumbre Plaza Specific Plan</u> Given the tremendous opportunity for this site to produce housing across all income levels, this would be a place where incentivizing more market rate housing, including ownership housing in the middle income range, should be encouraged. Given the space, larger affordable rental and ownership for families with four or more people should be considered, e.g., the St. Francis model on California Way. **I have no changes to this program.** 

P. 86 HE-3 : Amend the Zoning Ordinance to Reduce Government Constraints and Comply with State Law:

 <u>No Net Loss</u>: This should be put at the top of the list in getting to the Council for a vote. We cannot afford for further displacement. Eighty (80) units of naturally affordable housing were demolished in the 5th cycle and replaced by new unaffordable apartments. **No changes.**

- 2) <u>Streamline Design Review Process</u>: Time is money too for the nonprofit developers and their resources are especially precious and should not be wasted. Rewrite to prioritize affordable housing projects developed by the Housing Authority and non-profits going to the front of the line. **Amend to say**: "Streamline the design review process to reduce the number of hearings and appeal actions for projects <u>especially for</u> <u>deed-restricted affordable housing projects led by the Housing Authority or other</u> <u>non-profits</u>."
- Add a policy to review the "Community Benefits" designation The City Council already approved that market rate rental projects with just 10% inclusionary alone are not considered a community benefit for purposes of exceeding the 48 ft height limit.

P. 87 HE-4: Facilitate Production of Accessory Dwelling Units (ADUs). Maybe this wasn't the intent, but this section sounds as though ADU's are going to be fast-tracked and encouraged to multiply exponentially in the hopes that they will resolve our affordability problem. Also it was my understanding after speaking with staff that this section was referring to "deed-restricted" ADUs but that isn't specified anywhere in the language and it should be. While it's understandable that the City wants to capitalize on the popularity of ADUs' (especially since other cities are being encouraged by the state to do the same), the City should be clear here or somewhere in the draft of this report about the trade-offs of heading in this direction. Specifically, ADU's do not represent the "gold standard" of affordable housing because to date they are not required to be deed and/or income-restricted. Deed-restricted affordable housing requires an income verification and is legally protected from conversion to a market rate rental for a specific period of time by covenant. By comparison, ADU's "affordability" is short term, dependent on the private owner to determine and not legally required by covenant. The tracking system in HE-11 may be able to address some of the concerns but it will never be a fully satisfactory solution, since ADU's rental status can change overnight. Will the City really be able to track ADU's status on a real time basis? This is highly unlikely. Therefore, if the City intends to designate ADU's as "affordable" for the purposes of meeting its Regional Housing Needs Allocation (RHNA) reporting requirements, then for transparency and ethical reasons, the City should keep ADUs designated as "Above Moderate" or disaggregate housing production data into deed/income-restricted and non-deed/income-restricted categories. (See recommendation on accountability system under Goal 8, HE-27). Also we should explore subsidy incentive programs to encourage homeowners to build real deed-restricted ADUs, such as the pilot program currently underway in LA County.

Given all these issues, make the following language changes and additions:

- P. 88 Eliminate the third bullet point "Allow two ADUs above larger garages and carports." This is too specific for this planning document and may lock us into pursuing a change that is not safe in some areas, such as high fire zones.
- P. 88. Amend the very last sentence on the ADU section which reads: "The City will research and collaborate with community organizations and non-profits to promote ADUs as affordable..." Again, is the City trying to promote market rate ADU's as "affordable" or is the City trying to promote deed-restricted ADUs? If the later then that should be

made explicit. If it's the former, I object for all the reasons stated above. Furthermore, that sentence then goes on to suggest that the City should "incentivize property owners" to provide services to "low income elderly." Providing services to low income elderly often requires very specialized and fully ADA compliant building accommodations and, in some instances wrap-around services - is that what the City is really encouraging property owners to do? What happens when an elderly renter becomes very physically or mentally debilitated and unable to pay rent, do they get evicted? It would be better if the City allocated funding for the Housing Authority to build housing for this population since they provide a wide range of services and would provide such services in perpetuity.

• Add the following language if the intent of this section is to simply promote ADUs that are NOT deed-restricted. We need to promote deed-restricted ADU's so please add: "Develop a pilot program that incentivizes deed-restricted ADU's at moderate and low income levels by offering subsidies and other incentives."

## Goal 2 - Prioritize Affordable Housing

P. 90 Goal 2 language. **Eliminate "other measures" and "middle income" from this goal.** There was a recommendation by some Council members to do so. And staff stated that there were opportunities to refine the language around these goals when they were voted on. "Other measures" have never been defined and this just leaves the door open down the line to have forms of non-deed restricted market rate housing creep back in. And "middle income" is not affordable housing which is traditionally defined as housing below "moderate income" which is no higher than 120% Area Median Income (AMI). Middle is for 120%-160% AMI.

P. 90 Policy 2.4: <u>Pursue Partnerships on City-Owned Lots</u>. Support this program overall. However, I'd rephrase some language to emphasize affordable housing. Our city lots are a valuable, rare public asset and should be treated as such. City lots should not be developed by for-profit developers as the lead entity – that role should only be for the Housing Authority or another non-profit developer. **Change language to add underlined section**: *"Pursue partnership opportunities with <u>non-profit developers</u> to develop housing projects that are as close as possible to <u>100% deed-restricted</u> affordable on City-owned sites."* 

P. 90 HE-7: <u>Affordable Housing Overlay</u>. This overlay should aim to incentivize affordable housing projects with as much substantial affordable housing as possible. Any concessions on density, height, parking and approvals should only be granted in exchange for building a much greater amount of affordable housing than our 10% inclusionary, and ideally in the 50-100% range but I'm fine with leaving the language vague for now about what "substantially exceed" means. The City should be wary, however, of waiving our local authority outright because of a state edict to allow "by right" approvals. If there is opportunity for the City to further clarify parameters around that process, then the City should do so. **Change the second to last sentence to read**: "*The City will review the Government Code 65583.2(i) to determine how best and to what degree the City should grant "by right" approval to projects with 20% low and very low income housing.*"

P. 91: HE-8 Inclusionary Housing Ordinance Evaluation: The condo/ownership inclusionary program, mentioned in the first paragraph, serves people who are above "middle income" or above the 120% AMI and fall into the "Above Moderate" RHNA category. This is typically not considered "affordable" housing, even if it may be deed restricted, because it is at too high an income level. That is not to say that people at the "middle income" level don't struggle to find ideal housing. The issue is that in the 5th Cycle we are on track to surpassing our Above Moderate income level housing but are much farther behind in the below Above Moderate income categories. The last paragraph could be further clarified by **adding the following sentence at the end**: "Such a revaluation could assess if higher in lieu fees could be substituted for building onsite inclusionary housing on projects with 10 or more units."

P. 92: HE-11 <u>Accessory Dwelling Units Tracking</u>: This tracking system should be informed by and integrated with the accountability program, proposed in Goal 8, HE-27. A much more robust survey process should be developed to ensure that the data is representative and a large enough sample of the total universe of ADU's. If the City intends to designate ADU's as "affordable" then there must be a commitment to going back and surveying all ADUs periodically and then recategorizing RHNA numbers accordingly. If the recategorization of RHNA cannot occur then this strategy has some significant hurdles to overcome and must be reconsidered altogether. Add sentence at the end: "Data collected from this tracking program will be used to inform the accountability system outlined in HE-27 and to ensure that outcome data can be separated by deed/income-restricted and non-deed/income restricted housing."

## Goal 3 - Provide Housing Assistance

P. 93 HE-12 <u>Affordable Housing Trust Fund</u>: **Add to the bottom a paragraph**: "As part of the accountability system outlined in HE-27 the City will report annually the revenue sources for Affordable Housing Trust fund and use quantifiable outcome measures to show how those funds have directly contributed to financial housing assistance, rehabilitation of housing stock and the production of new housing stock." All data and analysis should be posted online and show how the fund has grown monetarily and made an impact during the entire 8-year cycle. This could be included in my proposed new accountability system in Goal 8, HE-27.

# Goal 4 - Promote Housing Stability

P. 94 **Add a new policy, 4.X**: "Study policies that would encourage greater rent security and provide emergency rental relief to local residents and workers."

P. 95 HE-15 - <u>Short-Term Vacation Rental/Hotel Ordinance</u>. **Add the following sentence**: "Monitoring data on the numbers of legal STRs and illegal STRs that will be included, measured overtime and reported as part of the public accountability system in Goal 8, HE-27."

P. 96 Add new program HE- XX that says: "<u>Rent Security Program for Local Workforce and</u> <u>Residents</u>. Explore and implement policy options for providing greater rent security until our housing production numbers for affordable housing produce closer to our RHNA needs. Such options include rent stabilization and/or rent relief programs where financial relief is provided."

# Goal 6 - Educate the Community

P. 99 HE- 22: <u>Housing Supply and Affordability Campaign</u>. Add to the bottom of this section: "Regularly update online housing funding, program and production outcome data in easy-to-understand charts that show progress overtime for the public. A glossary will be on the website that defines key terms and concepts, such as deed- or income- restricted affordable housing."

# Goal 8 - Fund Affordable Housing

P. 102 HE- 25: <u>Affordable Housing Funding</u>: **Add to this section after the first sentence.** "The City will allocate short-term bridge funding for deed/income-restricted affordable housing until other longer term solutions are in place." **After the second sentence add**: "If ballot initiatives or other funding proposals fail, the City should plan for a contingency funding source." **Add sentence at the end:** "A financial evaluation of the costs required to meet the City's RHNA target at the moderate, low and very low income should be conducted to determine how much revenue is required of a permanent funding source to meet those needs."

Add a new program, "HE-27 Implement Affordable Housing Accountability (AHA)

**System**." As a City we don't have clear, consistent, and standardized housing production and other housing related data that can be tracked and aggregated overtime. Such data needs to be readily available online to stakeholders and decision-makers alike to inform their policy positions and recommend programmatic corrections. Such an accountability system would not be an added paperwork or data input burden because almost all of it is already collected and regularly updated as part of the City's <u>ADU statistics dashboard</u>, <u>AUD statistics</u> and <u>Construction Monitor</u> <u>Report</u> system.

P. 102 Add the following language after the new program, HE-27: "The City aims to be as transparent as possible for the public and policymakers by reporting and posting data that shows overtime the City's progress in achieving its desired housing objectives and outcomes, e.g., building more affordable housing to meet RHNA targets. To the extent possible, the City will consolidate existing data systems that track housing development with other existing and proposed information-tracking related to housing. The City will standardize its definition of different steps in the project approval and construction monitoring process (e.g., pending, permitted, certificate of occupancy) so data can be aggregated and tracked overtime. Much of this data is already collected and/or contained in existing City database systems and are required to be reported to the state in its Annual General Plan Reports. For example. data gathered by the HE-11 Accessory Dwelling Units Tracking system could also be included, along with monitoring data on short-term rentals, mentioned in HE-15. Other outcome measures to

track overtime could be the length of time it takes to approve a project for both market rate projects and non-profit affordable housing projects. The City will report more than annually to the Planning Commission and City Council progress as demonstrated by these quantifiable measures (and not through the Consent Calendar). When data showing progress on RHNA targets is presented, the City will always identify housing production outcomes data by deed-restricted and non-deed restricted housing."

# Appendix A: Review of 2015 Housing Element

Overall, the biggest concern is that it is written more as a descriptive narrative than an in-depth "evaluation" of the "effectiveness" of Cycle 5's goals and programs, as required by Housing Element guidelines. This is particularly true when examining the write up on the AUD program. Because that AUD program was, until very recently, the City's primary program for building new housing, a review of the strengths and weaknesses of that program would be important for decision-makers to understand. Conducting such an analysis would not require any additional data collection, since much of it is already collected and documented in the General Plan Annual Progress Reports submitted by the City each year to the state's Housing and Community Development Department.

AUD's Produced More Units But Most Were Unaffordable							
	- ľ		Number of	Total	Net		
Only 19% of			Projects	Units	New Units*	New Units**	
AUD's (276)				Own	er		
affordable &		AUD High Density and Priority	0	0	0	0	
those were		AUD Medium High Density	4	26	19	21	
built by the		Total	4	26	19	21	
Housing				Rent	al		
Authority &		AUD High Density and Priority	34	887	829	869	
non-profits		AUD Medium High Density	47	289	190	227	
		AUD Affordable	6	276	265	268	
		Total	87	1,452	1,284	1,364	

Ch	art	2.

Source: City of SB AUD Project Details, 2021, p. 1

For example, the City's own data shows that the AUD program had mixed results. As the data in **Chart 2** shows above, the AUD program was successful in producing more rental units. However, only the non-profits and Housing Authority created housing units that were affordable at the very low, low and moderate income level. Furthermore, for-profit developers AUD rents which were market rate were <u>much higher than the citywide average rents</u>, as shown in **Chart 3** below.

