

HOUSING ELEMENT

| Address | Owner | Affordable Units | Funding Sources | Earliest Exp. Date |
|--------------------------|---------------------------|-------------------------|---------------------------------------|---------------------------|
| 1409 Kenwood Rd | City SB Parks | 1/Low | CDBG ¹ | 2015 |
| 1018-1028 Castillo St | CHC | 32/Low | CDBG, RDA ² , State Def | 2015 |
| 227-C E De la Guerra St | De La Guerra Court Invest | 1/Low | Zoning Mod ³ | 2016 |
| 620-652 Castillo St | HASB | 17/Low | CDBG, RDA | 2016 |
| 910 E Haley St | Sherwin c/o Meridan Group | 1/Low | Zoning Mod | 2016 |
| 1426 Euclid Ave | DeMare Inv. | 1/Low | Zoning Mod | 2016 |
| 401-404 Transfer Ave | HASB | 8/Low | RDA | 2016 |
| 1511 Bath St | Smagala | 10/Low | RDA | 2016 |
| 209 W Cota St | Smagala | 6/Low | RDA | 2017 |
| 222 W Micheltorena St | Smalgala | 12/Low | Zoning Mod | 2017 |
| 811-815 Salsipuedes St | Hawkes | 13/Low | RDA | 2018 |
| 203-201 Hitchcock St | Towbes Group | 111/Moderate | Zoning Mod | 2018 |
| 1215 Cacique St | Wright | 5/Low | Zoning Mod | 2019 |
| 821 Bath St | CHC | 12/Low | CDBG, RDA | 2019 |
| 420 E De la Guerra St | Goldrich, Kest & Assoc | 50/Low | HUD ⁴ Regulatory/Option | 2018 |
| 221-223 W Victoria St | HASB | 12/Low | RDA | 2020 |
| 114 La Paz | William Reed | 2/Low | Zoning Mod | 2020 |
| 1306 Garden St | Lippincott | 4/Moderate | Zoning Mod | 2021 |
| 1910-1912 Robbins St | Rivera | 2/Low | Zoning Mod | 2021 |
| 222 Meigs Rd | Shoreline Development | 2/Moderate | Zoning Mod | 2022 |
| 1104 Carpinteria St | Borgatello | 2/Moderate | Zoning Mod | 2023 |
| 47 Broadmoor | CHC | 15/Low | RDA | 2023 |
| 107 E. Micheltorena St | Phoenix House | 11/Low | CDBG | 2023 |
| 1409 Castillo St | CHC | 14/Low | CDBG/RDA | 2024 |
| 803 Laguna St | Laguna Cottages | 44/Low | CDBG/RDA | 2025 |
| Total 25 Projects | | 388 | | |

Source: City of Santa Barbara 2014

¹ CDBG stands for the federal Community Development Block Grant Program.

² RDA stands for the City's Redevelopment Agency Housing Set-Aside funds.

³ Zoning Mod does not stand for any source of funding, but rather for modifications to the City's zoning code that were granted in return for the dedication of affordable housing units.

⁴ HUD stands for the U.S. Department of Housing and Urban Development

As indicated in the Assessment of Conversion Risk section below, nonprofit owners are considerably more likely than for-profit owners to maintain affordable housing units beyond the expiration of affordability controls. ~~Fortunately, most of the at-risk affordable rental units (66 percent) are owned by nonprofit organizations.~~

