



City of Santa Barbara

Office of the Mayor

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Randy Rowse
Mayor

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City Hall
735 Anacapa Street
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The Honorable Buffy Wicks
California State Assembly
1021 O Street, Suite 8140
Sacramento, CA 95814

The Honorable Christopher Cabaldon
California State Senate
1021 O Street, Suite 7320
Sacramento, CA 95814

**RE: AB 736 (Wicks) and SB 417 (Cabaldon): Housing Bond Proposals
City of Santa Barbara - Notice of Support if Amended**

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Dear Assembly Member Wicks and Senator Cabaldon:

On behalf of the City of Santa Barbara, I write to express our support *if amended* for your proposed \$10 billion statewide housing bond measures, AB 736 and SB 417. Our support is contingent upon the inclusion of dedicated funding for the Local Housing Trust Fund (LHTF) Program—an essential and highly effective tool for advancing affordable housing solutions across California.

Local Housing Trust Funds serve as a critical bridge between local housing needs and state policy goals. The LHTF Program has awarded over \$300 million in funding across 37 counties, enabling the development of more than 4,700 affordable homes and leveraging nearly \$1 billion in total investment. However, the program's final Notice of Funding Availability was issued in 2024, and absent renewed funding, local agencies are left without this flexible and responsive tool at a time of unprecedented housing need.

The City of Santa Barbara operates its own certified Local Housing Trust Fund (SBLHTF), which has played a vital role in producing and preserving affordable housing for extremely low-, very low-, and low-income households. Funded by the voter-approved Measure UUT, the SBLHTF has been used to support rental housing, transitional shelters, homeownership assistance, and special needs housing. The program enables the City to respond quickly to local project opportunities and unlock matching funds from both the state and federal government.

We respectfully offer the following reasons for amending AB 736 and SB 417 to include robust support for the LHTF Program:

1. Catalyzing Affordable Housing Development and Maximizing Leverage

LHTF investments help fill financing gaps that would otherwise delay or jeopardize projects. These funds are frequently used for predevelopment or to complete final funding stacks. In California, every \$1 in LHTF dollars has historically leveraged more than \$1.60 in additional housing development funding—unlocking state, federal, and private capital.

2. Ensuring Equitable, Regional Distribution of Resources

The LHTF model empowers cities of all sizes, including those in smaller or rural regions, to secure funding tailored to their own communities. This contrasts with statewide programs that often disadvantage jurisdictions without extensive administrative capacity. Dedicated LHTF funding would promote geographic equity and strengthen regional housing pipelines.

3. Building Local Capacity and Public-Private Collaboration

Santa Barbara's LHTF has helped bring together city agencies, affordable housing developers, and service providers to advance high-impact projects. These partnerships have made it possible to accelerate production, leverage competitive funds, and deploy resources more nimbly—especially for transitional and permanent supportive housing.

4. Supporting Diverse Housing Needs with Flexible Tools

LHTFs support a broad range of eligible uses, including:

- Permanent and transitional rental housing
- Affordable homeownership programs
- Rehabilitation and preservation of older housing stock
- Mixed-use and infill development
- Housing for people with disabilities, seniors, and farmworkers

This flexibility is critical for cities like Santa Barbara, where local housing challenges span a wide spectrum of needs and where projects must respond to both land constraints and affordability gaps.

5. Delivering Economic and Community Benefits

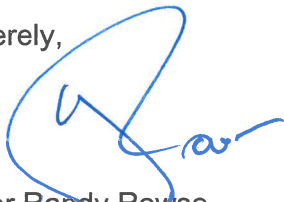
Investments in housing trust funds have consistently shown strong economic multipliers, supporting local jobs, generating tax revenue, and helping stabilize low-income households. LHTF-supported housing reduces displacement, improves public health outcomes, and enhances long-term community resilience.

For these reasons, the City of Santa Barbara urges you to amend AB 736 and SB 417 to include substantial, dedicated funding for the Local Housing Trust Fund Program. Doing so will:

- Address critical financing gaps in local housing projects
- Empower municipalities and nonprofit partners to accelerate delivery
- Leverage billions in additional capital
- Promote equity through regional funding access
- Strengthen California's housing delivery infrastructure

Thank you for your leadership in addressing California's housing crisis. The City of Santa Barbara looks forward to partnering with you to ensure this bold investment includes the tools communities need to succeed.

Sincerely,



Mayor Randy Rowse
City of Santa Barbara

cc: Senator Monique Limón
Assemblymember Gregg Hart