



August 16, 2007

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Daniel Singer

The Honorable Judge Melville
Superior Court
312-M East Cook Street
Santa Maria, CA 93455

RE: Response to Grand Jury Report - "Affordable Housing in Santa Barbara County – Myth or Reality?"

Dear Judge Melville,

On May 24, 2007, the Santa Barbara County Civil Grand Jury submitted a report on affordable housing to the Santa Barbara County Association of Governments for review and response. The report is entitled "*Affordable Housing in Santa Barbara County – Myth or Reality?*" As an affected jurisdiction, Goleta is required to provide a response to the related findings and recommendations. In accordance with Penal Code Section 933(c), this response letter, along with an electronic copy on CD-ROM disk, is transmitted before the 90-day response deadline expiration on August 22, 2007.

The Grand Jury Report directs Goleta to respond to Findings 3 through 9 and Recommendations 1 through 6. The responses are as follows:

Finding 3:

Funding to subsidize affordable housing is limited and not keeping pace with increased costs.

Response to Finding 3:

The City of Goleta agrees with the finding. While acknowledging the funding difficulties associated with the production of affordable housing, Goleta remains committed to support and facilitate the production of affordable housing and will continue to implement multiple strategies to ensure this objective.

Finding 4:

Housing Elements utilize zoning capacity and other policies to meet affordable housing requirements. However, construction of actual units is

Response to Finding 4:

The City of Goleta agrees with this finding. The City cannot require construction of affordable housing units. However, the City uses zoning as a tool to encourage the production of affordable units and provides incentives to encourage developers or non-profit organization to construct lower income units, including funding support when available.

Finding 5:

Affordable housing programs vary across jurisdictions but are not always matched to local needs.

Response to Finding 5:

The City of Goleta disagrees with this finding only as it relates to Goleta's program. Goleta attempts to meet the needs of the local community through zoning, incentive programs, permit streamlining, and funding support for affordable housing. The effectiveness of housing programs and the appropriateness of goals, objectives and policies are monitored annually and adjustments are made accordingly if new strategies are identified. Goleta cannot respond to this finding as it pertains to other jurisdictions.

Finding 6:

There are varying degrees of public and local government support for affordable housing across jurisdictions.

Response to Finding 6:

The City of Goleta agrees with this finding. Due to its recent incorporation and the sharing of City revenues with the County of Santa Barbara pursuant to the state-mandated Revenue Neutrality Agreement, the City is generally not in a position to allocate General Fund monies for affordable housing. The City seeks ways to utilize local, state, and federal assistance to the fullest extent possible to facilitate production of affordable units. For example, the City established a housing set-aside fund that will be used to create affordable units in the Redevelopment Agency. The City also established a restricted account using deposit in-lieu fees for affordable housing construction, acquisition, or rehabilitation. These are just two examples of the multiple strategies that Goleta employs to encourage affordable housing.

Finding 7:

Regional Housing Needs Assessment (RHNA) goals have not been met in most jurisdictions; there is a marked shortfall in the low and very low income categories with the exception of the City of Guadalupe.

Response to Finding 7:

The City of Goleta agrees with this finding. As a result of the State housing allocation (RHNA), Goleta must demonstrate that adequate sites will be made available to address its share of the regional housing need for the planning period. The Goleta Housing Element demonstrates that there is an adequate capacity of sites to accommodate the allocation. As noted in Response to Finding 4, the City cannot require construction of affordable housing units. However, the City uses zoning as a tool to encourage the production of affordable units and provides incentives to encourage developers or non-profit organization to construct lower income units.

Finding 8:

Santa Barbara County Association of Governments does not monitor or acknowledge jurisdictional successes in meet affordable housing goals. There is minimal effort to identify steps and patterns leading to success and to share this information with other jurisdictions.

Response to Finding 8:

The City of Goleta agrees with this finding as it relates to the Santa Barbara County Association of Governments; however, they are not charged with monitoring responsibilities. It should be noted that SBCAG facilitates discussion of development trends, including affordable housing projects, at the monthly Technical Planning Advisory Committee (TPAC) meetings.

