



County of Santa Barbara

Housing & Community
Development

AFFORDABLE HOUSING COMPLIANCE PROJECT

Board of Supervisors
July 25, 2006



RECOMMENDATIONS AND GOALS

1. Approve lottery system pre-application form and process
2. Approve staff recommendation for program improvements
3. Direct County Counsel to draft final ordinance
4. Direct staff to develop monitoring and enforcement recommendations and return with recommendations on October 24, 2006



BACKGROUND

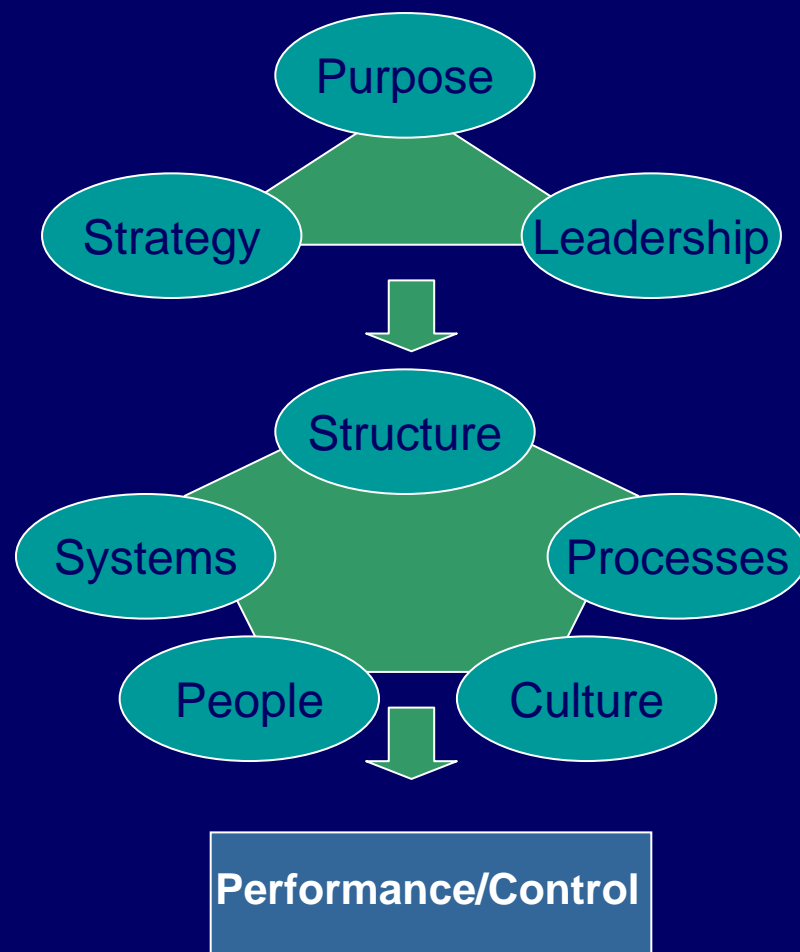
- July 18, 2003 – HCD assigned responsibility for monitoring & enforcing covenants of Inclusionary Housing Program
- May 3, 2005 – Board requested HCD audit
- May 16, 2006 – Auditor presented preliminary findings to Board of Supervisors, and initiated system-wide audit of all units in IHP



STRATEGY AND PERFORMANCE

A Conceptual Framework

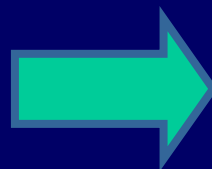
From: *Strategy, A View from the Top*, Prentice Hall





OVERVIEW-PROJECT TEAM PROGRESS IN 58 DAYS

Board directed Project Team to prepare report and recommendations related to compliance monitoring and lottery selection processes.