Studio					2019	\$2,675 (33 units)	\$1,875 (83 units)	+42.7%
Year	AUD Median Rent	Citywide Median Rent	AUD vs Citywide		2020	\$2,775 (31 units)	\$1,925 (42 units)	+44.2%
2018	\$1,750 (18 units)	\$1,563 (58 units)	+12.0%		2 bedroom			
2019	\$1,800 (18 units)	\$1,540 (25 units)	+16.9%		Year	AUD Median Rent	Citywide Median Rent	AUD vs Citywide
2020	\$2,009 (44 units)	\$1,675 (7 units)	+19.9%		2018	\$3,350 (96 units)	\$2,450 (88 units)	+36.7%
1 bedroom					2019	\$3,556 (105 units)	\$2,685 (70 units)	+32.4%
Year	AUD Median Rent	Citywide Median Rent	AUD vs Citywide		2020	\$3,653 (41 units)	\$2,698 (38 units)	+35.4%
2018	\$2,675 (28 units)	\$1,800 (126 units)	+48.6%		3 bedroom			
		-		1	Year	AUD Median Rent	Citywide Median Rent	AUD vs Citywide
1 Redr	oom AUD 20%	higher		_	2018	\$3,850 (9 units)	\$3,325 (12 units)	+15.8%
2 Bedr	oom AUD 44%	higher			2019	\$4,095 (9 units)	\$3,925 (12 units)	+4.3%
3 Bedr	oom ADU 35%	higher			2020	\$4,889 (3 units)	\$4,800 (18 units)	+1.9%

Chart 2

Source: City of SB, <u>Tenants Survey 2021</u>.

The program, therefore, failed to meet its primary objective which was to incentivize more affordable housing. As outlined in the <u>2011 General Plan Housing Element</u> (p.11), the program was to grant developers greater density, ability to create different sized units, and other conce with the hope that more affordable housing would be built or "affordable by design." Policymakers who were present and voted on the AUD program when first enacted have also verified that <u>intent was to create affordable housing</u>, not simply increase the supply of rental housing.

Despite the fact that the AUD program was one of the top two producers of new construction housing for the city, it is only mentioned briefly a couple of times, including the description in the HEU draft, Table A-1, p. A-19 (see **Exhibit 1 below**). Despite the table's column heading there is no "results or evaluation" that assesses the AUD programs successes and failures. Ironically, the program is listed under policy/program H-11 which states that promoting affordable housing is "the highest priority" while describing a program that did not succeed in incentivizing private developers to produce affordable housing. **Rewrite this section to include** quantifiable results, e.g. # of units permitted across income levels, and an analysis of why no affordable housing was produced. A discussion of the loss of Redevelopment Authority dollars and the City's budget constraints may be part of this section.

Exhibit 1.

Goal/Policy/Program	<b>Results and Evaluation</b>	Status
	f affordable housing units shall be the highest priority and the City will affordable to extremely low, very low, low, moderate and middle incon	
H11.1 Affordable and Workforce Housing. Explore options to promote affordable and workforce housing, including revising the variable density ordinance provisions to increase affordable housing (e.g., limit unit size), requiring a term of affordability, and reducing parking standards with tenant restrictions.	The variable density ordinance was revised with adoption of the AUD Program in 2013. It includes reduced parking standards. In 2019, the AUD Program was amended to include an Inclusionary Housing requirement for projects with ten units or more to provide at least 10% of the units as affordable to households at the Moderate Income level, and projects with five to nine units to either build a unit affordable to households at the Moderate Income level or pay a \$25 per square foot in-lieu fee. To date, no inclusionary units have been constructed but there are 19 units in eight projects in the pipeline.	Modify
<ul> <li>H11.2 Priority Housing Overlay. Encourage the construction of rental housing, employer sponsored housing, and co-operative housing in the Downtown, La Cumbre Plaza/Five Points area, C-M Commercial Manufacturing Zone and Milpas Street area by providing incentives such as: <ul> <li>Increased density overlays up to 63 du/ac as part of the Average Unit-Size Density Incentive Program.</li> <li>Higher Floor Area Ratios (FAR) when such standards are developed.</li> <li>More flexibility with zoning standards, (e.g., reduced parking standards).</li> <li>Expedited Design Review process.</li> </ul> </li> </ul>	<ul> <li>This program is partially complete.</li> <li>Increased density overlays and more flexible zoning standards were adopted (AUD Program).</li> <li>The City did not adopt a proposal for Floor Area Ratios.</li> <li>Expedited design review is offered for Senate Bill 35 (2017) projects, but no applicants have applied for this process.</li> <li>The City has not adopted fee waivers or deferrals.</li> <li>As of December 2021, 194 units were approved, 88 units are in building permit review, and 243 units were issued certificates of occupancy in the Priority Housing Overlay areas.</li> </ul>	Modify

Source: 2023 HEU Draft, Appendix A, p. A-19.

Another section of the table under H14.3, p. A-25, also fails to address directly the claim of "affordable by design," as seen in **Exhibit 2** below. Add to this section a sentence that states: "While the program incentivized new construction of market rate housing, none of it produced by private developers fell into the moderate, low or very low categories (except for what was required in the 10% inclusionary provision)."

#### Exhibit 2.

standards and codify incentives for market rate standards w	rogram codifies incentives for smaller units. Infill design Modify vere completed in 2017. The process to create Objective indards for market rate and affordable housing was D21.
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Source: Draft 2023 HEU, Appendix A, p. A-25.

In summary, this section would benefit from a retrospective that included more data overtime and further analysis about what worked, what didn't and why. And some explanation about the unique context of Santa Barbara, e.g., a highly desirable place to live, bounded by sea-level rise and fire-prone hills, a charming downtown with many historic resources, etc. Instead, it simply presents a description about what programs were in place and what occurred. Documenting descriptively what happened is only the first step in analysis. A second critically important step is actually looking at the data and assessing whether program intent and goals were met. Such information is critical to documenting institutional memory about policies that "work or don't work." Without such a critical analysis, we will repeat mistakes and reinvent the wheel.

For those reasons, I recommend that the city add at least one or two paragraphs on the AUD program and lessons learned in the front of Appendix A and have that summary included in the very front of the HEU report as part of an executive summary. I would also like to see at least one summation chart that shows 5th cycle housing production data across RHNA Categories that includes some analytic discussion about the results (as an example, see Chart 4 below but I would add percentages that show how much of our RHNA goals were attained to date that demonstrates the inequality gap). This data has already been tabulated for the 2021 Annual Progress Report and would not require additional work.

Ideally, an analysis would try to explain the contributing factors as to why we fell behind in the production of housing at the moderate, low and very low income levels, such as: 1) lack of Redevelopment dollars for deed restricted affordable housing, 2) illegal short term rentals and second homes, 3) an inclusionary provision enacted later in the cycle at and at a low percentage level, 4) an overreliance on free market policies, i.e., financial incentives and deregulating density and building code would yield housing that was "affordable by design", and 4) a pandemic that turned us into a zoomtown which meant our homes and rentals were in high demand by remote workers from all around the world.

Table 3-1: Regional Housing Needs Allocation Progress (Housing Units)							
RHNA Income Category*		RHNA Allocation	2015-2020 2021 Progress** Progress**		Total Progress**	Remaining Allocation	
Very Low	Deed Restricted	962	120	o	120	842	
Very Low	Non-Deed Restricted	962	о	0	120		
Low	Deed Restricted	701	84	28	112	589	
LOW	Non-Deed Restricted	701	o	0	112		
Moderate	Deed Restricted	820	o	o	4	816	
Woderate	Non-Deed Restricted	820	4	o	-		
Above Moderate		1,617	1,121	235	1,356	261	
Total	Total 4,100 1,329 263 1,592 2,508						
*Very low income is defined as 30-50% of the area median income (AMI); low income is 50-80% of AMI; moderate income is 80-120% of AMI; and above Moderate is >120% of AMI. **Progress is measured by projects that received a building permit.							

Chart 4.

Source: 2021 General Plan Annual Progress Report, p. 3-2

Finally, a 5th cycle analysis should discuss the impact that the state's growing Accessory Dwelling Unit (ADU) or granny flat program had on housing production in the past 2-3 years, including adding significantly to our above moderate income housing counts. See Chart 4 below, from the City's own data presented in its Annual Progress Reports.

Chart 4.							
Granny Flats Producing More Housing than Multifamily Projects Table 3-4: Housing Application Status in 2021 by Project Size							
		Project Size	Proposed Projects	Proposed Units	Approved Projects	Approved Units	
68% of all proposed housing units were ADU's or	+	Accessory Dwelling Unit	228	248	78	78	
		Single Family Attached	2	2	0	0	
		Single Family Detached	3	3	0	0	
granny flats 31% of all proposed units were AUD's or multi-family	4	Small Multifamily (2-4 units)	13	28	6	13	
		Multifamily (5 or more units)	5	87	1	8	
		Total	251	366	85	99	

Source: City of SB, Annual Progress Report, 2021, p. 3-4

# Appendix B: Affirmatively Furthering Fair Housing (AFFH)

P. B-1 mentions that this section should discuss "contributing factors" that impede AFFH. Just as in Appendix A, we need a critical analysis to be presented about how the lack of funding allocated to produce deed-restricted housing severely limited the affordable housing choices in the last 5th cycle and how critical funding is to meeting our AFFH requirements in the 6th cycle.

Therefore I recommend, that the **City add a paragraph on why there was less** funding in the last cycle (e.g., loss of Redevelopment funds) and how the City plans to rectify that going forward because without funding there really won't be "fair housing" choices for certain segments of our population.

Thank you for considering my comments and, again, for all your hard work.

Best,

Lisa Carlos Resident



August 3, 2022

Re: Housing Element 2023-2031 - AIASB Advocacy comments

The need for more housing of all types for all income levels in the City of Santa Barbara is evident and significant. AIASB (American Institute of Architects Santa Barbara Chapter) Advocacy appreciates City staff efforts drafting Housing Element 2023-2031 to substantiate the state's RHNA numbers. AIASB cares deeply about the vibrancy of our community, reviewed the document and offers our feedback on the draft document. The following is a summary of our review comments with recommendations for the process moving forward.

## **Suitable Sites**

- Proposals for projects on the suitable sites designated on the map should be deemed compatible with the neighborhood as long as project proposals are in compliance with zoning requirements
- Suitable properties should include City-owned surface parking lots
- Public-private collaboration to develop housing on City-owned lots should be encouraged
- Suitable sites are limited and owners of property where housing is encouraged might be inflexible, resulting in high land cost
- Suitable sites identified for proposed projects downtown are few and there is a current lack of development overall

## **Development Standards**

- The AUD program may be the best bet to create as many dwelling units as possible if the process can be made more predictable
- We encourage Planning Commission and City Council to consider modifying the AUD program to increase density allowance, incentivize smaller units, unbundle parking and implement parking maximums City-wide
- City to confirm that all rental projects will continue to be categorized as Community Benefit projects

## Inclusionary housing units

- Inclusionary housing requirements for lower income levels are perceived by developers as a disincentive to pursue housing projects at all
- The cost to provide lower income inclusionary housing requires the market rate units to be more expensive to subsidize the inclusionary (lower cost) housing placing a greater burden on renters of market rate units
- The responsibility to subsidize affordable housing should fall to the entire community a voucher program should be investigated and might be more effective
- Input is needed from developers to determine whether 10% inclusionary would be more feasible if extra
  rental units would be provided rather than replacing market rate units in other words, inclusionary
  units could be in addition to AUD density-allowed units in a form of bonus density, similar to that
  offered by the State



#### **Entitlement Process**

- Uncertainty and unpredictability in the approval process, coupled with inclusionary requirements, frequently results in no development
- Developers purchase property before entering the entitlement process resulting in too much risk and, ultimately, no development
- Planning & Development and the Community need to commit to supporting housing through a predictable entitlement process that supports developers' investment and creates dwelling units for all income levels in our community.
- We encourage appointing a dedicated staff **housing advocate** for project processing and approval to support the creation of as many dwelling units as possible to meet RHNA numbers.
- Policies that restrict or remove units from proposed projects should be changed or eliminated.
- City zoning standards should be considered objectively to improve the predictability needed for developers to anticipate allowed project development and cost.
- City zoning standards control size, bulk, and scale of a project while the design review boards and Objective Design Standards (ODS) influence the design aesthetic. These 2 instruments address neighborhood compatibility. If a proposed project meets the required zoning and ODS, the project should be deemed compatible and approved in a streamlined process.
- If the established zoning allows size, bulk, and scale that is not considered the desired compatibility, the zoning should be changed the bottom line...zoning criteria should be objective in application and not subject to reduction in the design review process

## Adaptive Re-use

- An Adaptive Reuse ordinance is needed to help facilitate and realize housing by repurposing existing buildings
- Housing should be allowed to fill the entire building just as commercial uses can, and not be limited by AUD maximums applicable to new construction

AIASB Advocacy urges the City to adopt Housing Element policies that will facilitate actions to address the issues raised in these comments. Please contact us to serve as a resource in the City process of moving the Housing Element 2023-2031 forward.

