

## Chelsea Lenzi

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**From:** Lucille Boss  
**Sent:** Friday, April 17, 2026 2:21 PM  
**To:** Board Letters  
**Subject:** FW: Request for Amendments to the County of Santa Barbara Inclusionary Housing Ordinance (Chapter 46A)  
**Attachments:** 2.27 Update County Letter Ordinance 46A.pdf

Good afternoon,  
Please add the message below/attached to 4/21 agenda item D2 public comment.  
Thank you in advance,  
Lucille



**Lucille Boss (she, her | ella)**  
*Housing Programs Manager*  
County of Santa Barbara – Housing and Community Development Division  
Community Services Department | Engineering Building, 2<sup>nd</sup> Floor  
123 E. Anapamu Street, Santa Barbara, CA 93101  
**P** 805.568.3533 | **F** 805.568.2459 | **E** [lboss@countyofsb.org](mailto:lboss@countyofsb.org)



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**From:** Jessica de L'Arbre  
**Sent:** Friday, February 27, 2026 3:43 PM  
**To:** Roy Lee ; Laura Capps ; Joan Hartmann ; Bob Nelson ; Steve Lavagnino  
**Cc:** Lucille Boss ; Andrew Kish ; Jesús Armas ; Susan Renehan ; Jan Hubbell  
**Subject:** Request for Amendments to the County of Santa Barbara Inclusionary Housing Ordinance (Chapter 46A)  
**Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.**

To: Santa Barbara County Board of Supervisors  
CC: Community Services / Housing & Community Development  
105 East Anapamu Street  
Santa Barbara, CA 93101

### **Re: Request Amendments to the County of Santa Barbara Inclusionary Housing Ordinance (Chapter 46A) to Incentivize Non-profit and Private Partnerships to Maximize Affordable Ownership Housing Production.**

Dear Honorable Chair and Members of the Board of Supervisors,  
Habitat for Humanity of Southern Santa Barbara County ("Habitat") is the south county arm of Habitat for Humanity, a nationwide provider of Affordable ownership housing. Our mission is to partner with people to build, repair, and purchase affordable homes; this important work strengthens stability and self-reliance in Southern Santa Barbara and in partnership, around the world. Our objective is to produce and sell affordable housing; preserve existing affordable housing; and protect housing through advocacy.

Habitat is a *Qualified Nonprofit Corporation*, which means a nonprofit corporation organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

Habitat carries out its mission through several models including, but not limited to:

- receiving entitled land donations which Habitat develops with affordable units and subsequently sells to qualified low-income buyers at an affordable price;
- receiving donated land improved with affordable units which Habitat sells to qualified buyers at an affordable price; and
- purchasing completed affordable units from a developer which Habitat sells to a qualified buyer at an affordable price.

Depending on the financing mechanism used, Habitat may support home buyers with access to various down payment assistance programs; may allow mortgages for shorter than 30 years, and may close financing gaps by allowing housing costs to be 35% instead of 30%. In accordance with Habitat’s Homeowner Selection Policy 11A, increased housing costs would be allowed only in cases where HOA fees exist, or additional flood insurance is a factor.

In all cases, Habitat requires the buyer to participate with a minimum amount of “sweat equity” in the housing construction, and enter into an Affordable Housing Covenant which, among other things, restricts resale of the unit to qualified low-income purchasers for a rolling term of 90 years. The covenant cannot be subordinated and provides Habitat with the right of first refusal to buy back the unit in the event of sale or default. The County could be a party to the covenant and enter into a separate agreement with Habitat which delineates the respective roles of the parties to ensure long-term affordability, monitoring and enforcement.

Habitat has several potential opportunities to partner with for-profit developers to assist and enable developers to comply with County inclusionary requirements and state density bonus laws. Facilitating such partnerships would help to increase the County’s production of low-income, deed-restricted housing, which is in the shortest supply and is where there is the greatest need, according to the Regional Housing Needs Allocation (RHNA) targets for 2023-2031 planning cycle.