The Project Team

- County Executive Office
- Auditor Controller
- County Counsel
- HCD

Return to the Board

- July 25, 2006



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PROJECT TEAM REPORT AND RECOMMENDATIONS

- I. Lottery & Certification
- II. Compliance Monitoring
- III. HCD Identified Problem Units
- IV. Enforcement
- V. Next Steps

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I. LOTTERY & CERTIFICATION

- Auditor Finding:
 - A lengthy and onerous initial application for the lottery process.
- Auditor Recommendation:
 - Streamline the lottery process
- Team Recommendation:
 - Develop a simplified application form "Short Form"



SHORT-FORM APPLICATION

Application Form: County of Santa Barbara Housing and Community Development • Affordable Housing Program Wait List Application. Includes sections for Personal Information, Eligibility, and Income.

3. Income Section and 4. Residency & Employment Section. Includes tables for household members and fields for applicant information.



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CERTIFICATION PROCESS

- Recommendations
 - Organized document submittals
 - Director/Manager Review of staff recommendation
 - Certification Committee

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II. COMPLIANCE MONITORING

- Database
- Annual Surveys
- Complaints



DATABASE

■ Goal

- Convert HCD's Inclusionary Housing spreadsheets into a web-enabled SQL database application that tracks deed restricted housing.

■ Benefits

- Enhanced data entry interface for maintaining data
- Greater reporting flexibility
- Ability to respond to annual surveys online
- Automated verification other County department databases for accuracy and consistency



AFFORDABLE UNIT INVENTORY

- 408 Existing Units
- 17 Future Units on the South Coast in Approved Projects
- 235 Future Units in North County in Approved Projects



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PACIFIC GLEN



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MOUNTAIN VIEW



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LOMITA DE ORO



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OAKRIDGE



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AFFORDABLE UNIT INVENTORY

- Future Units on the South Coast
 - Preserve at San Marcos: 5 Low Income Units
 - The Villas at Calle Real: 2 Low, 2 Lower Moderate, 2 Upper Moderate Income Units
 - Las Palmas Viejas: 3 Low, 1 Lower Moderate, 2 Upper Moderate Income Units



AFFORDABLE UNIT INVENTORY

- Future Units in North County
 - Stonegate: 10 Low Income Units
 - Rice Ranch Pine Creek: 63 Low, 44 Upper Moderate, 11 Middle Median Units
 - Rice Ranch The Meadows: 10 Low, 6 Upper Moderate, 12 Middle Median Units
 - Providence Landing: 21 Very Low, 30 Low, 10 Lower Moderate Units
 - Jensen's Crossing: 12 Low Income Units
 - Old Mill Run: 6 Low Income Units



DATABASE: INVENTORY

Services

Inventory List

APN	Development	Program	BOS Date	Address	Purchase Date	Purchase Price	Bed	Income Category	Loan Amount	Expiration Date
005680015	Summerland Heights	Resale-30		2113 Summerland Heights Lane Santa Barbara, 93108	09/28/1999	\$78,160.00	3	VL		09/27/2029
005680016	Summerland Heights	Resale-30		2111 Summerland Heights Lane Santa Barbara, 93108	09/28/1999	\$78,160.00	3	VL		09/28/2029
005680017	Summerland Heights	Resale-30		2109 Summerland Heights Lane Santa Barbara, 93108	09/28/1999	\$70,500.00	2	VL		09/28/2029
005680018	Summerland Heights	Resale-30		2103 Summerland Heights Lane Santa Barbara, 93108	09/31/1999	\$70,500.00	2	VL		09/01/2029
005680019	Summerland Heights	Resale-30		2105 Summerland Heights Lane Santa Barbara, 93108	12/23/2004	\$332,900.00	3	VL		09/03/2029
005680020	Summerland Heights	Resale-30		2107 Summerland Heights Lane Santa Barbara, 93108	09/03/1999	\$78,160.00	3	VL		09/03/2029
005700001	Development	Program	BOS Date	Address	Purchase Date	Purchase Price	Bed	Income Category	Loan Amount	Expiration Date

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Local intranet 100%



DATABASE: SEARCH PAGE

Management

Add New Property
[Search Property](#)
View All Properties

Reports

[Inventory List Report](#)
[Expiration Date Report](#)