Sincerely, AIA Santa Barbara Advocacy team and Alayna Fraser, 2022 AIASB president

Harry and Jenny Bruell 127 Gray Avenue Santa Barbara, CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

RE: Public Comment 2023 Housing Element Public Review Draft

Dear Ms. Dyste and Community Development Department,

Please accept this letter as public comment on the City of Santa Barbara 2023 Housing Element Public Review Draft.

We are supportive of building additional housing in Santa Barbara, especially low to moderate income and support many of the goals of the Housing Element.

We do have some questions and comments on the 2023 Housing Element Public Review Draft.

- 1. Overlay Zone Section and Goal 1: Create New Housing
  - The Housing Elements mentions that there are 12 Overlay Zones. We would strongly advocate for a Funk Zone Overlay Zone or Neighborhood Plan that would provide a road map for how to incorporate more affordable housing in the Funk Zone while protecting the character of the neighborhood and preserving long standing uses that serve visitors, facilitate public recreation, and support the art and commercial fishing industries. Elements such as affordable live/work art spaces, requirements for adaptive re-use of existing buildings using Funk Zone area specific objective design standards, fully parked new residential and commercial development, incentives for preserving exiting oceanoriented uses, and preservation of green spaces would help maintain the character and vitality of the Funk Zone.
- Goal 2 Prioritize Affordable Housing We suggest that the City explore the ability to have all additional density be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.
- Goal 4 Promote Housing Stability We suggest that the City consider prohibiting the conversion of any <u>new</u> housing in the Coastal Zone to short-term rentals.

4. Goal 6 – Engage the Community

While this section includes several great information outreach and education elements, it does not include any mention of gathering, considering, and responding to feedback from the community. We would like to see the plan address how the City plans to ensure community feedback early in a project's process, especially as it considers streamlining processes for developers.

## 5. Suitable Sites Inventory Listing

On page 80, in the Suitable Sites Inventory Summary section it states that the Suitable Sites Inventory (Appendix G) identifies the buildout potential of vacant and underdeveloped parcels. It continues to say that the following criteria were used to identify suitable sites and development potential. One of the criteria is:

*Realistic buildout densities were determined based on average densities of projects approved during the 5th RHNA Cycle.* 

- For Medium-High density (max 27 units/acre), 22 units/acre was used.
- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used.
- For multi-unit residential in the Coastal Zone, 20 units/acre was used.

If 20 units/acre was used to determine realistic buildout densities in the Coastal Zone and 27 units/acre were used for medium-density, how is the 121 E. Mason Street 2.1 acre pending project in the Funk Zone listed as having a total capacity of 155? Its base density is only 57. This greatly exceeds what is available through the State Bonus Density Law and seems to be incompatible with the City's zoning laws.

As residents of the Funk Zone, we can attest that the neighborhood would not be able to handle that size of a development and that it would forever change the character of the Funk Zone, negatively impacting its vitality. Businesses, residents, customers, and tourist all struggle to find parking. Congestion makes it hard to enter and leave the neighborhood easily. Many of the buildings in the Funk Zone are not more than two or three stories tall and have had their uses adapted, creating an interesting and vibrant community. Additionally, the Funk Zone is not near a local transportation hub or rapid transit station, virtually requiring a car to get to work, school, medical facilities, the grocery store, or other essential amenities.

The Funk Zone is also an important tourist and local destination. Its vitality is important to our city. Numerous businesses, including Hotel California and Hotel Milo, advertise the Funk Zone on their websites.

The Funk Zone Map, a project of the Arts Collective, website describes the Funk Zone as: "a unique Santa Barbara arts, culture, business, and industrial district between State Street and Garden Street, and Montecito Street to Cabrillo Boulevard. This amalgamation of historical marine structures, industrial lots, and houses has a unique history in manufacturing, lumber, citrus, produce, and fishing. Over the years, many artists have found creative freedom by carving out studio spaces in this "funky" area of Santa Barbara, and so have wineries, restaurants, art galleries, and shops."

It is also important to state that the 121 E. Mason Street project, SOMO Funk development, is at the very beginning of its review process. The ABR received over 150 written comments, with more than 98% opposed to the development, and over 20 speakers voiced their objections at last month's ABR meeting. It does not seem like it is accurate to include this development at 155 units – a level that exceeds the City's own standards – before the community has had a full opportunity to weigh in before the Planning Commission and City Council.

We respectfully request that the City reduce the densities proposed in the Suitable Sites inventory for 121 E. Mason to correlate to the base density of the site.

Thank you for considering our comments.

Sincerely,

Jenny Bruell

Harry Bruell



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Community Organizers

August 3rd, 2022

Comments for Housing Element Update City of Santa Barbara

#### **RE: Housing Element Recommendations**

CAUSE is in strong support of the Housing Element's Goal 4- Promoting Housing Stability and the programs that meaningfully contribute to the stability of low-income families in Santa Barbara. Specifically, programs H-13: Rental Housing Mediation Program and H-14: Right of First Refusal are instrumental to the advancement of long-term tenant stability in the City. We ask that the City strengthen these programs through the following recommendations:

- H-13- Rental Housing Mediation Program. The Rental Housing Mediation Program needs to be strengthened through the introduction of a *Right to Counsel program*. A comprehensive Right to Counsel program would assure that tenants facing housing insecurity are able to access legal assistance through the Unlawful Detainer process. Right to Counsel not only offers tenants a respite from an overtly intimidating legal procedure, but it also relieves pressure from legal institutions. Santa Barbara's commitment to fund a Right to Counsel program would mark a decisive step towards legal equity and justice for our most vulnerable populations- especially monolingual Spanish-speaking tenants who face multiple barriers when navigating through the technicalities of an Unlawful Detainer case.
- H-14- Right to First Refusal. A tenant's right to First Refusal may allow tenants to access homeownership. TOPAs and COPAs are growing popular tools to address the Housing Crisis. The program may be strengthened if coupled with program *H-12- the Affordable Housing Trust Fund* to provide assistance to first-time homebuyer assistance to low-income tenants and funding for Community Land Trusts (CLTs), the Housing Authority, or non-profit organizations.
- CAUSE also expresses our continued support for **rent stabilization and a rent registry**. We need rent stabilization to support renters from displacement that can come from increased housing development and

Daniel Segura Odette Moran Lopez Alex Garcia Wendy Santamaria Zuleth Lucero

#### Policy Advocates

Nidia Bello Frank Rodriguez Rebeca Garcia Sofi Magallon Maria Navarro speculation in our city. In addition, we support a Rental Registry for the city to help manage and fund the program.

We ask that the City Council consider these programs by the end of 2023 to meet the urgency of our housing crisis. To make sure that these programs are successful, we ask that the City commit to research and implementation of these programs by identifying funding sources- as outlined under Goal 8- by the end of 2023 (we especially encourage the city to implement the progressive real estate documentary transfer tax, vacancy/empty land tax, out-of-state transaction tax, transient occupancy tax, or speculation/flipping tax.) Evaluation of funding sources by the end of 2023 would allow any necessary ballot initiatives to be placed before the voters during the 2024 general election to come into effect in 2025, allowing funding to be used to achieve goals during this Housing Element cycle. These funding sources could be used to fund the Housing Authority's production and tenant protections such as a right to counsel.

- **HE-4 and HE-11 Accessory Dwelling Units.** We believe Accessory Dwelling Units benefit multigenerational households and can be beneficial to low-income tenants. Although construction of ADUs can provide benefits for these residents, we have concerns over the implication of affordability for these units.
  - ADUs are not guaranteed to be affordable. Although CAUSE supports the development of ADUs, we are wary of automatically designating ADUs as affordable units without any policies to actually ensure their affordability. In order to count towards the lower income RHNA targets, ADUs should have a restricted deed or enforcement mechanism that can be monitored. The city must use its proposed monitoring program- HE-11- to remove ADUs from fulfilling low-income RHNA goals if a unit's rent surpases the low-income rent threshold. Additional sites must be designated for affordable housing development when ADUs are removed from the low-income RHNA totals.
  - 2. We request that the City restrict the use of ADUs as short-term vacation rentals since these properties would not add units to the rental stock and would, instead, further aggravate the rental supply shortage.

• CAUSE is in support of program HE-7 the Affordable Housing Overlay. We believe that Affordable Housing should be created in High Resource/Opportunity areas, not only in traditional working-class neighborhoods. This would allow the City to fulfill HCD's goal of Affirmatively Furthering Fair Housing (AFFH). Placing Affordable Housing projects only in working-class and low-income neighborhoods widens Santa Barbara's inequality gap and economically segregates neighborhoods.

CAUSE values the vision of Development without Displacement, where we incentivize affordable housing production alongside strong tenant protections to ensure our most vulnerable community members are not pushed towards displacement and homelessness. We envision a housing element plan that builds a stronger community, together.

In Community,

Marcelo Monte

Maricela Morales, Executive Director

David Dart Erika Carter 218 Santa Barbara St., Unit C Santa Barbara, CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

## RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

We have lived at Villa Del Mar in the Santa Barbara Funk since 2003 when the townhomes were completed. Erika Carter is an artist and works in the Funk Zone at Green House Studios (and leases from SOMO SB) and both David and Erika own and operate Dart Coffee Co., which is directly across the street from the development in question. We strongly oppose the scope, size/height, density and mass of the proposed SOMO SB development in the Funk Zone as it will drastically alter forever the landscape of a unique area in Santa Barbara.

Please accept this letter as public comment on the City of Santa Barbara 2023 Housing Element Public Review Draft.

We support additional housing opportunities to be created in the Funk Zone, but would like to see the following elements incorporated into the housing element and city planning documents to achieve these goals:

1. Overlay Zone Section and Goal 1: Create New Housing

The Housing Elements mentions that there are 12 Overlay Zones. We would strongly advocate for a Funk Zone Overlay Zone or Neighborhood Plan that would provide a road map for how to incorporate more affordable housing in the Funk Zone while preserving the character of the neighborhood and supporting long standing uses that serve visitors, facilitate public recreation, and support the art and commercial fishing industries. Elements such as affordable live/work art spaces, requirements for adaptive re-use of existing buildings using Funk Zone area specific objective design standards, fully parked new residential and commercial development, incentives for preserving exiting ocean-oriented uses, and preservation of green spaces would help maintain the character and vitality of the Funk Zone.

2. Prioritize additional housing for the low and low-moderate workforce, with preferences given to people who work in the immediate area

We suggest that the City explore the ability to have all additional density be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.

3. Prioritize live/work art spaces and outdoor green space

In order for new housing to maintain neighborhood capability, priority should be for residents who work in the area, with mandated accountability to oversee this from the City. There should also be preservation of current open/green space in which makes the Funk Zone the thriving resident and tourist alike destination it is today.

## 4. Promote housing stability

We suggest that the city consider prohibiting the conversation of any new housing in the Coastal Zone to short-term rentals. There is a plethora of hotels in the area to meet the needs of visitors, and any housing being proposed should be dedicated to residents.

## 5. Suitable Sites Inventory Listing

On page 80, in the Suitable Sites Inventory Summary section it states *that the Suitable Sites Inventory (Appendix G) identifies the buildout potential of vacant and underdeveloped parcels.* It continues to say that *the following criteria were used to identify suitable sites and development potential.* One of the criteria is:

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- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used.
- For multi-unit residential in the Coastal Zone, 20 units/acre was used.

If 20 units/acre was used to determine realistic buildout densities in the Coastal Zone and 27 units/acre were used for medium-density, how is the 121 E. Mason Street 2.1 acre pending project in the Funk Zone listed as having a total capacity of 155? Its base density is only 57. This greatly exceeds what is available through the State Bonus Density Law and is incompatible with the City's zoning laws.

As residents of the Funk Zone, we can attest that the neighborhood would not be able to handle that size of a development and that it would forever change the character of the Funk Zone, negatively impacting its vitality. Businesses, residents, customers, and tourist all struggle to find parking. Congestion makes it hard to enter and leave the neighborhood easily. Many of the buildings in the Funk Zone are not more than two or three stories tall and have had their uses adapted, creating an interesting and vibrant community. Additionally, the Funk Zone is not near a local transportation hub or rapid transit station, virtually requiring a car to get to work, school, medical facilities, the grocery store, or other essential amenities.