HOUSING ELEMENT

**Table H-24: Projects With Affordable Ownership Housing At Risk (2015-2025)
City of Santa Barbara**

| Address | At Risk Units | Total # Affordable Units | Funding Sources | Earliest Exp. Date |
|---|---------------|--------------------------|-----------------|--------------------|
| 3902-3930 Via Diego/402-432 Via Rosa La Colina Village | 31/Moderate | 50 | Zoning Mod | 2015 |
| 3558-3578 Modoc Road Arroyo Verde | 5/Moderate | 13 | Zoning Mod | 2016 |
| 22 N. Voluntario Street Los Suenos | 6/Moderate | 6 | RDA | 2016 |
| 2001-11 Elise Way Maravillas | 2/Moderate | 6 | RDA | 2016 |
| 329 W. Ortega Ortega Homes | 1/Moderate | 3 | RDA | 2017 |
| 1024-1030 Quinientos/2-12 S. Voluntario Campos Feliz | 9/Moderate | 18 | RDA | 2018 |
| 3708-3773 Gregory Way Franciscan Villas | 18/Moderate | 46 | Zoning Mod | 2018 |
| 414 W. De la Guerra Street Casa Chula | 3/Moderate | 5 | RDA | 2019 |
| 915, 917, 919 Bath Street Old Vic | 1/Moderate | 3 | RDA | 2019 |
| 1310 San Andres Street Canto Arroyo | 4/Moderate | 5 | RDA | 2020 |
| 820 W. Victoria Street Victoria Town Homes | 1/Moderate | 1 | Zoning Mod | 2020 |
| 1019 Quinientos Street La Ventura | 3/Moderate | 10 | RDA | 2021 |
| 2014-2016 Modoc/2041-2051 Oak Ave Oak Creek | 1/Moderate | 6 | RDA | 2022 |
| 1838 San Andres Street Pinecone | 7/Moderate | 10 | RDA | 2022 |
| 720 Castillo Street The Commons | 1/Moderate | 3 | RDA | 2022 |
| 33 Ocean View Pueblo Andaluz | 6/Moderate | 10 | RDA | 2023 |
| 1920 Robbins Street Robbins Court | 4/Moderate | 6 | Zoning Mod | 2023 |
| 211 W. Gutierrez Street El Zoco | 7/Moderate | 16 | RDA | 2024 |
| 831 W. Anapamu Street 7 Oaks | 2/Moderate | 5 | Zoning Mod | 2025 |
| Total: 19 Projects | 112 | 222 | | |

Source: City of Santa Barbara 2014

RDA stands for the City's Redevelopment Agency Housing Set-Aside funds.

Zoning Mod does not stand for any source of funding, but rather for modifications to the City's zoning code that were granted in return for the dedication of affordable housing units.

H20.7 Substandard Buildings. Consider implementing a program that would require owners of buildings found by the City's Building and Safety Division to be substandard to assume the financial burden of relocating their tenants to habitable units.

H20.8 Tax Code. Continue to utilize the processes of Sections 17274 and 24436.5 of the *State Revenue and Taxation Code* which prohibits a taxpayer who derives rental income from substandard housing from receiving income tax deductions for interest, taxes, depreciation or amortization paid or incurred with respect to the substandard housing.

H21. **Preserve Affordable Housing.** Maintain the affordability of existing extremely low, very low, low and moderate income dwelling units.

Possible Implementation Actions to be Considered

H21.1 Affordability Covenants. Continue to monitor and preserve affordable housing covenants before they expire.

H21.2 At-Risk Affordable Units. Continue to encourage the Housing Authority and nonprofit organizations to acquire and manage units whose affordability requirements are due to expire.

H21.3 Expiring Affordability. For projects with expiring affordability provisions:

- Make a determination as to whether longer affordability is feasible under existing financing;
- Engage in dialogue with property owners, no later than 12 months prior to the expiration of the recorded affordability covenant, to extend the affordability period. If the affordability period is not extended the City in conjunction with the property owner shall notify the tenants of the impending expiration to ensure proper and timely notification;
- ~~Explore options for refinancing first mortgage bonds;~~
- Examine funding availability for the extension of affordability covenants;
- Explore potential for sale of project to nonprofit or the Housing Authority;
- Require additional affordability as a condition of subordination of an existing City loan against the property.

H21.4 Presidio Park Apartments. Ensure that Presidio Park Apartments remain affordable in the interim between when their Section 8 contract expires ~~(2004)~~ and when the City has option to purchase (2018). ~~Develop~~ Prior to 2018 develop a financial plan to purchase or preferably monetize Presidio Park Apartments and ensure they remain as a long term affordable housing project ~~in 2018~~.

Regional Cooperation and Jobs/Housing Balance Policies

H22. **Work to Solve Regional Jobs/Housing Imbalance.** The City is committed to working with neighboring jurisdictions and the private sector to solve the regional jobs/housing imbalance in a regional manner.