In order for Habitat to successfully partner with developers, it is necessary that County regulatory ordinances to allow for alternative financing structures which enable non-profit providers to deliver affordable ownership housing. To that end, Habitat requests the opportunity to work with County staff to propose meaningful revisions to Chapter 46A that accommodate our need for greater flexibility in the structure of how affordable ownership housing is financed and mechanisms to ensure long-term affordability and enforcement. Our objective is to ensure the ordinance achieves its stated purpose and does so in a way that maximizes affordable home ownership production and long-term stewardship through effective partnerships with certified non-profit housing providers. Without partnerships with affordable housing nonprofits, the alternative to production of affordable housing units may be a developer paying in-lieu fees which are not likely to ultimately produce the same number of affordable units.

Accordingly, we respectfully request that the County consider amendments to Chapter 46A that:

**1. Explicitly Support County Partnerships with Nonprofit Affordable Housing Developers**

Add a definition of *Qualified Nonprofits Housing Provider* into the definitions section of Chapter 46A. The definition could be as stated above on Page 1 of this letter.

Include a provision allowing the County to adjust administrative and financial requirements when affordable units are delivered by a qualified nonprofit housing provider, so long as long-term affordability is preserved. This flexibility should accommodate sales price and resale formula variations, down payment assistance, silent seconds or soft mortgages, a variance in recording order as well as deferred payment structures.

Inclusion of nonprofit housing providers should acknowledge that the provider will impose deed restrictions that comply with 45A 6 (d) 2 to ensure long-term affordability and enforcement mechanisms as provided in Chapters 46A-6 (d) and 46-1.

**2. Provide Reasonable Administrative Discretion for Nonprofit Partnership Models**

Chapter 46A limits the ability of nonprofit providers to use essential tools such as layered financing structures, down payment assistance programs, shared equity models, alternative sale price mechanisms and reasonable safeguarding measures. We recommend amendments to the Code to allow greater flexibility and discretion to incorporate alternative financing methods that may vary from the strict formulations currently established under Chapter 46A. Suggested language could provide:

“A “*Qualified Nonprofit Provider*” that seeks to deliver Affordable Housing in compliance with this Chapter, through means of either partnering with a for-profit developer or itself undertaking to produce Affordable Housing, shall be allowed to deviate from set formulations under this Chapter when such deviations are needed to finance and construct qualifying Affordable Housing; provided, however, any such deviation shall be subject to approval by the Community Development Director.”

### 3. Retain Long-Term Affordability

Habitat requests Chapter 46A be amended to specifically allow Habitat’s housing model under which strict eligibility, affordability, and resale restriction are imposed and include:

- Fairly advertise to eligible and income-qualified households;
- Ensure households pay no more than 30 - 35% of income toward housing costs;
- Record and steward long-term deed restrictions to preserve affordability (90 years); and
- Maintain accountability consistent with the public purposes in Chapter 46A.

### 4. Establish a Formal Annual Stakeholder Review under Sec. 46A-6

Please consider Amending Chapter 46A-6 to require a structured annual stakeholder review that includes nonprofit developers, for-profit builders, and County staff, and the public at large with advance publication of key affordability and feasibility data. Creating a predictable annual check-in allows all parties to evaluate real-world outcomes, address challenges, and thoughtfully evolve the ordinance over time to ensure it remains feasible, effective, and aligned with its affordable housing objectives.

### 5. Recognition of Feasibility Gaps in High-Cost Markets

Acknowledge, through policy decisions, that in high-cost communities such as Santa Barbara, the time and related cost to entitle, construct, and deliver an affordable ownership unit often exceeds the restricted home sale price. Allowing nonprofits the flexibility in how transactions are structured can help bridge this financial feasibility gap and is essential to sustaining the ongoing production of low-income affordable housing units.

We are grateful for your leadership in affordable housing and welcome the opportunity to collaborate on precise language for ordinance revisions that balance accountability with the flexibility needed to expand affordable homeownership opportunities in Santa Barbara County.

Sincerely,

Jessica Wishan de L’Arbre

**Jessica de L’Arbre | Chief Executive Officer**

Habitat for Humanity of Southern Santa Barbara County

Donate today! <https://www.sbhabitat.org/donate/>

***Building Homes, Communities & Hope***

Mail can be sent to: PO Box 176, Goleta, CA 93116

Cell: (805) 453-9648 (calls only please; not text message enabled)

[www.sbhabitat.org](http://www.sbhabitat.org)



March 7, 2026

To: Santa Barbara County Board of Supervisors

CC: Community Services / Housing & Community Development

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Santa Barbara, CA 93101

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Chief Executive Officer  
Habitat for Humanity of Southern Santa Barbara County

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