

**HOUSING THE CITIZENS OF SANTA BARBARA COUNTY**

**Background**

The State of California, in order to meet an extraordinary housing shortage, enacted law<sup>1</sup> to require the Council of Governments (COG) to periodically distribute the State identified housing need for its region. Santa Barbara County Association of Governments (SBCAG), as the COG for Santa Barbara County, has received the new housing units allocation from the State’s Department of Housing and Community Development. This allocation ranges from 17,531 to 19,641 units. The period that the cities and county have to fulfill this housing allocation is from January 2001 through July 2008. In June 2002, a draft allocation to the cities and county will be released and after review and comment, it is expected to be adopted by SBCAG in December 2002. The total allocation is further divided by income distribution:

<u>Income Distribution</u>	<u>%</u>	<u>Housing Units</u>	
		<u>Low</u>	<u>Middle</u>
Very Low	24%	4,207	4,714
Low	17%	2,980	3,339
Moderate	19%	3,331	3,732
<u>Above Moderate</u>	<u>40%</u>	<u>7,013</u>	<u>7,856</u>
Total	100%	17,531	19,641

Income limits for Santa Barbara County<sup>2</sup>:

<u>Standard</u>	<u>Number of Persons in Family</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Very Low	\$19,900	22,700	25,550	28,400	30,650	32,950	35,200	37,500
Low	31,800	36,350	40,900	45,450	49,050	52,700	56,350	60,000
Median	39,750	45,450	51,100	56,800	61,350	65,900	70,450	75,000
Moderate	47,700	54,500	61,350	68,150	73,600	79,050	84,500	89,950

SBCAG is also required to distribute the lower-income allocation so that it does not impact unfairly one area of the County more than another.

The average of the range of housing units to be brought into the housing inventory is 18,586 over seven and one-half years. This is 2,478 housing units per year. In 2001 there were 1,250 single family dwelling units permitted in Santa Barbara County. The State has also suggested there may be financial penalties if this is not achieved.

<sup>1</sup> Government Code Section 65584

<sup>2</sup> Published February 2002 by The California Department of Housing and Community Development—  
 posted at <http://www.hcd.ca.gov>

**The Economics**

Supply and demand -- economics is easy to explain when it comes to housing on the South Coast. Weather, coast, mountains, cultural amenities, natural beauty, a world class university and a robust economy create an environment where there is exceptional demand. Coupled with a strong community desire to avoid urban sprawl and to protect the environment and the result is a lengthy review process on new development and a slow growth rate. The median cost of homes in the South Coast of Santa Barbara County is now in excess of \$500,000. This is far beyond what is affordable to most citizens employed in the South County. The ability to supply more housing units, affordable to these citizens, must be achieved.

The communities in the North County, while having some appreciation in the cost of housing, do not currently have the magnitude of the problem of the South County.

**Perspective**

The County has 1.6 million acres. The current distribution of this land is 48% agriculture, 48% government owned (94 % of which is owned by the Federal Government) and 4% urban. The vast majority of the 4% is already developed. This leads to the conclusion that all of the energy and attention focused on the management of housing will be concentrated on less than 1% of the land in the County.

**The Strategic Plan**

In October 2001, the Board of Supervisors (BOS) approved the current County Strategic Plan. This Plan "...provides an overarching (extending over or throughout) guide to defining and measuring the expected outcomes of County government services, and allocating the resources to various programs and projects by which those services are delivered".

The highest priority Critical Issue in the County's Strategic Plan is Land Use. The County proposed, as one of the Strategic Actions with regard to Land Use, to implement a new Housing and Community Development Department. This Department would develop the organizational and financial tools needed to increase the supply of workforce housing. This Department was created on September 4, 2001 by combining personnel and responsibilities from the Treasurer-Tax Collector's Office, Planning and Development Department and the Office of the County Administrator. The department head position for this new Department was advertised in late 2001. The top two candidates chose not to accept offers and the effort to reinstate the job search appears to have stalled. Given the nature of the housing problems, this effort needs to be renewed immediately.

Another Strategic Action proposed for the Land Use Critical Issue was to determine the feasibility of creating more housing closer to South Coast jobs, and more high wage jobs closer to North County. The Board of Supervisors recently approved Certificates of Participation (COP) to provide for increased County office space in the City of Santa Barbara to accommodate the growth in County employment. One area that needs to be explored as a solution to workforce housing is to move the jobs to where the county employees can better afford to live. Over half of the County employees currently live outside the South Coast area. A significant reason for this is the cost of housing. The BOS should reevaluate the planned use of COP funds and consider locating the facilities and jobs where the people live. Any further development of County facilities in the City of Santa Barbara, exacerbates the problem of workforce housing, lack of parking and congestion.

**FINDINGS AND RECOMMENDATIONS**

Finding 1: The cities and County will have great difficulty in achieving the State mandated housing goals.

Finding 2: The cities and County have already lost valuable time in setting goals and policies to achieve housing growth rates to provide adequate housing for our citizens.

Finding 3: The Board of Supervisors has approved the formation of a Department of Housing and Community Development.

Finding 4: The hiring of a department head for the County Department of Housing and Community Development has been suspended or delayed.

Finding 5: Certificates of Participation have been recently approved by the Board of Supervisors to acquire additional facilities in the City of Santa Barbara for County use.

Recommendation 1: In meeting the housing goals established by the State and soon to be allocated by SBCAG, the cities and County need to establish policies and metrics to facilitate the necessary actions and to track performance.

Recommendation 2: The Board of Supervisors should complete the implementation of the new Department of Housing and Community Development and aggressively pursue the hiring of a qualified department head.

Recommendation 3: The Board of Supervisors should reconsider any further acquisition of County facilities in the South Coast area in light of the extreme lack of adequate affordable workforce housing.

**AFFECTED AGENCIES**

**Board of Supervisors**

Findings 1 through 5

Recommendations 1, 2, 3

(over)

**City of Guadalupe**

Finding 1, 2

Recommendation 1

**City of Lompoc**

Finding 1, 2

Recommendation 1

**City of Santa Maria**

Finding 1, 2

Recommendation 1

**City of Solvang**

Finding 1, 2

Recommendation 1

**City of Buellton**

Finding 1, 2

Recommendation 1

**City of Carpinteria**

Finding 1, 2

Recommendation 1

**City of Goleta**

Finding 1, 2

Recommendation 1

**City of Santa Barbara**

Finding 1, 2

Recommendation 1