Search Property

APN:

Name:

Address:

Development:

Search



DATABASE: SEARCH RESULTS

APN	Development	Address	Exp. Date
005680019	Summerland Heights	2105 Summerland Heights Lane Santa Barbara, 93108	9/3/2029
005700008	Villas At Summerland	2615 Caspia Lane P.O. Box 5116 Summerland, 93067	2/28/2032
005700009	Villas At Summerland	2617 Caspia Lane P.O. Box 434 Summerland, 93067	3/1/2032
059300052	Oak Grove	410 Camino Del Remedio #A Santa Barbara, 93110	1/31/2030
059300055	Oak Grove	410 Camino Del Remedio #D Santa Barbara, 93110	12/26/2029
059300056	Oak Grove	410 Camino Del Remedio #E Santa Barbara, 93110	1/1/2030
059300058	Oak Grove	410 Camino Del Remedio #G Santa Barbara, 93110	6/18/2031
059300059	Oak Grove	410 Camino Del Remedio #H Santa Barbara, 93110	10/16/2037
059300063	Oak Grove	420 Camino Del Remedio #D Santa Barbara, 93110	5/14/2030
059300064	Oak Grove	420 Camino Del Remedio #E Santa Barbara, 93110	2/22/2030

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III. HCD IDENTIFIED PROBLEM UNITS

- County Executive Office review of identified violations
- Exercise civil remedies through County's Counsel's office
- Investigation by District Attorney's office



IV. ENFORCEMENT

- Ordinance
- Buyback Program
- Investigations by the DA's office
- Next Steps



ORDINANCE

■ Purpose

- ensure availability of for-sale affordable units for qualified individuals and families

■ Benefits

- increased ability to enforce affordable home restrictions against participants in the program
- uniformity in application of covenants in IHP



BUYBACK PROGRAM

■ Purpose

- ensure sale to qualified individuals and families at restricted price

■ Benefits

- review for income qualification of buyers
- opportunity to update covenants

■ Example

- 24 S. Glen Annie Rd, Goleta, approved 7/18/06



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INVESTIGATIONS

The Office of the District Attorney has assigned staff so that suspected cases of fraud can be referred for investigation and possible criminal prosecution.



V. NEXT STEPS

- Internal Audit Final Report on Affordable Housing
- Project Team Recommendations on Enforcement
- Draft Administrative Manual
- Buyer Education Program
- Buyback Program
- Ordinance
- County Employee IHP Participation Policy
- Staffing Needs Assessment for Compliance Program
- Contracting for Housing Services



HIGHLIGHTS

TASK	TIMEFRAME	STATUS
•Lottery Process/Short Form	July 2006	Completed
•Certification Process	July-Oct 2006	In Process
•Monitoring	July-Oct 2006	In Process
•Enforcement	July-Oct 2006	In Process



PROCESS IMPROVEMENTS

LOTTERY AND CERTIFICATION		
•Lottery Application Short-Form	July 2006	Completed
•Certification Documents		In Process
•HCD Director Review		In Process
•Certification Committee		In Process



PROCESS IMPROVEMENTS

MONITORING		
•Identify Inventory for For-Sale Affordable Units	July 2006	Completed
•Develop Database		In Process
•Annual Survey		In Process
•Referrals to DA and County Counsel		In Process



PROCESS IMPROVEMENTS

ENFORCEMENT		
•Establish DA Contact for Investigation Referrals	July 2006	Completed
•Ordinance		In Process
•Buyback Program		In Process
•Project Team Recommendations		In Process



LESSONS LEARNED

- Importance of monitoring and covenant enforcement
- Need to raise organizational level of awareness
- Make it a priority



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INTERNAL AUDIT OF HCD

- **HCD/Affordable Housing**
 - Preliminary Report
 - Final Report

- **HCD/Finance**

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FUTURE OF HCD

- County Executive Office to conduct organizational review of HCD
- County Executive Office implementing Board decision to wind down Economic Development operations by September 30, 2006



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THANK YOU

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