



County of Santa Barbara

Housing & Community  
Development

# Housing & Community Development

## Affordable Housing Policy Report

June 19, 2007



# Recommended Actions



- Receive and file the report from the Affordable Housing Advisory Committee and the analysis of the report by the County Executive Office.
- Consider the 13 recommendations and staff's response to each; and
- Direct the CEO's office to take actions necessary for a timely implementation of the recommendations.



# Background

- The Board of Supervisors established the Affordable Housing Policy Committee on November 14, 2006.
- The Committee held bi-weekly meetings from December 20, 2006 through May 4, 2007.
- The purpose of the committee was to review the County housing policies and make recommendations with respect to the Inclusionary Housing Program.





# CEO Recommendations Conclusions

- Thirteen (13) Recommendations
  - Agree or partially agree with nine (9) recommendations
  - Recommend further study on four (4) of the recommendations





# Significant Structural Changes

## ■ Overall Strategy

- The County should discourage the continued creation of affordable housing units with sale price controls due to issues of enforcement

## ■ Rental vs. Ownership

- Focus on Rentals for Very Low, Low and Moderate income levels
- Provide home Ownership for Moderate and Workforce levels



## ■ In Lieu Fees

- Restructure fee schedules to provide incentives for developers to pay fees

## ■ Fees Collected

- Used for rentals and to provide mortgage assistance via a subsidized secondary financing program for ownership opportunities

