

CORRESPONDENCE
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HOUSING

AUTHORITY OF THE
CITY OF SANTA BARBARA

808 Laguna Street / Santa Barbara
California / 93101

Tel (805) 965-1071
Fax (805) 564-7041
TTY (866) 660-4288 (En)
TTY (866) 288-1311 (Sp)

November 18, 2013

The Honorable Mayor Helene Schneider
and Members of the City Council
City of Santa Barbara
City Hall, De La Guerra Plaza
Santa Barbara, CA 93101

RE: AFFORDABLE HOUSING DEVELOPMENT AT HALEY AND SALSIPUEDES STS. BY
PEOPLES' SELF-HELP HOUSING

Dear Mayor Schneider and Members of the City Council:

This letter is offered in support of the above referenced development. It further recommends that the City Council deny the appeal of this project's ABR approval set for November 26, 2013.

Peoples' Self-Help Housing (Peoples'), the developer of the subject 40 unit affordable housing project, presented their plans for the proposed project to the Housing Authority Commission on November 6, 2013. The Housing Authority Commission unanimously voted to support this well designed and very needed apartment project. The Housing Authority has gone an additional step in supporting this development by committing 14 "Project Based" Section 8 Housing Choice Vouchers to the project for the purpose of enhancing its revenue and cash flow needs at completion as well as guarantee access to these needed apartments by households on our waiting list.

As your Council knows, the availability of affordable housing remains one of our community's biggest challenges. The 2013 UCSB Economic Forecast Project showed that the South Coast rental housing market has a vacancy rate of less than 1%. Planning and economic professionals have long acknowledged that housing vacancy rates of less than 5% result in an unhealthy housing market for the community-at-large, and leads to over-crowding, substandard housing and rents that are beyond the reach of middle-income workers; to say nothing of low-income workers and seniors and disabled households on fixed incomes. The UCSB study goes on to state that "A tenant would need to earn over \$52,000/year (\$26.09/hr.), to qualify to rent the average Santa Barbara South Coast apartment" and "Nearly \$66,000/year, or \$32.95/hr., would be required to qualify for the average two bedroom rent." As we all know, a very large percentage of the Santa Barbara workforce, particularly those working in our important visitor serving economy, earn far less than these dollar amounts. Last year, the City and the Housing Authority completed a HUD required document known as "Analysis of Impediments to Fair Housing." This joint agency report revealed that over 57.5% of City residents pay more than 30% of their income for housing—another well recognized indicator of housing problems in the given community. This is particularly hard on low income households as their remaining income for other basics such as food and health care is so limited.

All of this speaks to the importance of new rental housing projects such as this one by Peoples' Self-Help. Peoples' ability to move forward and have this project realized are critical building blocks that promote the community's diversity, overall health and economic vitality.

As an operating arm of the City, created by the City Council for the purpose of providing needed affordable housing, we have long learned that our task is both huge and difficult. Doing it in this "post RDA" age is even more challenging. To have quality, non-profit housing developers and operators such as Peoples' assist us in meeting our affordable housing challenge is critically important. They need to be welcomed, encouraged and not further delayed as "time is money" and their motivation is not profit driven. They are here to assist our community address a well-recognized and long-established community need.

For these reasons, we recommend that the City Council deny the appeal of the project's ABR approval and move this important project forward.

Sincerely,

HOUSING AUTHORITY OF THE
CITY OF SANTA BARBARA

A handwritten signature in blue ink that reads "Mary Johnston". The signature is written in a cursive, flowing style.

MARY JOHNSTON
Chair

cc: Housing Authority Commission
Rob Pearson, Executive Director