It is also important to state that the 121 E. Mason Street project, 'SOMOfunk development' is at the very beginning of its review process. The ABR received over 160 written comments, with more than

98% opposed to the development, and over 20 speakers voiced their objections and concerns at last month's ABR meeting. It is not appropriate to include this development at 155 units – a level that far exceeds the City's own standards – before the existing community has had a full opportunity to weigh in before the Planning Commission and City Council. \

We respectfully request that the City reduce the densities proposed in the Suitable Sites inventory for 121 E. Mason to correlate to the base density of the site.

Sincerely,

<mark>David Dart</mark>

Erika Carter

ddart@dartcoffeeco.com

ecarter@dartcoffeeco.com

From:	Wendy Dishman
То:	Housing Element Update
Subject:	Public comment on Housing Element Draft
Date:	Wednesday, August 03, 2022 8:24:52 PM

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**EXTERNAL** 

## COMMENTS ON HOUSING ELEMENT DUE 8/3/22 by DSA Santa Barbara

The Housing Committee of DSA - Democratic Socialists of America, submits to the city and the state the following comments in hopes of meeting the most basic needs of our city residents. Income inequality is the most baseline problem in America from which most social ills derive. Given the large number of non-profits in Santa Barbara attempting to solve many social maladies, it behooves our city to finally address the heart of our many social problems, by democratizing and equalizing housing in Santa Barbara.

#### Housing Element: Goal 2 (p. 90)

DSA Position: Prioritize Housing for Very Low Income Workers

As stated in the Housing Element, the need for housing for the lowest and poorest in the city should be prioritized over and above any new housing for other income levels. Our city depends on the labor of low income workers to exist and it is only moral that the city in return enable low income workers to live in safe and "affordable" homes. "Affordable" has to mean that no person or worker will pay more than one third of their net salary for housing.

#### Housing Element: Goal 3

# DSA Position: Tripling housing assistance for low income and disabled and extending the covenants for another decade.

#### **Housing Element: Homelessness**

**DSA Position:** Santa Barbara should build and provide permanent, safe housing for the existing homeless population.

Funds can be raised from a tax on buyer transactions on sales from houses purchased over \$10 million.

In a city where a large percentage of homes are used for VRBO and AirBnB which only increase the wealth of the already wealthy, it is both disgraceful and inhumane for people who maintain these dwellings to live in poverty. Santa Barbara must immediately change direction and provide decent housing which workers can afford on their salaries.

DSA Santa Barbara Housing Committee
From:	eharris@silcom.com
To:	Housing Element Update
Cc:	dan mccarter
Subject:	Input on Draft Housing Element
Date:	Wednesday, August 03, 2022 12:45:55 PM

[You don't often get email from eharris@silcom.com. Learn why this is important at <u>https://aka.ms/LearnAboutSenderIdentification</u>]

#### EXTERNAL

Dear Rosie Dyste,

While the housing element of the City's General Plan will address the pressing need to plan for housing that meets the community's requirements, there is also a pressing need to protect creek resources and, where feasible, to correct actions taken in the past that have harmed Santa Barbara's natural environment. That need is addressed in another element of the city's General Plan, the Environmental Resources (ER) element. ER Section 2.4 cites the need for creek restoration and specifically identifies the concretized section of Arroyo Burro Creek, within the La Cumbre Plaza complex of properties, as a priority site for restoration.

General Plan section ER 21.3 calls for removal of concrete from creeks where feasible. The City's Creeks Division hired a consulting firm for the purpose of determining feasibility of naturalizing this section of Arroyo Burro creek. That study concluded that removal of concrete and naturalization of the channel at this priority site is feasible.

Comprehensive planning for multiple community objectives requires that elements of the General Plan be integrated into process and land use deliberations. The Environmental resources Element should inform the Housing Element. So I am suggesting that the Housing Element be written to include clear reference to those sections of the Environmental Resources Element that emphasize the need and the real potential for naturalizing this concretized section of creek.

Thank you for considering this suggestion.

Eddie Harris (805)729-0172

James Rogers Santa Barbara, CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

# RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

As a resident of the Funk Zone neighborhood, I support additional housing opportunities to be created in the area, but would like to see the following elements incorporated into the housing element and city planning documents to achieve these goals:

- 1) Require adaptive re-use of existing buildings to the greatest extent feasible through the use of Funk Zone area specific objective design standards.
- 2) Prioritize additional housing for the low and low-moderate workforce, with preferences given to people who work in the immediate area.
- 3) Prioritize live/work art spaces to support the art community in the Funk Zone.
- 4) Require preservation/replacement of existing vegetation and garden/open space areas (no net loss of green space).
- 5) Prohibit the conversion of any <u>new</u> housing in the Coastal Zone to short-term rentals.
- 6) Additional "density" should be limited to that which is required by State Bonus Density Law, and should be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.

I believe that the fastest way to creating additional affordable housing in the City is by working with residents and business owners to create a neighborhood plan and/or develop area specific objective design guidelines for development.

The Funk Zone neighborhood is formed by an eclectic group of artists, residents and small local businesses owners that pride themselves in creating an environment that surrounding residents and tourists visit regularly. The highly popular area of the city currently suffers from a lack of parking. New housing and commercial development must provide sufficient parking. And as it exists today as a creative and enjoyable space, the Funk Zone lacks many amenities necessary for residential convenience. Key features that facilitate car-free living such as proximity to public schools, local transportation hubs, and grocery stores and many other necessary amenities are not located within walking distance. New development, both commercial and residential should be required to be "fully parked." Underground parking is also not a long-term viable solution in this area due to sea level rise.

# Specific Project of Concern/Request for change to Housing Element Draft:

#### Reduce the number of units proposed in the Suitable Sites Inventory to base density.

I was very surprised to learn that the proposed Suitable Sites Inventory includes the residential component of the proposed 155 unit ("SOMOfunk") mixed-use project which would demolish an entire City block and completely transform the Funk Zone's unique character for a bare minimum of affordable housing units.

We all know our community is experiencing a housing crisis. The Housing Element should focus more directly on addressing that need and consider denser development in areas that have the infrastructure and facilities to support the higher densities. The Funk Zone is ill equipped for the over-the-top density SOMOfunk is proposing. Workforce housing is needed and is appropriate but should be tailored to meet the needs of the artist community that has enriched and enlivened the Funk Zone and the employees of Funk Zone local businesses.

I support applying a housing density of 20 units per acre as a reasonable realistic building potential for this site, or at a maximum, 57 units, the allowable base density for the site.

If allowed to go forward, SOMOfunk's 155 units will likely be largely owned or rented as second homes/weekend homes and only partially occupied while irrevocably altering the unique character of the Funk Zone, eventually impugning its vitality as an interesting and worthy neighborhood in the Santa Barbara. I respectfully ask that the City reduce the densities proposed in the Suitable Sites inventory to correlate to the base density of this site.

Thank you for the opportunity to present our concerns.

Sincerely,



Keep the Funk, Inc. 10 E Yanonali St Unit #7 Santa Barbara, CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

# RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

Keep the Funk, Inc. is a fast-growing community group dedicated to **preserving the character of the Funk Zone as a thriving neighborhood.** As residents, workers and employers in Santa Barbara, we have watched with excited interest the transformation of the "Funk Zone" into a lively neighborhood and thriving visitor experience. The Funk Zone's funky, eclectic mix of artist studios and small local businesses is one of the leading attractions for visitors and residents of Santa Barbara alike and could be enhanced by additional affordable and workforce housing in our city, particularly for our community's lower income members and families, including workforce housing, and creative artist live/work spaces.

We support additional housing opportunities to be created in the Funk Zone, but would like to see the following elements incorporated into the housing element and city planning documents to achieve these goals:

- 1) Require adaptive re-use of existing buildings to the greatest extent feasible through the use of Funk Zone area specific objective design standards.
- 2) Prioritize additional housing for the low and low-moderate workforce, with preferences given to people who work in the immediate area.
- 3) Prioritize live/work art spaces. Affordable ownership opportunities would be ideal.
- 4) Require preservation/replacement of existing vegetation and garden/open space areas (no net loss of green space).
- 5) Prohibit the conversion of any <u>new</u> housing in the Coastal Zone to short-term rentals.
- 6) Additional "density" should be limited to that which is required by State Bonus Density Law, and should be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.

We support Goal 6 of the Draft Housing Element "engaging the community" but feel the language of the goal and associated policies and programs should include soliciting feedback *from* the community early in the planning process for new housing projects.



To gain acceptance of increased housing opportunities, the city must do more than a one-way program to "educate" existing residents about the need for additional housing; the city must engage residents early in the process, in a dialogue about how to accomplish multiple goals. We feel that the fastest way to creating additional affordable housing in the City is by working with residents and business owners to create a neighborhood plan and/or develop area specific objective design guidelines for development.

The highly popular area of the city currently suffers from a lack of parking. New housing and commercial development must provide sufficient parking. While a fun, creative and enjoyable space, the Funk Zone lacks many amenities necessary for residential convenience. Key features that facilitate car-free living such as proximity to public schools, local transportation hubs, and grocery stores and many other necessary amenities are not located within walking distance.

The recent abandonment of the waterfront shuttle, and changes to bus routes by MTD demonstrates that buses and similar types of alternative transportation solutions are not reliable long-term solutions. Valet parking is also not a viable solution over time. <u>New development, both commercial and residential should be required to be "fully parked."</u> Underground parking is also not a long-term viable solution in this area due to sea level rise.

# Specific Project of Concern/Request for change to Housing Element Draft:

# Reduce the number of units proposed in the Suitable Sites Inventory to base density.

We were very surprised to learn that the proposed Suitable Sites Inventory includes the residential component of the proposed 155 unit ("SoMo Funk") mixed-use project which would level an entire City block and completely transform the Funk Zone's unique character for a bare-minimum of affordable housing units. This proposal is just a Developer's Dream – not a realistic project; the application has not even been deemed complete by city staff.

We all know our community is experiencing a housing crisis, which is particularly harming community members of low economic means. The Housing Element should focus more directly on addressing that need and consider denser development in areas that have the infrastructure and facilities to support the higher densities. The Funk Zone is ill equipped for the over-the-top density SoMo Funk is proposing. Workforce housing is needed and is appropriate but should be tailored to meet the needs of the artist community that has enriched and enlivened the Funk Zone and the employees of Funk Zone businesses.

KTF supports applying a housing density of 20 units per acre as a reasonable realistic building potential for this site, or at a maximum, 57 units, the allowable base density for the site. KTF supports the requirement that all SoMo Funk housing be affordable, but in any case, the total development should not exceed what is allowable under State Density Bonus law and currently applicable City ordinance.

If allowed to go forward, SoMo Funk's 155 units will likely be largely owned or rented as second homes/weekend homes and only partially occupied while irrevocably altering the unique character of the Funk Zone, eventually impugning its vitality as an interesting and worthy neighborhood in the Santa Barbara. Keep the Funk respectfully asks that the City reduce the densities proposed in the Suitable Sites inventory to correlate to the base density of this site.



Thank you for the opportunity to present our concerns.

Sincerely,

Brittany Zajic President Keep the Funk, Inc. Karl Kras 116 E Yanonali St, Apt A2 Santa Barbara, CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

# RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

Please accept this letter as public comment on the City of Santa Barbara 2023 Housing Element Public Review Draft.

I am a 12 year Funk Zone resident and licensed architect practicing in Santa Barbara for the past 25 years. I support additional housing opportunities to be created in the Funk Zone, but would like to see the following elements incorporated into the housing element and city planning documents to achieve these goals:

1. Overlay Zone Section and Goal 1: Create New Housing

The Housing Elements mentions that there are 12 Overlay Zones. We would strongly advocate for a Funk Zone Overlay Zone or Neighborhood Plan that would provide a road map for how to incorporate more affordable housing in the Funk Zone while preserving the character of the neighborhood and supporting long standing uses that serve visitors, facilitate public recreation, and support the art and commercial fishing industries. Elements such as affordable live/work art spaces, requirements for adaptive re-use of existing buildings using Funk Zone area specific objective design standards, fully parked new residential and commercial development, incentives for preserving exiting ocean-oriented uses, and preservation of green spaces would help maintain the character and vitality of the Funk Zone.

2. Prioritize additional housing for the low and low-moderate workforce, with preferences given to people who work in the immediate area

We suggest that the City explore the ability to have all additional density be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.

3. Prioritize live/work art spaces and outdoor green space

In order for new housing to maintain neighborhood capability, priority should be for residents who work in the area, with mandated accountability to oversee this from the City. There should also be

preservation of current open/green space in which makes the Funk Zone the thriving resident and tourist alike destination it is today.

4. Promote housing stability

We suggest that the city consider prohibiting the conversation of any new housing in the Coastal Zone to short-term rentals. There is a plethora of hotels in the area to meet the needs of visitors, and any housing being proposed should be dedicated to residents.