Goal 2: New Housing Development

Policy H10: Given limited remaining land resources, the City shall encourage the development of housing on vacant infill sites and the redevelopment of opportunity sites both in residential zones, and as part of mixed-use development in commercial zones.

| Implementation Actions | Work Program |
|--|---|
| <p>H10.1 <u>Early Project Consultation.</u> Continue to offer and encourage early staff predevelopment consultations for residential development of opportunity sites and mixed use projects.</p> | <p>Objective: Continue efforts to facilitate infill development in residential zones and mixed-use development in commercial zones. Construct 54 units/year.</p> |
| <p>H10.2 <u>Property Profiles.</u> Continue to offer property profile services in the Planning Division that explain development potential and constraints for parcels in the City. Property profile services generally involve the review of archive, street and planning files, and the preparation of a letter report containing information regarding the property's permit history and development potential.</p> | <p>Responsible Agency: Planning Division Timeframe: Ongoing Funding Sources: General Fund</p> |
| <p>H10.4 <u>Housing at Shopping Centers.</u> Promote and encourage the development of mixed-use for-ownership and rental housing at shopping centers such as La Cumbre Plaza shopping center, with an emphasis on affordability, by coordinating and/or partnering with property owners and housing developers.</p> | |
| <p>H10.3 <u>Building Reuse.</u> Encourage residential reuse of existing nonresidential buildings for housing, especially for both ownership and rental affordable housing.</p> | <p>Objective: Amend Municipal Code to include provisions for the re-use of existing buildings for housing opportunities. Responsible Agency: Planning Division Timeframe: 6 or more 1-2 years Funding Sources: General Fund</p> |

- b. Amend the payment of in-lieu fees to include the following considerations:
 - Eliminate or reduce inclusionary housing in-lieu fees based on preferred development, such as affordable or special needs housing projects;
 - Adjust the inclusionary housing in-lieu fee rate based on unit size (i.e., lower fees for smaller units); and
- c. Require a Housing Mitigation Fee for commercial development; ~~and.~~
- d. ~~Suspend the inclusionary housing requirements or in-lieu fees during times of economic downturn if development costs are prohibitive.~~

H11.4 Density Standards. Develop density standards that permit greater densities for projects that provide a greater percentage of price-restricted ownership units than required by the inclusionary housing ordinance.

~~H11.8 Opportunity Sites. Assist, coordinate or partner with builders for the development of affordable housing projects by identifying in-fill and opportunity sites in the commercial zones, on public lands and under developed R-2, R-3 and R-4 sites.~~

H11.5 Bonus Density. Continue to provide bonus density units above levels required by State law, to be reviewed on a case-by-case basis.

H11.6 Private Sponsors. Continue to solicit proposals for low-, moderate-, and middle income projects from private sponsors and develop programs to assist in their implementation.

H11.7 Infill Housing. Continue to assist the development of infill housing including financial and management incentives in cooperation with the Housing Authority and private developers to use underutilized and small vacant parcels of land for new

Objective: Explore alternative ways and funding sources to promote housing opportunities, including the production of affordable and workforce housing units.

Responsible Agency: Administration, Housing & Redevelopment Human Services and Planning Divisions

Timeframe: Ongoing with annual review

Funding Sources: General Fund, RDATBD

extremely low, very low, low and moderate income housing opportunities.

H11.8 Opportunity Sites. Assist, coordinate or partner with builders for the development of affordable housing projects by identifying in-fill and opportunity sites in the commercial zones, on public lands and under-developed R-2, R-3 and R-4 sites in the Available Land Inventory of the Housing Element.

H11.9 Sweat Equity Projects. Continue to support special procedures for development, permitting, construction and early occupancy of “sweat equity” projects.

H11.10 Large Rental Units. Encourage the construction of three bedroom and larger rental units for low-, moderate-, and middle income families, including the Housing Authority in efforts to develop and/or acquire three+ bedroom units.

H11.11 Condominium Conversions. Continue to implement the Municipal Code’s Condominium Conversion Ordinance to provide an opportunity for entry-level home ownership in a variety of locations while maintaining a supply of rental housing for extremely low, very low, low and moderate income persons.

H11.19 Parcel Consolidation. Encourage the consolidation of small and underutilized parcels for development of affordable housing, if appropriate based on neighborhood compatibility.

H11.12 Surplus Land. Inventory all land in the City owned by County, State and Federal governments, the Santa Barbara School and High School Districts and public utilities and actively pursue dedication of surplus land for development of low moderate and middle income housing, and for qualifying employees of participating government agencies.

H11.13 Housing Opportunities. Look for housing opportunities on City-owned land or over private and public parking lots.