# Affordable Housing Strategy

## Very Low

Maximum  
Income Up  
to: \$33,000

For Rent

All  
Locations

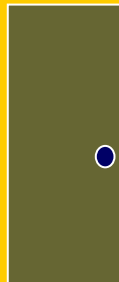


## Low

Maximum  
Income Up  
to: \$50,000

For Rent

All  
Locations



## Moderate

Maximum  
Income Up  
to: \$80,000

For Rent

All  
Locations

For Sale



## Workforce

Maximum  
Income Up  
to: \$134,000

For Sale

All  
Locations





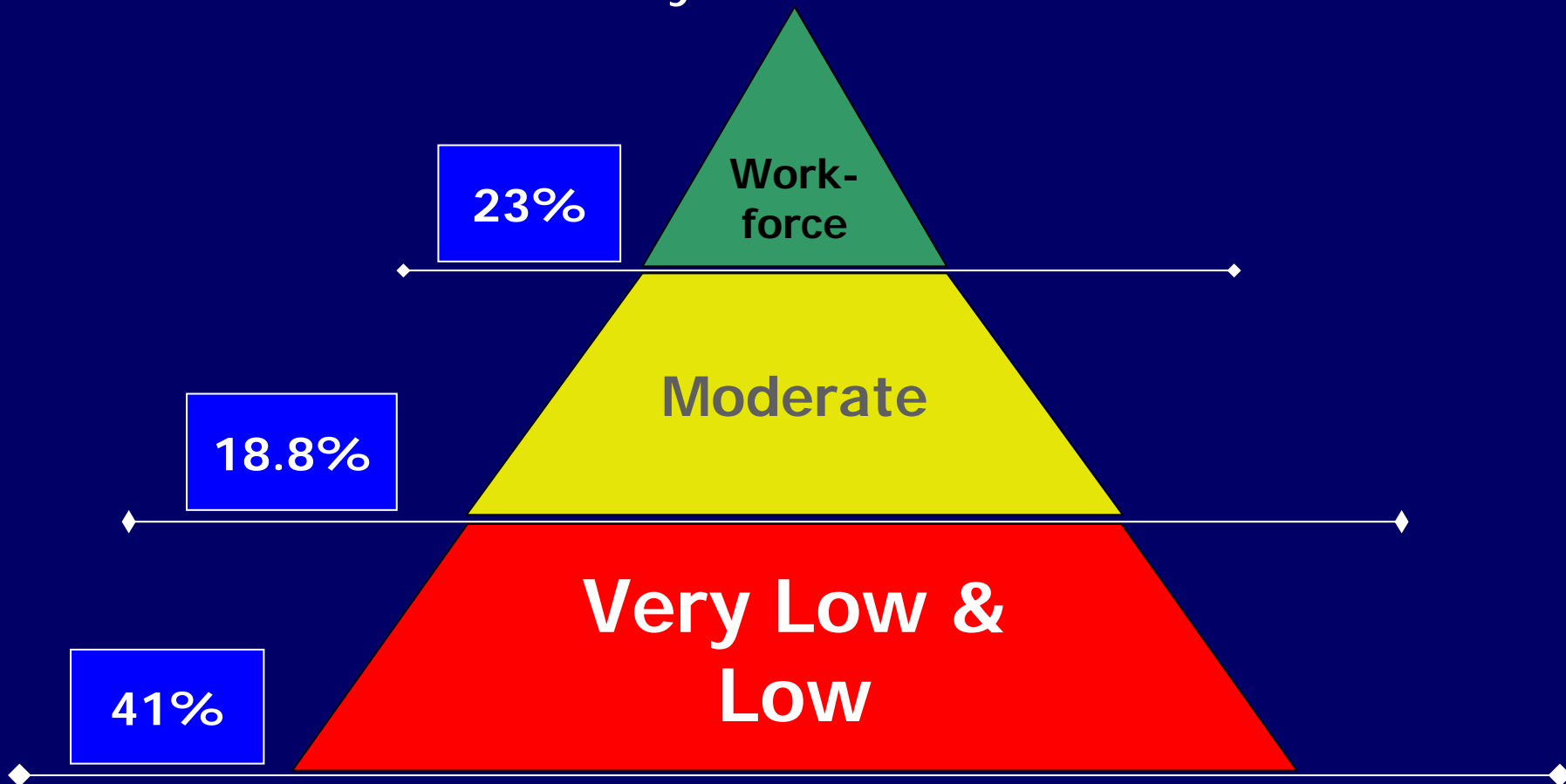
# Benefits of the Structural Changes

- Improves the affordability-maintenance, Home Owner Association fees, etc.
- Provides us an opportunity to target a major need in this County
- Reduces monitoring costs
- Leverages State and Federal funding





# Households by Income Category County of Santa Barbara







# Housing Choice Voucher Waiting Lists

- County Housing Authority = 3,515
- City of SB Housing Authority = 2,357
- At or below 80% median income - \$53,700 for a family of four