5. Suitable Sites Inventory Listing

On page 80, in the Suitable Sites Inventory Summary section it states *that the Suitable Sites Inventory (Appendix G) identifies the buildout potential of vacant and underdeveloped parcels.* It continues to say that *the following criteria were used to identify suitable sites and development potential.* One of the criteria is:

*Realistic buildout densities were determined based on average densities of projects approved during the 5th RHNA Cycle.* 

- For Medium-High density (max 27 units/acre), 22 units/acre was used.
- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used.
- For multi-unit residential in the Coastal Zone, 20 units/acre was used.

If 20 units/acre was used to determine realistic buildout densities in the Coastal Zone and 27 units/acre were used for medium-density, how is the 121 E. Mason Street 2.1 acre pending project in the Funk Zone listed as having a total capacity of 155? Its base density is only 57. This greatly exceeds what is available through the State Bonus Density Law and is incompatible with the City's zoning laws.

As residents of the Funk Zone, we can attest that the neighborhood would not be able to handle that size of a development and that it would forever change the character of the Funk Zone, negatively impacting its vitality. Businesses, residents, customers, and tourist all struggle to find parking. Congestion makes it hard to enter and leave the neighborhood easily. Many of the buildings in the Funk Zone are not more than two or three stories tall and have had their uses adapted, creating an interesting and vibrant community. Additionally, the Funk Zone is not near a local transportation hub or rapid transit station, virtually requiring a car to get to work, school, medical facilities, the grocery store, or other essential amenities.

It is also important to state that the 121 E. Mason Street project, 'SOMOfunk development' is at the very beginning of its review process. The ABR received over 160 written comments, with more than 98% opposed to the development, and over 20 speakers voiced their objections and concerns at last month's ABR meeting. It is not appropriate to include this development at 155 units – a level that far exceeds the City's own standards – before the existing community has had a full opportunity to weigh in before the Planning Commission and City Council.

# We respectfully request that the City reduce the densities proposed in the Suitable Sites inventory for 121 E. Mason to correlate to the base density of the site.

Sincerely,

Karl Kras

[You don't often get email from layne.wheeler1@icloud.com. Learn why this is important at <a href="https://aka.ms/LearnAboutSenderIdentification">https://aka.ms/LearnAboutSenderIdentification</a> ]

#### EXTERNAL

Dear Housing Element Team,

I want to add my comment to the process for the draft housing element regarding the potential placement of 1900 housing units at the La Cumbre Plaza site. In my opinion, adding ANY housing to this property site will be extremely detrimental to the upper State Street/ US 101 corridor. No amount of mitigation can or will relieve the potential traffic impact caused by adding housing to this site. Over the last several years, the upper State Street corridor has had multiple housing units without sufficient mitigation of traffic. This practice CANNOT continue to occur. Please include me on any planning input that will occur on this process. As citizens of Santa Barbara, we cannot allow any more traffic disasters like we have seen on State Street like that one that occurs daily at Chick-Fil-Le.

Thanks for including my comment. Sincerely, Layne Wheeler Santa Barbara, Ca

# LAW OFFICE OF MARC CHYTILO

A PROFESSIONAL CORPORATION

Environmental Law

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

#### RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

This office represents Keep the Funk, Inc. ("KTF"), a community based grassroots organization committed to preserving the unique and historic character of Santa Barbara's Funk Zone neighborhood. The Funk Zone's funky, eclectic mix of artist studios and small local businesses is one of the leading attractions for visitors and residents of Santa Barbara alike.

Overall, the General Plan is a critical element of land use planning in California, described by some as the "Constitution" for all development within the City's boundaries. The Housing Element has always played a central role among the elements in municipal General Plans. That role has assumed increased significance with state and local housing shortages. In light of that and as a result of ongoing state legislative actions, the City faces increased challenges to identify and recruit additional development to meet regional housing needs, in particular to address the housing needs for our community's lower income members and families, including workforce housing.

As a general proposition, a permanent and sustainable housing fund is needed to create the type of housing to meet these community needs. We now realize from experience that "affordable by design" developments are not effective at producing affordable housing, and that there is continuing appetite by non-residents for smaller unit housing for second and vacation homes. Small percentages of inclusionary housing, forcefully resisted by the development community for decades and only now becoming accepted through bonus density and incentive programs, generate only small improvements to affordable housing shortfalls. The Santa Barbara Housing Authority has proven its ability to develop and manage a substantial portion of the Santa Barbara's affordable housing stock, and should be given additional tools to deliver additional housing quickly and ensure it will remain affordable into the future. Rosie Dyste, Housing Element Update Project Planner August 3, 2022 Page 2

Additional housing, in particular low and low moderate housing, affordable and targeted to our existing workforce is clearly needed and we support many of the stated goals articulated in the 2023 Housing Element Public Review Draft ("Draft Housing Element" or "DHE"). However, the Draft Housing Element requires revision to ensure that new housing development is meeting the stated goals of producing the desired type of affordable housing and is compatible with the character of surrounding areas and protects the unique characteristics that makes certain areas like the Funk Zone so vibrant.

As proposed, the DHE's Suitable Sites Inventory includes the residential component of the proposed 155 unit ("SoMo Funk") mixed-use project which would level an entire City block and completely transform the Funk Zone's unique character for a bare-minimum of affordable housing units. The proposed 155-unit project is unrealistic, conflicts with existing coastal policies, and is incongruous with the goals and policies of the proposed Draft Housing Element. In order to ensure the City has a more accurate count of units that are reasonably likely to actually be constructed, the Suitable Sites Inventory should be revised to reduce the overall unit capacity, and increase the proportional share of affordable capacity. This issue is discussed in more detail below.

There are also four areas of the Draft Housing Element's Housing Plan that should be strengthened to both further the City's stated goals, make the document a more effective planning tool, and help ensure that new housing development enhances rather than compromises unique neighborhoods like the Funk Zone. First, to achieve the goal of engaging the community (Goal 6), the language of the goal and associated policies and programs should include soliciting feedback *from* the community early in the planning process for new housing projects. Second, Goal 2 (Prioritize Affordable Housing) and its associated policies and programs could be strengthened to better address the affordability crisis and clearly link the increased flexibility (Policy 1.8) and reduced constraints (Policy 1.4) to only those projects that meaningfully exceed the minimum required for compliance with State mandates including the State Bonus Density Law. Third, adaptive reuse has allowed the Funk Zone to transition from a manufacturing hub and industrial area to a thriving visitor destination, and we appreciate that the DHE seeks to promote adaptive reuse (e.g. Policy 1.3 and Program HE-1). This policy and program should be strengthened by requiring adaptive reuse to the maximum extent feasible. This would substantially reduce impacts from construction, and maintain community character and cohesion. Finally, the DHE requires revision to ensure that new citywide objective design standards (Policy 1.5, Program HE-5) do not compromise the unique character of neighborhoods like the Funk Zone. Developing a new Funk Zone Overlay is one possible approach, and we welcome further discussions with the City about such a possibility.

#### 1. Revisions to the Draft Housing Element Are Necessary

KTF proposes the following revisions to the Suitable Sites Inventory and the Housing Plan to strengthen the Draft Housing Element and help ensure it achieves its stated objective of increasing affordable housing, without compromising the unique character of the Funk Zone.

a. Suitable Sites Inventory - SoMo Funk

Government Code § 65583 (a)(3) requires that the Housing Element contain an "inventory of land suitable and available for residential development, including vacant sites and sites having *realistic and demonstrated* potential for redevelopment during the planning period to meet the locality's housing need for a designated income level". (emphasis added)

The Suitable Sites Inventory Summary explains that "[r]ealistic buildout densities were determined based on average densities of projects approved during the 5th RHNA Cycle.

- For Medium-High density (max 27 units/acre), 22 units/acre was used.
- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used.
- For multi-unit residential in the Coastal Zone, 20 units/acre was used.

# (DHE p. 73.)

We're concerned that the proposed Suitable Sites Inventory identifies an unrealistically high total capacity of 155 new residential units at 121 E. Mason St. (by contrast the 2015 Housing Element identified 22 units as the "Realistic Net New Units" for the same site<sup>1</sup>), and an untenably low capacity of 28 units for lower and moderate income units (14 respectively). The Suitable Sites Inventory identifies the base density for this parcel at 57 units; 155 units represents a 171% increase over base density, with only 18% affordable units (9% low income). As explained the second Incomplete Letter for SoMo Funk (dated June 9, 2021), the proposed residential density substantially <u>exceeds</u> what State Density Bonus Law would allow and is <u>inconsistent</u> with the City's Density Bonus Program. <u>To be consistent with the City's Affordable Housing Practices and Procedures, all excess units above the SDBL allowance (65) would need</u> to be provided at rents affordable to low income households. (Id., SoMo Funk Second Incomplete Letter, p. 2.)

Any calculations of housing benefits in the Suitable Sites Inventory for the SoMo Funkzilla project must deduct those currently functioning affordable housing units lost from the demolition.

<sup>&</sup>lt;sup>1</sup><u>https://santabarbaraca.gov/sites/default/files/documents/General%20Plan/Appendices/Appendix</u> %20H%3A%20Available%20Land%20Inventory%20Table%20and%20Map.pdf

Rosie Dyste, Housing Element Update Project Planner August 3, 2022 Page 4

The applicant has proposed a Development Agreement to allow the increased density without complying with the City's Density Bonus Program. This approach is inconsistent with the existing and proposed Housing Element affordability goal and policies, and appears to be contrary to City law. Specifically, Coastal Land Use Plan ("CLUP") Policy 2.1-1 only allows the City to increase density beyond that established by underlying land use designations and zoning for three specific types of affordable housing developments: Density Bonus, Inclusionary Housing, and Lot Area Modification for affordable housing only. SoMo Funk's 155 unit proposal includes the maximum number allowed under the State Bonus Density program (20) and the City's AUD program does not apply in the Coastal Zone. Two units of Inclusionary Housing are proposed. The additional 65 units requested are not authorized by any Bonus Density or Inclusionary Housing program, and are not for affordable housing only.

Moreover, development agreements are a risky tool that constrains the City and future Councils' ability to respond to changing conditions, and can create substantial potential legal exposure for the City. See e.g. Mammoth Lakes Land Acquisition, LLC v. Town of Mammoth Lakes (2010) 191 Cal. App. 4th 435. In Mammoth Lakes, the developer secured a vested right to approval of a residential project at the airport that subsequently conflicted with requirements of the town's FAA grant agreement, thwarting the town's goal of airport expansion and leading to a \$30M judgment, plus \$2.3M in attorney's fees. Given the substantial importance of the Funk Zone to Santa Barbara's modern tourist economy, the development agreement is a risky mechanism that could constrain future efforts to preserve this important part of the City for decades to come.

Even if the City Council accepted this risk, CLUP Policy 1.2-4 establishes that development agreements cannot supersede any policy or provision of the CLUP, including Policy 2.1-1 (limiting density bonuses to affordable housing). Furthermore, as proposed, the SoMo Funk Project is inconsistent with numerous CLUP policies. For example, the proposed 155 unit project is visually incompatible with the character of surrounding areas, destroys existing structures that are important to the history and character of the Funk Zone, and displaces long-standing land uses that serve visitors, facilitate public recreation, and support the commercial fishing industry. In this respect, the proposed project is inconsistent with CLUP Policies 2.2-9, 4.3-7, and 4.3-7, with California Coastal Act sections 30234, 30251, and 30253, and with Housing Element policies that encourage adaptive reuse (Policy 1.3, Program HE-1). Further, the 155 unit proposal lacks adequate parking which is inconsistent with CLUP Policy 3.1-29 and the area lacks key features that facilitate car-free living such as proximity to public schools, local transportation hubs, and grocery stores. Moreover the site is within the Inland Coastal Flooding Area (*see* CLUP Policy 5.1-35), and lacks adequate open space to mitigate impacts to nearby coastal recreation areas (3.2-9, 3.2-10).

For all these reasons, the 155 unit proposal is unrealistic, inconsistent with state and local law, and should not be included in the Suitable Sites Inventory as proposed. Further, the identified number of unit capacity number proposed for 121 E. Mason Street is <u>not necessary</u> to demonstrate that the City has sufficient land inventory and zoning capacity to accommodate

# the City's assigned share of regional housing need within existing and proposed General Plan and zoning capacities given the substantial buffer (DHE p. 72).

KTF supports applying a housing density of 20 units per acre as a reasonable realistic building potential for this site, or at a maximum, 57 units, the allowable base density for the site. KTF supports the requirement that all SoMo Funk housing be affordable, but in any case, the total development should not exceed what is allowable under State Density Bonus law and currently applicable City ordinance.

