



July 24, 2007

The Honorable Judge Rodney Melville
Superior Court
312-M East Cook Street
Santa Maria, CA 93455-5165

Santa Barbara County Civil Grand Jury
Attention: Foreperson
1100 Anacapa Street
Santa Barbara, CA 93101

Honorable Judge Melville:

The 2005-06 Santa Barbara County Civil Grand Jury recently released its report entitled "Affordable Housing in Santa Barbara County: Myth or Reality?" The report names the Santa Barbara County Association of Governments (SBCAG) as an affected agency and requires that SBCAG provide responses to the relevant findings and recommendations. SBCAG's responses are included in this letter.

Finding 3

Funding to subsidize affordable housing is limited and not keeping pace with increased costs.

Response-Agree with the finding However, SBCAG does not administer or fund affordable housing programs. It should be noted that Prop 1C does provide some increased funding for affordable housing programs. A summary of these programs is attached.

Finding 4

Housing Elements utilize zoning capacity and other policies to meet affordable housing requirements. However, construction of actual units is not required. Jurisdictions incur no penalty if no affordable housing units are built.

Response-Agree with the finding

Finding 5

Affordable housing programs vary across jurisdictions but are not always matched to local needs.

Response-Agree in part with the finding

Affordable housing programs are tailored to local needs via the Housing Element development and review process. The Housing Element undergoes review by local staff, elected officials, and the public and State Department of Housing and Community Development representatives. This review assesses the effectiveness in previous update cycles and ensures that they meet current requirements.

As part of the Housing Element update process State Law requires jurisdiction to review the results of the previous policies, programs and objectives. The State Department of Housing and Community Development (HCD) is looking for an analysis of the difference between the projected goals and actual accomplishments. State Law specifically calls for a three-step process:

Member Agencies:

Buellton ▪ Carpinteria ▪ Goleta ▪ Guadalupe ▪ Lompoc ▪ Santa Barbara ▪ Santa Maria ▪ Solvang ▪ Santa Barbara County

1. **Effectiveness of the Element** – A review of the actual results of the previous element’s goals, objectives, policies, and programs. The results should be quantified where possible.
2. **Progress in Implementation** – An analysis of the significant difference between what was projected or planned in the previous element and what was achieved.
3. **Appropriateness of goals, objectives and policies** – A description of how the goals, objectives, policies and programs of the updated element incorporate what has been learned from the results of the previous element.

Finding 6

There are varying degrees of public and local government support for affordable housing programs across jurisdictions.

Response-Agree with finding, no comment

Finding 7

Regional Housing Needs Assessment goals have not been met in most jurisdictions; there is a marked shortfall in the low and very low-income categories. Guadalupe is the sole exception.

Response-Disagree with finding

The goals of the Housing Elements are stated in statute. There are no “goals” stated in statute for RHNA, but there are “objectives” cited in G.C. Section 65584 (a). The RHNA statutes place requirements on regional and local agencies designed to meet these objectives. HCD determines if each region is meeting these requirements. Thus it becomes a matter of speculation or interpretation whether the “goals” of RHNA are being met.

The RHNA allocates a portion of statewide housing need by income level to local jurisdictions. Once adequate zoning has been provided by the local agency, the RHNA objective has been met and market forces dictate if the units are developed or not. The allocated units are not quotas that jurisdictions must achieve within the timeframe of their next housing element update.

State housing law states that “The RHNP process requires local governments to be accountable for ensuring that projected housing needs can be accommodated. The process maintains local control over where and what type of development should occur in local communities while providing the opportunity for the private sector to meet market demand.”

Finding 8

Santa Barbara County Association of Governments does not monitor or acknowledge Jurisdictional successes in meeting affordable housing goals. There is minimal effort to identify steps and patterns leading to success and to share this information with other jurisdictions.

Response-Agree, in part, with finding

SBCAG is a joint powers agency and member agencies have not given SBCAG any oversight responsibilities in the area of affordable housing. So SBCAG’s responsibilities are solely tied to what is required by State Housing Element Law.

There is on-going coordination among south coast jurisdictions. Staff and elected representatives from the Cities of Santa Barbara, Carpinteria, and the County of Santa Barbara participate on the Joint City Councils/Board of Supervisors Affordable Housing Task Group to share information and success stories on affordable housing. Until recently, the group met monthly for many years. Now the group plans to meet quarterly. More recently representatives from the City of Goleta have attended the meetings.

SBCAG's Technical Planning Advisory Committee (TPAC), which is composed of planning directors from the local cities and the County, regularly network and share information on development trends and issues at TPAC meetings. In a discussion with TPAC, members did not believe a change in this relationship was necessary.

Finding 9

Non-profit organizations such as the Housing Authority of the County of Santa Barbara, the Housing Authority of the City of Santa Barbara, People's Self-Help Housing and Habit for Humanity play an important role in affordable housing programs.

Response-Agree with finding

Recommendation 1

Since there is more than one way to develop and administer affordable housing programs, jurisdictions should focus on meeting local housing needs rather than relying on one type of program (e.g., owner-occupied and rental vs. rental only).