Objective: Explore alternative ways and funding sources to promote housing opportunities, including the production of affordable and workforce housing units.

Responsible Agency: Administration, Housing & Redevelopment Human Services and Planning Divisions

Timeframe: TBD Ongoing with annual review

Funding Sources: TBD

Policy H18: The City shall monitor housing development and progress toward achieving housing goals.

| Implementation Actions | Work Program |
|--|---|
| <p>H18.1 <u>Adaptive Management Program.</u> Through the Adaptive Management Program, monitor and report annually to the Planning Commission, City Council and public, the number of total and affordable dwelling units (including bonus density units) that are being constructed, and the number of units converted to commercial use or demolished and not replaced.</p> | <p>Objective: Monitor housing production and progress made toward Housing Element goals. Responsible Agency: Planning Division Timeframe: Annually Funding Sources: General Fund</p> |

Goal 3: Conservation and Improvement of Existing Housing

Policy H19: The City shall continue to expand its voluntary housing rehabilitation programs, and preserve existing housing in all parts of the City.

| Implementation Actions | Work Program |
|---|--|
| <p>H19.1 <u>Rehabilitation Loans.</u> Continue to provide rehabilitation loans to low and moderate income owner households in neighborhoods displaying the greatest need for rehabilitation.</p> | <p>Objective: <u>Dependent upon funding availability,</u> Continue-continue to commit City funds (2 loans/year) to rehabilitate single family and multi-family extremely low, very low, low, and moderate-income units.</p> |
| <p>H19.2 <u>Outreach Efforts.</u> Increase outreach efforts to encourage homeowners and apartment owners to participate in the City's Housing Rehabilitation Loan Program (HRLP).</p> | <p>Responsible Agency: Housing & Redevelopment, Building & Safety and Planning Divisions</p> |
| <p>H19.3 <u>Review HRLP.</u> Review and evaluate the objectives of the HRLP for consistency with the 2010 Housing Element goals.</p> | <p>Timeframe: 3-5 years (H19.2, H19.3, H19.5), Ongoing <u>with annual review</u> (H19.1, H19.4, H19.7, H19.8)</p> |
| <p>H19.4 <u>Low-Interest Loans.</u> Continue to provide low interest rehabilitation loans for housing sponsors to rehabilitate multi-family structures.</p> | <p>Funding Sources: RDA, CDBG <u>program income</u> funds</p> |
| <p>H19.5 <u>Neighborhood Surveys.</u> Continue to survey neighborhoods that have the highest number and concentration of units in need of rehabilitation.</p> | |
| <p>H19.7 <u>Remove Architectural Barriers.</u> Continue the City's Home Rehabilitation Loan Program's efforts to remove architectural barriers in the homes of disabled citizens.</p> | |

| | |
|---|--|
| <p>H20.8 <u>Tax Code</u>. Continue to utilize the processes of Sections 17274 and 24436.5 of the State Revenue and Taxation Code which prohibits a taxpayer who derives rental income from substandard housing from receiving income tax deductions for interest, taxes, depreciation or amortization paid or incurred with respect to the substandard housing.</p> | |
| <p>H20.5 <u>Illegal Dwelling Units</u>. Consider ways to legalize illegal dwelling units in accordance with the requirements of the Zoning Ordinance.</p> | <p>Objective: Complete studies to identify methods and implications of increased enforcement on illegal and substandard housing units.</p> |
| <p>H20.6 <u>Code Enforcement</u>. Consider intensifying enforcement of the requirements of the Zoning Ordinance, the California Building Code and the Uniform Housing Code only if adequate protection measures and relocation assistance are available for tenants who may be displaced by such enforcement activities.</p> | <p>Responsible Agency: Planning, Building & Safety Divisions and City Attorney's Office</p> <p>Timeframe: TBD 1-2 years</p> <p>Funding Sources: TBD</p> |
| <p>H20.7 <u>Substandard Buildings</u>. Consider implementing a program that would require owners of buildings found by the City's Building and Safety Division to be substandard to assume the financial burden of relocating their tenants to habitable units.</p> | |

