Katherine Douglas Public Comment

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From: Dianne Black <meesterblack2006@gmail.com>

Sent: Monday, March 3, 2025 8:46 AM

To: Roy Lee; Laura Capps; Joan Hartmann; nelson@countyofsb.org; Steve Lavagnino; sbcob

Cc: Vicki Allen; Pamela Flynt Tambo; Laura Haston; Claire Van Blaricum

Subject: Item #D-5 for Board of Supervisors agenda 3/4/25
Attachments: 3.3.25 BOS letter on Inclusionary Ordinance.pdf

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Chair Capps and Board Members,

Please find the attached letter from the League of Women Voters of Santa Barbara supporting the proposed changes to the Inclusionary Housing Ordinance.

Regards,

Dianne Black, VP, Leadership Team League of Women Voters of Santa Barbara



March 3, 2025

Santa Barbara County Board of Supervisors 105 Anacapa Street Santa Barbara, CA 93101

Re: Agenda Item 5, Board of Supervisors Hearing March 4, 2025

Dear Chair Capps and Board Members,

The League of Women Voters of Santa Barbara supports the County's commitment to implement its Housing Element Plan, in part by updating the Inclusionary Housing Ordinance (IHO). Specifically, we strongly endorse two key staff recommendations:

- 1. Applying inclusionary affordability requirements to all rental housing developments.
- 2. Extending the sales and rental price restriction period from 45 to 90 years.

Support Extending Inclusionary Affordable Housing to Rentals

Currently, the County requires multi-family **for-sale** developments to include affordable housing that is deed restricted to be affordable at different income levels. These IHO policies vary based on the size of a housing project and other factors. For example, for sale projects of 20+ units must include deed-restricted affordable housing units onsite (or pay in-lieu fees) at the following levels:

- 2.5% very low-income
- 2.5% low-income
- 5% moderate-income
- 5% workforce-income (above moderate income)²

Rental projects in unincorporated county areas have no such requirements. The County is now proposing that their for-sale IHO ordinance be applied to rental projects that meet specific criteria.

¹ IHO percentages are also adjusted by Housing Market Areas (HMAs) based on whether an HMA is meeting housing demand at the stated income level.

² The LWVSB objects to limiting the term "workforce" to just this higher income category. Most workers in hospitality, retail, health, education, government, and agriculture qualify for moderate to very low-income affordable housing. They are vital to our economy, enhance our quality of life, and are equally part of the workforce.

Expanding these requirements to rental properties makes sense for many reasons. Given the inelastic and high demand for housing on the South Coast, newly built market-rate rentals are too expensive for more than half of our County's households, who fall below the moderate income level and earn under 120% of the Area Median Income (AMI). In response to this crisis, Santa Barbara and Goleta have also passed inclusionary housing ordinances (IHOs) for rental projects that deed-restrict them to be affordable to households at certain income levels.

Other reasons for applying the County's IHO to rentals include:

- Meeting Regional Housing Needs Allocation (RHNA) targets. Applying the IHO to rental
 projects will help the County meet its RHNA targets in challenging affordable categories.
 According to the 2024 Comprehensive Annual Progress Report (see Table 1 below), the
 South County is far behind in building very low, low, and moderate-income housing for
 the 6th Cycle. Affordable housing production in the North County is not much better,
 except for the low-income housing target.
- Reinforcing affordability commitments on rezoned parcels. Many newly rezoned sites
 have voluntarily pledged higher affordability levels than the proposed rental IHO— and
 applying an inclusionary policy to rental will help ensure that at least some of these
 commitments materialize.
- Setting a foundation for increasing affordability requirements in the future. Given the scale of the housing crisis, higher affordability percentages should be pursued in the near future once financial feasibility and nexus studies have been conducted.

Table 1.

Unincorporated County 6th Cycle RHNA Housing Production (2023 -2031)

South County

North County

Income Level	RHNA	Permitted Units 2023-2024	Target Attainment
Very low	809	3	<1%
Low	957	54	6%
Moderate	1,051	3	<1%
Above Moderate	1,321	315	24%

Income Level	RHNA	Permitted Units 2023-2024	Target Attainment
Very low	564	0	0%
Low	243	153	63%
Moderate	229	19	8%
Above Moderate	486	95	20%

Source: County of Santa Barbara 2024 Comprehensive Annual Progress Report, p. 17

Support Expanding Affordability to 90 Years

Currently, the county requires inclusionary units to be price-restricted for 45 years. After this time, those deed-restricted units can be converted to market-rate units. Expanding the covenant's deed restriction to 90 years would help the County sustain a permanently-affordable housing safety net for our workforce.

Without such a policy change, the County risks losing affordable units. Under the current 45-year policy, dozens of units are set to expire soon. According to the County's Housing Element, 32 deed-restricted very low to moderate-income ownership units could revert to market rate units within the next seven years (Santa Barbara County 2023-2031 Housing Element, Appendix C, Table C-37).

If a 90-year covenant is applied to one affordable rental or for-sale unit, multiple moderate-to-low-income workforce families would benefit over the course of many decades. Ninety-year covenants also mean that those deed-restricted units are price-stabilized essentially in perpetuity for the lifetime of a building. With longer covenants, local governments don't have to invest as much in subsidizing housing every few years. For these reasons, 90-year covenants are considered by researchers as the "gold standard" and should be adopted by the County.

In sum, a rental inclusionary housing ordinance is a long-overdue, essential step toward aligning the County's affordable housing infrastructure with the incomes of our local workers. By securing more long-term affordability, these measures create a more stable housing infrastructure that supports our workforce at all income levels —a workforce that bolsters our County's economy and enhances our quality of life.

We thank you for considering our comments.

Respectfully yours,

Vicki Allen.

Vice President, Communications

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Leadership Team

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