Response-Recommendation will not be implemented by SBCAG because SBCAG does not develop or administer affordable housing programs. SBCAG is a joint powers agency and member agencies have not given SBCAG any oversight responsibilities in the area of affordable housing. So SBCAG's responsibilities are solely tied to what is required by State Housing Element Law.

Recommendation 2

At least annually, each jurisdiction should hold informational community meetings to explain all aspects of its affordable housing program.

Response- Recommendation will not be implemented because SBCAG has no affordable housing program. SBCAG is a joint powers agency and member agencies have not given SBCAG any oversight responsibilities in the area of affordable housing. So SBCAG's responsibilities are solely tied to what is required by State Housing Element Law.

TPAC meetings are held quarterly with planning directors and development trend information is regularly shared.

Recommendation 3

Jurisdictions should focus on developing more very low and low-income housing to meet Regional Housing Needs Assessment goals.

Response- Recommendation will not be implemented because SBCAG does not develop or administer affordable housing programs. SBCAG is a joint powers agency and member agencies have not given SBCAG any oversight responsibilities in the area of affordable housing. So SBCAG's responsibilities are solely tied to what is required by State Housing Element Law.

Recommendation 4

Santa Barbara County Association of Governments should organize regular meetings of jurisdictional representatives to share successes and problems in affordable housing programs.

Response- The recommendation has been partially implemented.

The SBCAG Technical Planning Advisory Committee meets on an as needed basis generally quarterly, providing a forum for local planning officials to discuss and review agenda items, as well as new development projects which may include affordable housing projects.

Other forums are available for a discussion of successes and problems in affordable housing including a regular monthly meeting of the Joint City Councils/Board of Supervisors Affordable Housing Task Group that includes representatives of the jurisdictions of Carpinteria, Santa Barbara, the County and the City of Santa Barbara Affordable Housing Programs and the County Housing and Community Development.

Also, The Housing Advisory Committee of the County Housing and Community Development Department had, until recently, been meeting quarterly. The committee included government and private housing providers from North and South County.

Recommendation 5

Santa Barbara County Association of Governments should first collect data on jurisdictional performance and compare it to current Regional Housing Needs Assessments and then use this information in the next round of allocations.

Response 1, (Collect data on jurisdictional performance) - Recommendation will not be implemented by SBCAG because it is not warranted.

There is an existing effort by the state Department of Housing and Community Development to collect data on jurisdictional performance. Additional data collection efforts by SBCAG would be redundant. Government Code Section 65400 requires each governing body (City Council or Board of Supervisors) to prepare an annual report on the status and progress in implementing the jurisdiction's housing element of the general plan using forms and definitions adopted by the Department of Housing and Community Development. Annual reports for the 2006 calendar year were due April 1, 2007. Use of the proposed forms is optional for this reporting year and include;

- Annual Building Activity Report-Moderate, Low and Very Low Income Units and Mixed Income Multi-family Projects
- Annual Building Activity Report Summary for Above Moderate Income Units
- Regional Housing Needs Allocation Progress
- Program Implementation Status

Response 2, (Comparison of past performance to current RHNA and use as an allocation criterion)- Recommendation requires further analysis.

A comparison of past RHNA performance with the current RHNA would be a useful effort to gauge the success of each jurisdiction in the production of housing by income level. However, the RHNA process requires input from a variety of interested parties and so this analysis would require a recommendation from TPAC, public review, and approval by the SBCAG board. SBCAG will start preparing the new RHNA this fall.

There are a variety of criteria recommended by HCD for determining allocation of housing needs. There are currently no requirements in the Government Code section 65584 as it pertains to the RHNA for the use of performance data in the allocation criteria for a subsequent RHNA cycle.

According to state law:

"The distribution of regional housing need shall, based upon available data and in consultation with the cities and counties, take into consideration market demand for housing, the distribution of household growth within the county assumed in the regional transportation plan where applicable, employment opportunities and commuting patterns, the availability of suitable sites and public facilities, agreements between a county and cities in a county to direct growth toward incorporated areas of the county, or other considerations as may be requested by the affected cities or counties and agreed to by the department."

The state law allows other considerations as requested by the affected cities or county, with the concurrence of HCD, to be used as a distribution criteria. This recommendation will be reviewed by the Technical Planning Advisory Committee, HCD, and the SBCAG board as a RHNA allocation criterion.

Recommendation 6

Jurisdictions should utilize successful non-profits as co-developers and administrators of affordable housing programs.

Response- Recommendation will not be implemented because SBCAG does not develop or administer affordable housing programs. SBCAG is a joint powers agency and member agencies have not given SBCAG any oversight responsibilities in the area of affordable housing. So SBCAG's responsibilities are solely tied to what is required by State Housing Element Law.

Thank you for the opportunity to respond to this report. If you have any questions contact our Executive Director Jim Kemp.

Sincerely,

Jonny Wallis
SBCAG Chair

File No. AD 6-2
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