- b. Housing Plan Policy Recommendations
  - i. Community Engagement

The Draft Housing Element includes the following goal and policies regarding community engagement:

Goal 6 - Engage the Community: Educate the community about housing issues, affordable housing opportunities, and available resources and programs. Policy 6.1: Continue to work with local and regional organizations and partners to engage in community outreach strategies to provide information on fair housing laws and programs, including community workshops and public awareness campaigns. 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.

In addition, three programs are identified to provide the public with renters' rights information, housing resources and affordable housing availability, and to "bolster community support for new housing construction, including affordable housing." (DHE pp. 98-99.)

As proposed, this goal, along with its policies and programs, are entirely one-sided, providing for to outreach *to* the community to educate the community. However, "engagement" goes both ways, and should expressly include soliciting and responding to community feedback. The City should avail itself of the historic high level of community engagement in land use planning matters, and support the expansion of affordable housing throughout the community while maintaining and enhancing community character.

The City's published timelines and process for adoption of the Housing Element Update should include and integrate the CEQA environmental review process, which is also an important community engagement opportunity.

ii. Affordability Requirements

Rosie Dyste, Housing Element Update Project Planner August 3, 2022 Page 6

While the Draft Housing Element seeks to prioritize affordable housing, Goal 2 (Prioritize Affordable Housing) and its associated policies and programs could be strengthened to better address the affordability crisis. Enhanced measures, such as more aggressively compensating landowners to extend expiring and even mid-life covenants can be an efficient means to avoid loss of affordable housing stock. Policy 4.4 could be expanded to develop compensation packages for homeowners that agree to enroll existing, market rate rentals into long term affordable status through voluntary, albeit compensated, covenants. The increased flexibility (Policy 1.8) and reduced constraints (Policy 1.4) referenced in the DHE should apply only to projects that go above and beyond the minimum number of affordable units required for compliance with State mandates including the State Bonus Density Law. Recent market-rate rent escalation should be harnessed to increased inclusionary percentages, and not enable windfalls to developments whose pro formas have recently changed considerably and thus could carry increased percentages of affordable units, or carry the initial number of affordable units with a lesser number of market-rate units. These policies should further clarify that any increased flexibility and reduced constraints must remain in compliance with General Plan and CLUP goals and policies.

#### iii. Adaptive Reuse

The DHE appropriately seeks to incentivize and promote flexibility for adaptive reuse projects that convert nonresidential structures to housing with Policy 1.3 and Program HE-1. Adaptive reuse substantially reduces impacts from construction and helps maintain community character and cohesion. This policy and program can be strengthened by requiring adaptive reuse to the maximum extent feasible either City-wide, or in the Funk Zone specifically.

#### iv. Objective Design Standards and Funk Zone Overlay

New citywide objective design standards (Policy 1.5, Program HE-5) have the potential to compromise the unique character of the Funk Zone. There are currently twelve Overlay Zones in the City, listed on Table 30 of the Draft Housing Element, to (among other things) ensure compatibility with the existing historic character of these areas. Developing a new Funk Zone Overlay should be pursued to help ensure that neighborhood-specific standards (which can be objective in nature) apply within this important area.

Rosie Dyste, Housing Element Update Project Planner August 3, 2022 Page 7

#### 2. Conclusion

Our community is experiencing a housing crisis, which is disproportionally harming community members of low economic means. The Housing Element should focus more directly on addressing that need, and consider denser development in areas that have the infrastructure and facilities to support the higher densities. The Funk Zone is ill equipped for the over-the-top density SoMo Funk is proposing. Workforce housing is needed and is appropriate, but should be tailored to meet the needs of the artist community that has enriched and enlivened the Funk Zone and the employees of Funk Zone businesses. Many of SoMo Funk's 155 units could too easily serve primarily as second homes and only partially occupied, while irrevocably altering the unique character of the Funk Zone and eventually impugning its vitality as an interesting and worthy neighborhood in Santa Barbara. Keep the Funk respectfully asks that the City reduce the densities proposed in the Suitable Sites inventory to correlate to the base density of this site.

Respectfully Submitted,

LAW OFFICE OF MARC CHYTILO, APC

Marc Chytilo For Keep the Funk

From:	Margaret Weiss
То:	Housing Element Update
Subject:	Public Comment on Housing Element
Date:	Wednesday, August 03, 2022 7:19:35 AM

You don't often get email from margaret.weiss1@gmail.com. Learn why this is important

#### **EXTERNAL**

I write to express my appreciation for your efforts to address affordable housing in the City of Santa Barbara as part of the Housing Element. Further, I encourage you to set a specific goal related to the needs of older adults and the disabled by prioritizing housing that is not only affordable but also *accessible and with supportive services* for elders and the disabled. This enhancement will help the plan to be useful and sustainable in the long term as it will meet the needs of our aging population.

In my career of more than 30 years in health care, it was too often true that people were left without affordable or adequate housing to meet their needs as they aged. I saw this impact their ability to care for their own health and to remain safely in the community. To address this problem, a comprehensive Housing Element can include a continuum of options from independent living, to independent living with aging related services, assisted living, assisted living memory care, residential care, mental health residential care, and skilled nursing facilities.

We all have elder relatives and friends. We do not want them to be stranded or homeless, unable to remain in their home that is no longer affordable or no longer meets their needs. We don't want them to be forced to move away, far from those who care about them. Please make the needs of elders and disabled a goal of the Housing Element allowing for the access and support that is essential. Thank you for your consideration.

Sincerely,

Margaret Weiss, MPH, MCHES Health Education Specialist Member, Santa Barbara County Adult & Aging Network

#### August 3, 2022 Mayor Rowse and Council Members RE: Housing Element Update– Comments FROM: MCP Santa Barbara LLC

Dear Mayor Rowse and Council Members,

We are the owners of 3805 State Street and 110 South Hope (APNs 051-010-012,13,14). La Cumbre Plaza and our parcels have been identified as critical sites for the forthcoming Housing Element. State law requires the City to prepare a Housing Element that identifies adequate sites for housing and makes adequate provision for the existing and projected needs of all economic segments of the community. The Housing Element must include an inventory of land suitable and available for residential development that has a realistic and demonstrated potential for redevelopment during the planning period. When assigning future residential units to parcels through the Suitable Sites Inventory, the City must analyze potential and actual government constraints that would prevent or hinder the development of units at the assigned density. For sites that are not vacant and listed in the City's inventory, the City must explain how it determined the development potential for the property, including an analysis of market conditions and any existing leases or contracts that would perpetuate the existing use or prevent redevelopment of the site. When necessary, the Housing Element must include programs to amend adopted development standards and policies that inhibit or prevent residential development at the densities and income levels assigned in the housing inventory.

The City's analysis of La Cumbre Plaza in the draft Housing Element fails to meet the statemandated requirements for a valid Housing Element. La Cumbre Plaza is comprised of 4 legal parcels owned by 4 different ownership groups with approximately 90% being owned by our group and the Sears property owner. The property operates as a regional shopping center that includes national chains, small local business, restaurants, and a grocery store. Nearly all of La Cumbre Plaza is ground leased to a variety of different users, who in turn sublease portions of La Cumbre Plaza to subtenants. The term of the leases and subleases at La Cumbre Plaza range from a few years to several decades.

The draft Housing Element assigns "approximately 1,900" residential units to La Cumbre Plaza. However, the Housing Element fails to explain how La Cumbre Plaza has a "realistic and demonstrated potential" for redevelopment and the addition of 1,900 units within the 6<sup>th</sup> cycle. Several of the parcels within La Cumbre Plaza are subject to long-term leases that extend well beyond the Housing Element's planning cycle. We fail to see how the draft Housing Element concludes the development and delivery of approximately 1,900 units is realistic simply based on the existing leases and subleases.

We own 3805 State Street, which is currently leased to Macy's, and 110 South Hope which is leased to Macerich (the mall operator). The City Inventory assigns 514 units to our Macy's property. Our property is subject to the Upper State Street guidelines ("USS"). The USS guidelines impose significant constraints on the redevelopment of La Cumbre Plaza, including height restrictions, setbacks, parking requirements and architectural requirements that prevent development at the density allowed by the current zoning. We have worked with a team of architects, designers, and consultants to come up with a design that could accommodate 514 units under the existing zoning and building regulations and we can say with certainty that 514 units cannot be built on our property without relying on state laws. The 45' height limitation alone prevents any real density at the property as it eliminates the ability to construct more than

3-stories. Additionally, this would be a substantial reduction of height from the current Macy's structure which is approximately 75 feet tall measured from the street elevation. The architectural requirements, setbacks and calculation of "net" lot area rather than "gross" lot area for density calculations make it physically impossible to construct anything close to 514 units. We assume the same is true for the "Sears parcel", which is the other large parcel at La Cumbre Plaza. The City must address these site constraints through the Housing Element update. City staff acknowledged these government-imposed constraints at the City Council hearing, but provided no firm solution or path forward to address them.

The Housing Element states a Specific Plan will be prepared for La Cumbre Plaza- no time table is proposed and no identified funding source is provided. An unfunded planning exercise with an infinite timeframe will not produce housing within the next 8 years. The City has had over a decade to prepare a Specific Plan for La Cumbre and hasn't done it. The average Specific Plan prepared by the City takes years— well beyond the 6<sup>th</sup> cycle. If the City wants housing, a specific plan is not the way to do it.

At the last City Council meeting held on July 26th, 2022, City staff represented to Council that the owners of La Cumbre Plaza are interested in a specific plan prepared by the City. That is not true. We have had several meetings with City staff and have repeatedly said a City-led specific plan will only delay housing production at La Cumbre Plaza. Past city history of specific plans already shows that each one is a 5-10 year process and there is no identified funding source to get started. Instead of initiating a specific plan, we believe the City should focus on revising the current building regulations within the USS that prevent meaningful housing development on properties throughout the Upper State Street area, not just La Cumbre Plaza.

If the City wants housing at La Cumbre it needs to address the specific zoning and building impediments, not take on another time consuming planning exercise through a Specific Plan—we don't have time to wait.

The Housing Element table shows that approximately 45% of the property is slated for affordable, deed restricted housing. We do not understand how the city has come to this conclusion. Even with the highest level of State Housing Density Bonus, we would not achieve this amount of affordability. Additionally, it is completely economically infeasible to provide that level of deed restricted affordability for any private developer.

By staff's own admission at the last hearing, the current development standards at La Cumbre Plaza do not allow the development densities consistent with their zoning. Instead of fixing this issue, this Housing Element points to producing an additional document with no set timing, funding, or assurances that would allow anyone to make the assumption that development would take place during this housing cycle. Additionally, it does not address the even larger issues of any property that is outside of La Cumbre Plaza that has similar zoning.

June and Terence O'Rourke 214 Santa Barbara St Unit B Santa Barbara CA 93101 805 636-3326

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

#### RE: 2023 Housing Element Public Review Draft - Comments

Dear Ms. Dyste and City Staff,

We have lived in Villa Del Mar since our complex was built. That is 18 years. We have loved living here. However, we were not prepared for what has happened all around us. We do not need to describe to you our current living conditions, as we think the issues should be apparent to all if they are objective. We have respectfully expressed our concerns to the various boards over the years.

The SOMO FUNK development, as it is currently presented, marries together many of the worst possible elements in one project that will have an extremely deleterious effect on the Funk Zone, its residents and businesses.

We reached out to Neil Dipaola when the project was first presented. Indeed, we talked on the phone and he came to our home. We were clear that we do not oppose development, but it needs to be the appropriate project in scale and design. In design for example, we were opposed to a roof top deck, 45 feet high with boats and airstream trailers on it. That exceeded the permitted height. The density of rental units exceeded the zoning. But, many of the trade offs with the city would allow much of what they wanted.

Fast forward to August 2022. I watched, with interest the recent ABR meeting. Before the board could even speak, they were read a long list from the city of everything they could not modify. Now the height had mushroomed to 60 feet. The ABR was told that nothing could be changed in the scale, the number of units, etc etc. so, the meeting was a charade. The ABR's hands were tied because they had essentially been bypassed by the developer and the city in their deals. The fix seems in.

That being said, please accept my support for the following.

Please accept this letter as public comment on the City of Santa Barbara 2023 Housing Element Public Review Draft.

We support additional housing opportunities to be created in the Funk Zone, but would like to see the following elements incorporated into the housing element and city planning documents to achieve these goals:

1. Overlay Zone Section and Goal 1: Create New Housing

The Housing Elements mentions that there are 12 Overlay Zones. We would strongly advocate for a Funk Zone Overlay Zone or Neighborhood Plan that would provide a road map for how to incorporate more affordable housing in the Funk Zone while preserving the character of the neighborhood and supporting long standing uses that serve visitors, facilitate public recreation, and support the art and commercial fishing industries. Elements such as affordable live/work art spaces, requirements for adaptive re-use of existing buildings using Funk Zone area specific objective design standards, fully parked new residential and commercial development, incentives for preserving exiting ocean-oriented uses, and preservation of green spaces would help maintain the character and vitality of the Funk Zone.