| <p>Policy H21: Maintain the affordability of existing extremely low, very low, low- and moderate-income dwelling units.</p> | |
|--|---|
| <p>Implementation Actions</p> | <p>Work Program</p> |
| <p>H21.1 <u>Affordability Covenants</u>. Continue to monitor and preserve affordable housing covenants before they expire.</p> | <p>Objective: Preserve affordable housing through the maintenance of affordability covenants, including requiring longer affordability of units.</p> |
| <p>H21.2 <u>At-Risk Affordable Units</u>. Continue to encourage the Housing Authority and nonprofit organizations to acquire and manage units whose affordability requirements are due to expire.</p> | <p>Responsible Agency: <u>Administration</u>, Housing & <u>Redevelopment Human Services</u> Division</p> <p>Timeframe: 3-5 years (H21.4), Ongoing <u>with annual review</u> (H21.1, H21.2, H21.3)</p> |
| <p>H21.3 <u>Expiring Affordability</u>. For projects with expiring affordability provisions:</p> <ul style="list-style-type: none"> ▪ Make a determination as to whether longer affordability is feasible under existing financing; | <p>Funding Sources: RDA, HOME, CDBG, HCD, <u>Presidio Park Apartment</u> funds</p> |

- Engage in dialogue with property owners, no later than 12 months prior to the expiration of the recorded affordability covenant, to extend the affordability period. If the affordability period is not extended the City in conjunction with the property owner shall notify the tenants of the impending expiration to ensure proper and timely notification;
- ~~Explore options for refinancing first mortgage bonds;~~
- Examine funding availability for the extension of affordability covenants;
- Explore potential for sale of project to nonprofit or the Housing Authority;
- Require additional affordability as a condition of subordination of an existing City loan against the property.

H21.4 Presidio Park Apartments. Ensure that Presidio Park Apartments remain affordable in the interim between when their Section 8 contract expires ~~(2004)~~ and when the City has option to purchase (2018). ~~Develop~~ Prior to 2018 develop a financial plan to purchase or preferably monetize Presidio Park Apartments and ensure they remain as a long term affordable housing project ~~in 2018~~.

Goal 4: Regional Cooperation & Jobs/Housing Balance

Policy H22: The City is committed to working with neighboring jurisdictions and the private sector to solve the regional jobs/housing imbalance in a regional manner.

Implementation Actions

Work Program

H22.1 Affordable Housing Task Group. Continue to support and participate on the Joint Cities / County Affordable Housing Task Group.

Objective: Continue active participation to address regional affordable housing issues.

Responsible Agency: Planning Division

H22.2 Shared Housing Development. Explore joint housing

Timeframe: Ongoing; 2015 (H22.4)

sites.

H22.10 Regional Coordination on Affordable Housing. Continue to coordinate with other South Coast agencies to identify available land for residential development and consider partnerships between local agencies to develop housing for the South Coast workforce. Inventory and consider publicly-owned sites throughout the South Coast’s urban areas with good transit accessibility for such development.

Policy H23: Develop regional strategies to fund and construct Affordable Housing for different need categories (e.g. senior, young families, disabled, homeless) within existing urban growth limits.

| Implementation Actions | Work Program |
|---|---|
| <p>H23.1 <u>State and Federal Funding.</u> Explore opportunities for joint City/County applications for Federal and State housing assistance programs.</p> | <p>Objective: Continue to participate and encourage inter-jurisdictional housing funding and construction. Responsible Agency: <u>Administration</u>, Housing & <u>Redevelopment Human Services</u> and Planning Divisions</p> |
| <p>H23.2 <u>Annexations.</u> At the request of the County and community, pursue joint projects, including annexations, similar to the Mercy Housing / St. Vincent’s affordable housing project.</p> | <p>Timeframe: Ongoing <u>with annual review</u> Funding Sources: <u>RDA, TBD</u>, General Fund</p> |
| <p>H23.4 <u>New Funding Sources.</u> Encourage the community-based Housing Trust Fund and the Trust for Public Lands to work together in efforts to identify new funding sources for affordable housing projects.</p> | |
| <p>H23.5 <u>Housing Authority Coordination.</u> Encourage the City and County Housing Authorities to work together to purchase sites and/or construct affordable housing.</p> | |
| <p>H23.3 <u>City Resources.</u> Look for opportunities to use City funding and staffing resource for affordable projects outside the City limits as requested and appropriate.</p> | <p>Objective: Develop new regional strategies to fund and construct affordable housing. Responsible Agency: <u>Administration</u>, Housing & <u>Redevelopment Human Services</u> and Planning Divisions</p> |