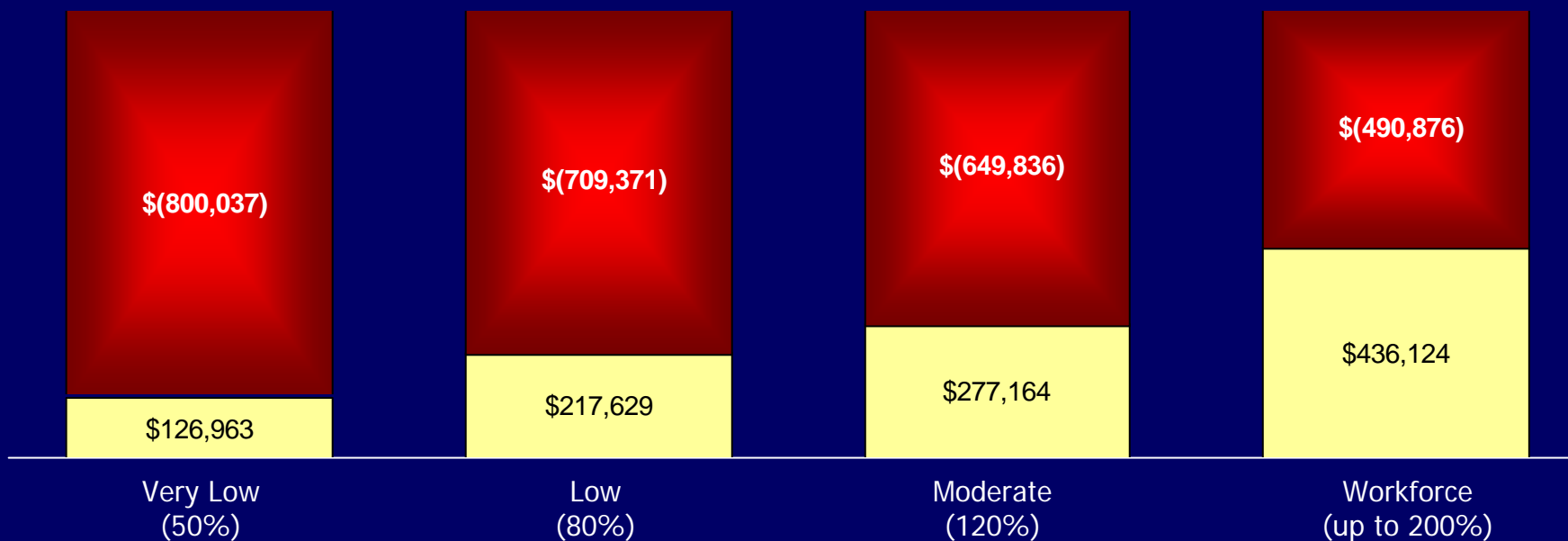


*Housing Choice Voucher Program – primary purpose is to provide rental assistance to low-income families.*