2. Prioritize additional housing for the low and low-moderate workforce, with preferences given to people who work in the immediate area

We suggest that the City explore the ability to have all additional density be price restricted in perpetuity to low and low-moderate families to the greatest extent legally possible.

3. Prioritize live/work art spaces and outdoor green space

In order for new housing to maintain neighborhood capability, priority should be for residents who work in the area, with mandated accountability to oversee this from the City. There should also be preservation of current open/green space in which makes the Funk Zone the thriving resident and tourist alike destination it is today.

4. Promote housing stability

We suggest that the city consider prohibiting the conversation of any new housing in the Coastal Zone to short-term rentals. There is a plethora of hotels in the area to meet the needs of visitors, and any housing being proposed should be dedicated to residents.

5. Suitable Sites Inventory Listing

On page 80, in the Suitable Sites Inventory Summary section it states *that the Suitable Sites Inventory (Appendix G) identifies the buildout potential of vacant and underdeveloped parcels.* It continues to say that *the following criteria were used to identify suitable sites and development potential.* One of the criteria is: *Realistic buildout densities were determined based on average densities of projects approved during the 5th RHNA Cycle.* 

- For Medium-High density (max 27 units/acre), 22 units/acre was used.
- For Priority Housing Overlay (max 63 units/acre), 59 units/acre was used.
- For multi-unit residential in the Coastal Zone, 20 units/acre was used.

If 20 units/acre was used to determine realistic buildout densities in the Coastal Zone and 27 units/acre were used for medium-density, how is the 121 E. Mason Street 2.1 acre pending project in the Funk Zone listed as having a total capacity of 155? Its base density is only 57. This greatly exceeds what is available through the State Bonus Density Law and is incompatible with the City's zoning laws.

As residents of the Funk Zone, we can attest that the neighborhood would not be able to handle that size of a development and that it would forever change the character of the Funk Zone, negatively impacting its vitality. Businesses, residents, customers, and tourist all struggle to find parking. Congestion makes it hard to enter and leave the neighborhood easily. Many of the buildings in the Funk Zone are not more than two or three stories tall and have had their uses adapted, creating an interesting and vibrant community. Additionally, the Funk Zone is not near a local transportation hub or rapid transit station, virtually requiring a car to get to work, school, medical facilities, the grocery store, or other essential amenities.

It is also important to state that the 121 E. Mason Street project, 'SOMOfunk development' is at the very beginning of its review process. The ABR received over 160 written comments, with more than 98% opposed to the development, and over 20 speakers voiced their objections and concerns at last month's ABR meeting. It is not appropriate to include this development at 155 units – a level that far exceeds the City's own standards – before the existing community has had a full opportunity to weigh in before the Planning Commission and City Council.  $\backslash$ 

# We respectfully request that the City reduce the densities proposed in the Suitable Sites inventory for 121 E. Mason to correlate to the base density of the site.

Sincerely,

June and Terence O'Rourke

# Shelley Klein 218A E. Yanonali St. Santa Barbara CA 93101

August 3, 2022

Rosie Dyste, Project Planner Community Development Department City of the Santa Barbara 735 Anacapa Street Santa Barbara, CA 93101

By Email to: <u>HEU@SantaBarbaraCA.gov</u>

RE: 2023 Housing Element Public Review Draft - Comments

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We respectfully request that the City reduce the densities proposed in the Suitable Sites inventory for 121 E. Mason to correlate to the base density of the site.

Sincerely,

Shelley Klein

-2-

From:	<u>S Pachter</u>
To:	Housing Element Update
Subject:	Comments on Public Review Draft 2023 Housing Element
Date:	Wednesday, August 03, 2022 1:34:10 PM

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**EXTERNAL** 

August 3, 2022

Dear Mayor Rowse and City Council Members,

I would like to share the following comments for the Public Review Draft 2023 Housing Element document.

Reference: Page 50, first paragraph and Page 86, HE-2 La Cumbre Plaza Specific Plan

#### Concerns about potential use of La Cumbre Plaza for housing

I am concerned about the possible use of the La Cumbre Plaza property for housing. The potential size and scope of this project will greatly impact the community.

While there is potential at this site to possibly benefit people of varying income levels, there needs to be thorough and lengthy discussion opportunities with residents and businesses in the Upper State Street, La Cumbre, San Roque and Hope Ranch neighborhoods.

The possibility of redeveloping the mall by adding 1,900 housing units constitutes a major change in the community with many complex issues to be further addressed at a later date. However, it appears that talks are already underway as stated on Page 86 "...the property owners are interested in redeveloping the site."

Adding 1,900 housing units would increase the number of people in the area by at least one person and perhaps more (including family members or roommates). It is unknown if all individuals living in the units would be existing city residents or new to the city. Nonetheless, the impact of adding at least 1,900 people to the La Cumbre Plaza site will result in intentional overcrowding by design.

Please consider downsizing the potential La Cumbre Plaza housing project.

Would you please share if there have been recent projects in the city of Santa Barbara that have provided 1,900 or more housing units on one property and the impact.

Please take extra steps to communicate about any discussions that have already occurred and any future discussions or plans about a possible La Cumbre Plaza housing project. Sending information by U.S mail will reach more people.

#### **Communication importance**

Changing the use of the Rose Garden Inn last summer had a dramatic negative impact on the adjacent neighborhoods and businesses. Many were unaware of how the Rose Garden Inn was to be used and once discovered, there was a lack of time to compose and voice concerns or suggestions before the City Council voted to approve the action item.

Therefore, please take extra time and steps to provide a generous amount of communication and opportunity for feedback regarding a potential La Cumbre Plaza housing project.

#### Parking

For the potential La Cumbre Plaza housing project and other possible projects, please consider requiring at least two parking spaces per unit that are located on the property.

It seems reasonable to assume that for a lot of people it takes at least two incomes to pay for a mortgage or rent. Two income earners that may need two vehicles to drive to work, drop off and pick up kids from daycare and schools, go to

medical appointments, the grocery store and more. Cars are not going away.

It is not realistic to assume that for the La Cumbre Plaza or other potential housing projects that all residents will have employment or other destinations that are a very short distance away and can be easily reached by walking, using the bus or riding a bicycle. Also, expecting residents or their guests to find parking on the street or in a public lot may result in the overcrowding of these locations.

#### Mandatory electric car charging

Please consider an item for mandatory electric car charging stations for all housing projects.

#### **Security**

Please consider adding a requirement for 24 hour on-site security personnel and electronic security to increase safety.

#### Public Schools

Perhaps consider adding a section for public school districts, both Hope and Santa Barbara Unified, to provide general information regarding the possible impact of changes to the student population with the addition of new housing. Specifically, the possible La Cumbre Plaza housing project.

This may be difficult to define as it is hard to know if the potential La Cumbre Plaza 1,900 housing units would be lived in by existing Santa Barbara city residents or if the individuals would be new to the city of Santa Barbara and if there would be children and how many.

It might also be difficult to know if potential students would be currently enrolled in a public school and by moving into the potential La Cumbre Plaza housing, if that would result in staying in the same school district and school campus or if there would be a shift to a new school district and school campus.

Other possible school district information might include additional details regarding developer fees, the need for additional classrooms or increased class sizes, possible need to hire additional certificated and classified staff, the impact of increased traffic congestion to drop off and pick up students, and more.

Thank you for your time and consideration,

S. Pachter, Santa Barbara City Resident



#### California Master Plan for Aging Workgroup

# Prioritizing Seniors in the Housing Element Process July 2022

#### Introduction

Santa Barbara County is in the midst of a senior housing crisis of growing proportions. Social service agencies and senior housing providers are currently trying to stem the tide of this crisis with a patchwork of services and supports, including emergency crisis response measures. These include responding to desperate calls for rental assistance, troubleshooting discharges from hospitals and care facilities with no place to send seniors, and managing long wait lists for memory, disability, and complex care.

How did we get here? In part, due to a rapid rise in our elderly population combined with a lack of affordable housing, affordable long-term and memory care facilities, and affordable care giving and other long-term care services. As stated in a recent CalMatters article, "factor in fixed-incomes and insufficient pensions (or no pensions), and you have an epidemic of suffering and expanded poverty."<sup>1</sup>

To mitigate the current stress on our seniors and to meet the needs of our aging population going forward, **Santa Barbara County must adopt a comprehensive plan to provide more senior affordable housing options**. A comprehensive plan would include market rate and affordable options for independent living, independent living with enhanced aging related services (such as Garden Court and the soon to be constructed Harry's House), assisted living, assisted living memory care, residential care facilities, mental health residential care, and skilled nursing facilities.

Towards this end, the Santa Barbara Adult & Aging Network recommends Santa Barbara County and each of the cities within the county prioritize affordable, accessible, and inclusive senior housing in their housing element planning process.

# Background

# Santa Barbara County's population is aging.

Currently nearly 16% of Santa Barbara County (SBC)) residents - 60, 097 - are over the age of 65 (2022 Census). Long-term growth forecasts indicate that the county's population aged 65 and

<sup>&</sup>lt;sup>1</sup> <u>https://calmatters.org/commentary/2022/02/californias-older-adults-are-being-stiffed-big-time/</u>

over will grow over 100 percent by 2060, compared to 28 percent population growth overall.<sup>2</sup> The proportion of persons aged 65 and over will be 25% of the overall county population<sup>3</sup> and seniors age 85+ will grow by 144%.<sup>4</sup>

**Retirement income is being outpaced by rising costs of housing, health, and care**. Older and disabled adults are struggling to meet basic needs and as a result of shrinking affordability, are at the center of California's housing and homelessness crisis. 27.8% of all households age 65+ in SBC are low to moderate income.<sup>5</sup>

# The high cost of living in Santa Barbara County exacerbates senior poverty.

Seniors in poverty live in all parts of SBC and are not concentrated in specific neighborhoods. An elderly individual renting a one bedroom apartment needs \$36,036 per year to cover basic expenses,<sup>6</sup> less than the combined total of the maximum SSI payment (\$9,965) and the median Social Security payment (\$12,589).

# Aging is unaffordable for seniors who fall into the service eligibility gap.

40% of Santa Barbara County's seniors are not economically self-sufficient ("poor" per the Elder Index \$28,000/year) but only 6% are below the federal poverty level (\$13,590/year) and qualify for aging related services.

# Older adults need housing that is accessible and built according to ADA specifications.

Countywide, 31% aged 60 and over identified having a disability.<sup>7</sup>

# **Recommendations for Housing Planning**

- 1. Prioritize older adults as a specific goal in Housing Elements and in Housing Element planning.
  - Define "senior housing" more clearly to include requirements for accessibility and access to services.
  - Zone for more senior housing options to meet senior needs as they progress through the senior housing care continuum, especially the urgent need for affordable assisted living, memory care, and housing options to meet complex needs.
  - In Santa Barbara County, expand <u>"By Right"</u><sup>8</sup>zones in which senior housing with services is a permitted use.

•

<sup>&</sup>lt;sup>2</sup> <u>http://www.sbcag.org/uploads/2/4/5/4/24540302/age\_characteristics\_report.pdf</u>

<sup>&</sup>lt;sup>3</sup> http://www.sbcag.org/uploads/2/4/5/4/24540302/forecast\_2050\_draft.pdf

<sup>&</sup>lt;sup>4</sup> <u>http://www.sbcag.org/uploads/2/4/5/4/24540302/age\_characteristics\_report.pdf</u>

<sup>&</sup>lt;sup>5</sup> 2022 Census

<sup>&</sup>lt;sup>6</sup> <u>https://healthpolicy.ucla.edu/programs/health-disparities/elder-health/elder-index-data/Pages/CostOfLiving.aspx</u>

<sup>&</sup>lt;sup>7</sup> http://www.sbcag.org/uploads/2/4/5/4/24540302/age\_characteristics\_report.pdf

<sup>&</sup>lt;sup>8</sup> <u>https://housingtoolkit.ca-ilg.org/sites/main/files/file-attachments/by\_right\_right.pdf?1573176010</u>

- In commercial zones, expand permitted uses for licensed residential care, with conditional use permits for independent living as a by right use.
- 2. Expand the use of the density bonus to increase the supply of affordable housing units for seniors that meet accessibility requirements and are near public transportation, medical facilities, shopping, and caregiving resources.

# 3. Provide regulatory incentives for builders

- Add a regulatory "Fast-track" incentive for builders on senior housing projects (similar to SB 330).
- 4. Increase physical accessibility of Accessory Dwelling Units (ADU's) so that ADU's are accessible to older adults and people with disabilities.
  - Require that any ADUs above 450sq ft meet or exceed ADA Accessibility Standards.
  - Provide a building subsidy for ADUs of any size that meet or exceed ADA Accessibility Standards (an accessible unit requires: wider door, no stairs, grab bars, etc.).
  - Add a regulatory "Fast-track" permitting incentive for new ADUs that meet ADA Accessibility requirements.
  - Model Example: La Más Backyard Homes Project in Los Angeles.<sup>9</sup>

# 5. Permit parking reductions to incentivize more senior friendly housing.

- The State density bonus law (Government Code Section 65915 et seq) allows permitting parking reductions which can result in a better environment, lower costs, or both. Recommendations include owner/operator van transport and charging stations for mobility devices (e.g. electric bicycles and 3-4 wheeled outdoor devices).
- Explore innovative housing models such as micro units in urban areas, shared/inter-generational housing (San Luis Obispo County example, -<u>HomeShareSLO</u> (smartsharehousingsolutions.org), and satellite Federally Qualified <u>Health Centers</u> (FQHCs) providing intensive mental health services with licenses for co-located clinics or mobile operations (Alameda County example).

<sup>&</sup>lt;sup>9</sup> <u>https://www.mas.la/affordable-adus</u>

From:	TROY WHITE
То:	Housing Element Update
Subject:	Housing Opportunities in Funk Zone - South of UPRR Tracks
Date:	Wednesday, August 03, 2022 3:17:06 PM

You don't often get email from twhite@twlandplan.com. Learn why this is important

**EXTERNAL** 

Hi Rosie:

Good afternoon. Will the Housing Element Update consider removing the housing restrictions for properties in the Funk Zone, located south of UPRR tracks?

We have heard from Planning Commissioners previously that there is interest in providing additional housing in this area. It seems there are many suitable sites in this area which could readily accept new housing opportunities.

I am sure I could identify existing and former clients and other interested parties who would be supportive of this allowance. Please do not hesitate to call/ email to discuss further.

Thanks,

Troy A. White, AICP

PRINCIPAL

	TW LAND PLANNING & DEVELOPMENT, LLC
?	SANTA BARBARA $\cdot$ SANTA MARIA/ ORCUTT $\cdot$ VENTURA
	805.698.7153

twhite@twlandplan.com

www.twlandplan.com





# The City of Santa Barbara

Via email:HEU@SantaBarbaraCA.govCc:HousingElements@hcd.ca.gov

August 3, 2022

# Re: Santa Barbara's Draft Housing Element

To the City of Santa Barbara:

The Campaign for Fair Housing Elements and YIMBY Law offer their mixed reaction to your draft <u>housing element</u>. On the one hand, we commend the City for having maintained pro-housing policies such as the <u>Average Unit-Size Density Program</u> throughout the 2015–23 planning period, and we are cautiously hopeful that the City will execute its Program HE-3 (Draft, pp.86–87) to further reduce governmental constraints to development. On the other hand, it is clear that the City has fallen far short in meeting its housing need, in that **only 379 new homes were built** in the planning period (Draft, p.A-3.) We urge the City to take dramatic action to make Santa Barbara the accessible and affordable city it can and should be.

California's housing crisis is a failure of imagination. As Santa Barbara celebrates its <u>Old Spanish Days Fiesta</u> this week, it should consider how its planning practices have departed, much for the worse, from those of the Spanish cities it seeks to emulate. Barcelona, a destination city with a similar climate and geography as Santa Barbara, has an *average* housing density of <u>93 homes per acre</u>. Santa Barbara's *maximum* is 36, and is set lower still throughout most of the City (Draft, pp.48–49). Your author recently visited Barcelona, and could not find any of the tent cities that Californians have grown accustomed to, nor any "<u>congested warren of gerbil units stacked to the</u>

<u>sky</u>" as local anti-growth activists fear. It simply seemed like a nice place to live, and Santa Barbara can and should aspire to grow like Barcelona—not Los Angeles.

To that end, Santa Barbara can do much more to "remove governmental … constraints to the maintenance, improvement, and development of housing" as State law requires. (Gov. Code § 65583(c)(3).) To start, very few of the City's proposed programs commit to specific actions or timelines (see Draft, pp.85–102), and we call on the City to make such commitments in its forthcoming draft to HCD. For example, the City recognizes that its 45-foot height limit will "constrain[] … housing" in its forthcoming La Cumbre Specific Plan, but the City only makes a vague offer to "address[]" this (how?) when the Plan is developed. (Draft, p.51.)

More generally, it is well established that midcentury American design restrictions such as parking minimums, lot-size minimums, minimum setbacks, and maximum heights are a major driver of the housing shortage, and yet the City appears set to largely maintain them. (See Draft, pp.F-1 to -4.) It should abolish them instead. The City need not invite skyscrapers on State Street, either: traditional multistory buildings are adequate to house a dense city, and we ask the City to announce and implement its adaptive reuse program (Draft, pp.85–86) immediately.

The City must also do more to "affirmatively further fair housing." (*E.g.*, Gov. Code § 65583(c)(5).) The Draft ignores that <u>the City enacted an explicit population cap in 1975</u>, which would certainly explain the City's plummeting home production since the 1970s (Draft, p.13). And the City's site inventory (Draft, App. G) would literally segregate all but twelve opportunity sites on one side of the train tracks. Setting aside the relatively less accessible hillside locations in the north, the City is planning to site no new housing in the accessible, but relatively whiter and richer, neighborhoods of Bel Air,



Alta Mesa, East Mesa, or West Mesa. This will fail to "overcome patterns of segregation" as State law requires. (Gov. Code § 65584(e).)

We offer these criticisms in the hope that Santa Barbara will become a leader among Californian cities in addressing the housing shortage and rejuvenating the dynamic economy for which California is historically known. The world is facing a climate crisis of deep yet uncertain proportion, and coastal cities such as Santa Barbara, where climate control is largely unnecessary for human habitation, offer the most potential for "[e]nergy [c]onservation" (Draft, p.83)—if only people could afford to live there.

We look forward to seeing the City's next draft housing element. Please contact me if you have any questions.

Sincerely,

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Campaign for Fair Housing Elements fairhousingelements.org

August 3, 2022

Mayor Rowse and Council Members City of Santa Barbara 735 Anacapa Street Santa Barbara, CA 931010

#### **RE: Housing Element Update-- Comment**

Dear Mayor Rowse and Council Members,

We are the owners of 3850 State Street. Our property is across the street from La Cumbre Plaza and currently developed and operating as a Best Western-branded hotel. Please accept the following comments regarding the draft Housing Element as presented to Council on July 26<sup>th</sup>.

#### 3850 State Street Specific Comments:

Our property is subject to the Upper State Street Area Zone (USS), which "has more restrictive standards than other areas of the City." (Housing Element, p. 51). The USS significantly limits height, imposes greater setbacks and sidewalk dedications, and requires an additional set of architectural guidelines for development. Because the USS contains countless subjective criteria, it inserts a level of uncertainty for any potential development. For example, the USS states that "typically acceptable building size, mass, bulk, scale and height in the Upper State Street area is a two-story development." (Upper State Street Design Guidelines, p. 3-8). The USS then goes on to list 7 different criteria, many of which are subjective, to be met before the City would consider a three-story building. As a property owner, the lack of certainty and objective standards to simply request more than two-stories unnecessarily discourages the type of density represented in the Housing Element. While the Housing Element acknowledges the barriers to development created by the USS, it does not propose any specific actions to alleviate these barriers. We believe the Housing Element update is the place to address these issues and make the necessary changes in the City's development standards to provide certainty to property owners.

The Housing Element's Suitable Sites Inventory assigns 44 units to our property based on the Medium-High Density designation and an assumption that 22 units/acre can be constructed under the existing City zoning and development standards. The Housing Element assumes 22 units per acre "based on average densities of projects approved during the 5<sup>th</sup> RHNA Cycle." It is unclear whether this assumption considers the additional development standards and restrictions required in the USS, including specifically the height restrictions and setbacks. We assume it does not. We could build 44 units on the property at two-stories and in compliance with all USS restrictions without tearing down multiple structures. There is no incentive to tear down a successful 68-room hotel to build 44 units. The Housing Element update should evaluate how the USS prevents the actual development of density allowed under the zoning ordinance. The USS height restriction and setbacks are two of many restrictions that should be considered and revised in the Housing Element update. We assume most other properties in the USS, many of which are zoned for Medium-High Density and High Density development, have the same problem meeting the densities called for in the Suitable Sites Inventory. It may be possible to meet the densities in the Suitable Sites Inventory if an owner were to request concessions, waivers or modifications under State Density Bonus laws or other State housing

laws, but these are essentially ways to get out of following the City's ordinances and regulations. The Housing Element update is supposed to analyze governmental restrictions that prevent or restrict the production of housing. Forcing owners to rely on State laws to circumvent local regulations is not consistent with the Housing Element's purpose. Furthermore, relying on State law to overcome development hurdles imposed by the City's existing ordinances and building regulations is subject to interpretation by the City. As but one example, we have explored with the City developing a childcare facility in exchange for increased housing density, which is permitted by State law (Government Code section 65915(h)). However, the City's "interpretation" of the applicable State law gives us a density bonus that is 10 times less than what we believe we are entitled to under State law. This sort of uncertainty makes it extremely difficult to invest in development. The Housing Element can and should clarify the City's interpretation on this particular issue as childcare and housing are interdependent.

The Housing Element's Suitable Sites Inventory assigns 35 lower-income units and 9 moderateincome units to our property, for a total of 44 units. Put another way, our property has been designated in the Housing Element as a 100% affordable housing site. This is plainly incorrect. We are not the Housing Authority or a non-profit low-income housing provider with access to state and federal funding. We are not sure what "past performance, current regulations or budget assumptions" the City is relying on for its analysis, but it is not based on any reality a private property owner lives in. Current City regulations do not require a 100% affordable project at our site. We do not know of any private party that has developed a 100% affordable housing project during the 5<sup>th</sup> cycle. It is financially impossible for us to construct a housing project that is 100% affordable. We are concerned that the Suitable Site Inventory, if not corrected, sets an expectation at the City and in the community that any housing on our property must be 100% affordable. We request the City amend the Suitable Site Inventory to accurately reflect the "best estimate" of affordable units using real life budget assumptions and the past performance of private residential development projects. Such an estimate should be based on the City's building standards and regulations. Though somewhat unrelated to the Housing Element, we also suggest the City consider the financial impact of the City's inclusionary housing requirement. If the City is serious about developing very-low and lowincome housing, it has to consider the financial impact of requiring developers to not only provide income-restricted units to meet the City's inclusionary requirement, but then provide additional affordable units to get a unit density that makes the project pencil. The City's "double dip" is a serious impediment to housing.

The Housing Element fails to reflect City Council's earlier directive that staff consider increased density on the north side of State Street. During past discussions, the Council has asked staff to consider increasing densities in the USS, including our property. We see no mention of this directive or any proposal to consider an increased density.

In conclusion, we have a strong desire to develop the property, but it makes no sense for us to do so using the existing zoning. In no way can we justify demolishing, or partially demolishing, a successful operating hotel under the unduly restrictive USS guidelines, without the kind of density allowed under the priority housing overlay to do so. We request that this property and the north side of State Street be added to the priority housing overlay in this Housing Element Update.

#### General Comments:

State law requires the City identify suitable sites for residential development and demonstrate a quantified objective capacity for very-low, low-, moderate- and above-moderate income units. The Housing Element provides a Suitable Site Inventory that identifies a total development capacity of 7,829 units in multi-unit/mixed use zones of which 71% are designated as very-low, low-, or moderate-income housing and the remaining 2,223 units (or 29%) are designated above-moderate income. (Housing Element, p. 73). We do not understand how the City came up with these allocations. It does not seem plausible that 71% of the total development capacity for the City of Santa Barbara will be affordable units. The City does not require this level of affordability and neither does State Density Bonus law. Projects with 71% affordability are not financially feasible for any private party. As a general comment, the City should explain how it determined the percentage of affordable units.

State law also requires the City provide quantified objectives for how much housing it believes will be built from 2023-2031. The Housing Element estimates 3,083 total units will be developed between 2023 and 2031, of which 2,224 new construction units will be above-moderate and the remaining 859 or 28% will be extremely-low, very-low, low-, and moderate income. (Housing Element, p. 74). "The City's best estimate of what could actually be constructed during the 2023-2031 Housing Element planning process is based on recent residential development trends for 2013-2022. . .For the extremely low, very low, low, and moderate-income housing, the estimate is based on past performance, current regulations, and budget assumptions from affordable housing subsidy sources." (Housing Element, p. 74). Again, we do not understand how the City expects 28% of the housing built in the next cycle to be affordable. Who is building this housing? Also, how is it that 71% of the total development capacity is designated as affordable, but only 28% of the units developed in the next 8 years will be affordable? The Housing Element update should provide a more thorough explanation of the City's allocation of units.