# South Coast Housing Market – \$927,000

3 Bedroom – 2 Bath Single Family Home in Zip Codes: 93110, 93111, 93117



 Affordability

What can be purchased based on 2006 Income Limits

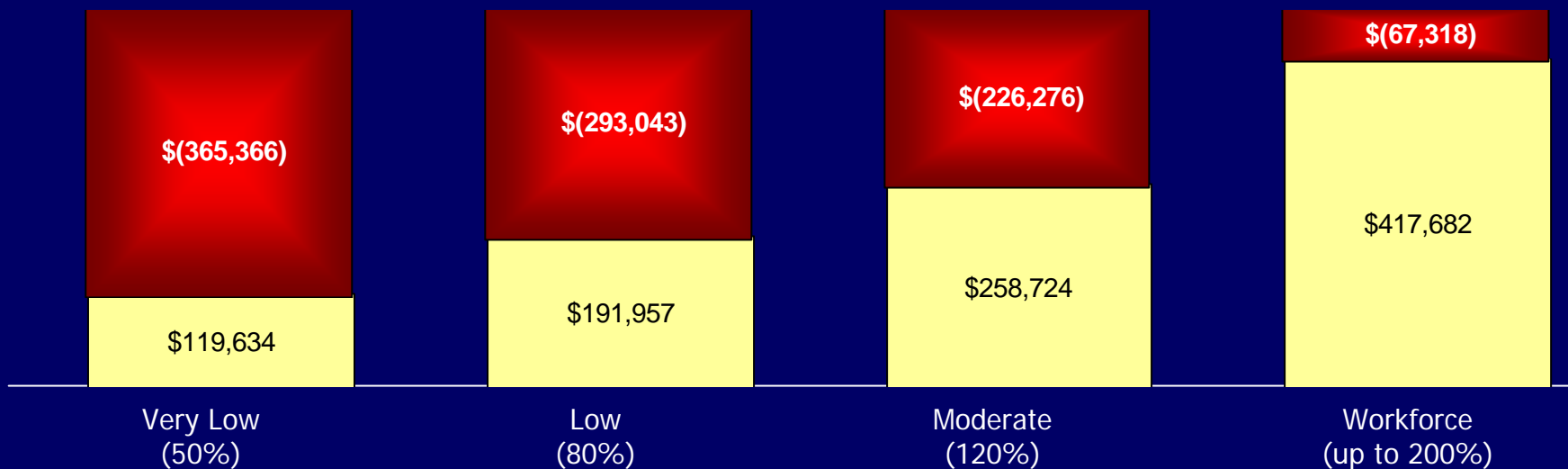
 Affordability Gap

Purchasing power vs. average price



# Santa Maria Housing Market – \$485,000

3 Bedroom – 2 Bath Single Family Home



 Affordability

What can be purchased based  
on 2006 Income Limits

 Affordability Gap

Purchasing power vs. average price



# Monitoring Costs and Leveraging Dollars

- Rental Unit = \$19/unit

- Currently monitoring: 1,179 units

- Total: \$22,401.00



- Homeownership Unit = \$400/unit

- Currently monitoring: 463 units

- Total: \$187,600.00

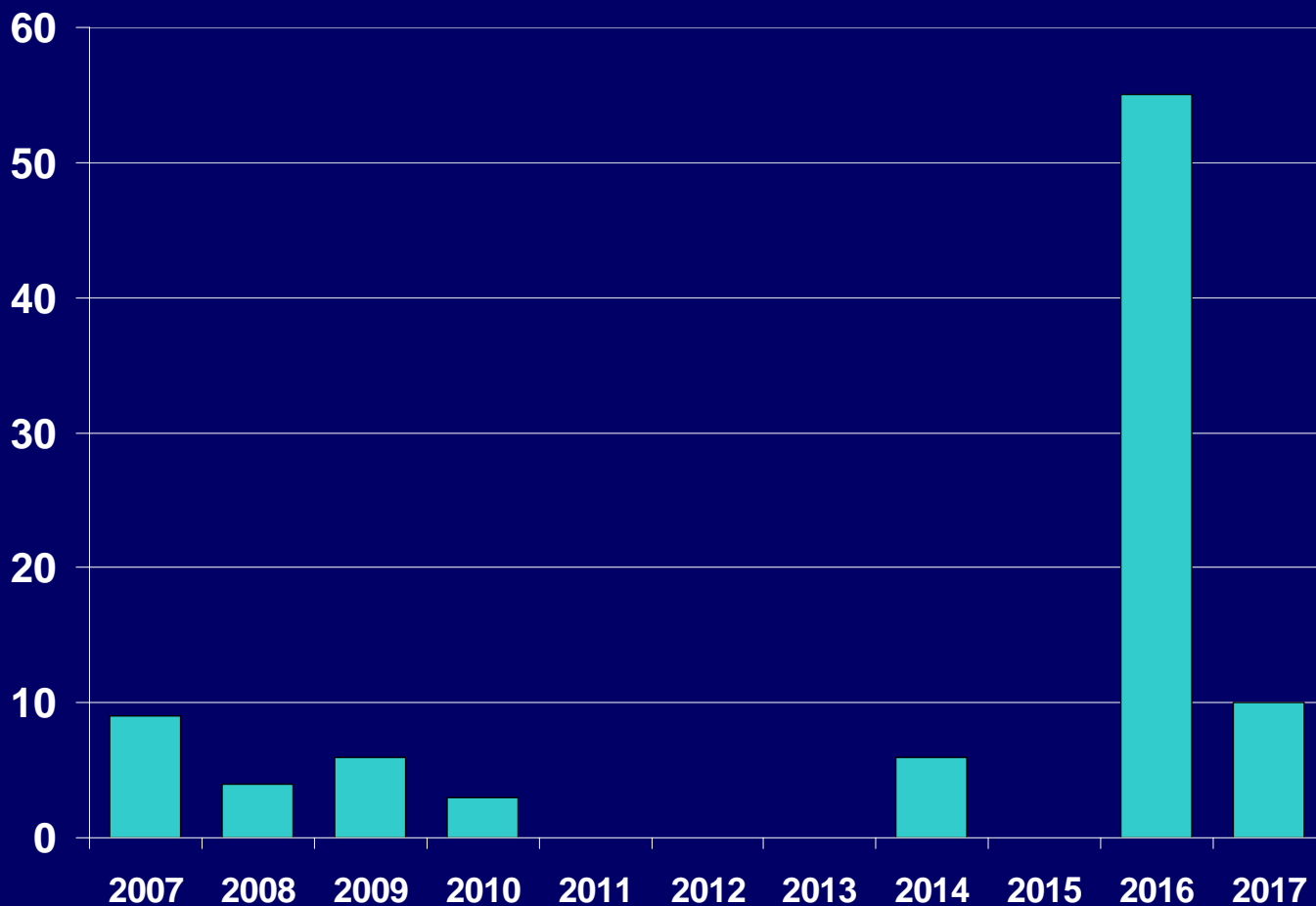


- Leveraging: \$1 = \$7





## 93 Units Expiring Over 10-Year Period; Projected Windfall



13



# In-Lieu Fees and Fees Collected

- “Adopt policies and in-lieu fees, which make it more profitable for a developer to pay the developer fee.”
- “Fees collected would establish a “revolving loan fund” for down payment assistance with low deferred interest loans to qualified buyers.”

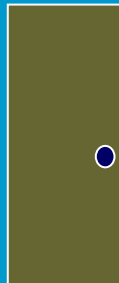


# *Projects Approved, but not yet Constructed*

*Build  
affordable  
units  
onsite*



*Build more  
affordable  
units offsite*



*Convey  
combination  
of land and  
funds*



*Contribute  
amount  
that will  
produce  
more  
affordable  
units*



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Thank You