It is important to note that Santa Barbara County jurisdictions consistently coordinate and collaborate to address the affordable housing concerns within the region. Staff and elected representatives from the Cities of Santa Barbara, Carpinteria, Goleta, and the County of Santa Barbara participate in the Joint City Council/Board of Supervisors Affordable Housing Task Group to exchange pertinent information and successful approaches to affordable housing.

Finding 9:

Non-profit organizations such as the Housing Authority of the County of Santa Barbara, the Housing Authority of the City of Santa Barbara, People's Self-Help Housing and Habitat for Humanity have many important roles in affordable housing programs.

Response to Finding 9:

The City of Goleta agrees with this finding. Non-profit organizations play a critical role in the success of our affordable housing programs, as well as the development of new affordable units.

Recommendation 1:

Since there is more than one way to develop and administer affordable housing programs, jurisdictions should focus on meeting local housing needs rather than relying on one type of program (e.g., owner-occupied and rental vs. rental only).

Response to Recommendation 1:

The City of Goleta has implemented this recommendation. The Goleta Housing Element employs multiple strategies to develop and administer affordable housing programs through its various policies and implementation actions. Goleta supports mixed use affordable housing units, preservation of existing affordable housing stock, creation of new affordable units, a mix of owner-occupied and rental units, and an array of incentives to encourage the development of long-term affordable housing. The programs set forth in the Housing Element are tailored to fit Goleta's population, including residents and employees. In addition, the City's RDA has a program to rehabilitate code deficient single family dwelling units.

Recommendation 2:

At least annually, each jurisdiction should hold informational community meetings to explain all aspects of its affordable housing program.

Response to Recommendation 2:

The City of Goleta has implemented this recommendation. Over the past two years, there have been more than 100 community meetings on General Plan issues and, specifically, issues pertaining to the Housing Element. Another such community meeting is scheduled for October 5. The State Housing and Community Development director, Lynn Jacobs, will be participating in the community meeting.

Recommendation 3:

Jurisdictions should focus on developing more very low and low-income housing to meet Regional Housing Needs Assessment goals.

Response to Recommendation 3:

The recommendation has been implemented and incorporated into the Housing Element. The Housing Element identifies adequate sites to meet the Regional Housing Needs Assessment (RHNA) goals and provides policies that support the production of very low and low-income housing. As documented in the Grand Jury report on affordable housing, Goleta approved 26 very low and 58 low income units. Currently, Goleta is in the environmental review phase of two large projects that have affordable housing requirements. The Village at Los Carneros includes 63 very low rental units and Sumida Gardens includes 12 very low and 18 low rental units.

If the Village at Los Carneros and Sumida Gardens projects is approved, as they likely will be, Goleta's production of units will increase to 101 very-low and 76 low-income units. These totals are still below the RHNA target, however, they demonstrate that Goleta is working to improve the availability of affordable housing stock through creative financing and the ability to work with developers/non-profits.

Recommendation 4:

SBCAG should organize regular meetings of jurisdictional representatives to share successes and problems in affordable housing programs.

Response to Recommendation 4:

This recommendation would not be implemented by the City of Goleta independent of the SBCAG. However, the SBCAG Technical Planning Advisory Committee reviews the development trends, including affordable housing projects, at their monthly meetings. Goleta representatives, as well as representatives of all jurisdictions in the County, are participating members of this committee.

Recommendation 5:

SBCAG should first collect data on jurisdictional performance and compare it to current RHNA and then use this information in the next round of allocations.

Response to Recommendation 5:

This recommendation would not be implemented by the City of Goleta independent of the SBCAG. Goleta will participate if SBCAG moves forward with studying jurisdictional performance in relation to RHNA.

Recommendation 6:

Jurisdictions should utilize successful non-profits as co-developers and administrators of affordable housing programs.

Response to Recommendation 6:

The recommendation has been implemented by the City of Goleta. Goleta currently works with various non-profit groups such as Peoples Self Help, Santa Barbara County Housing Authority, United Cerebral Palsy Foundation, etc. to develop, implement, and manage affordable housing units and programs.

The City of Goleta appreciates the observations of the Grand Jury. Should you have any questions, concerns or require additional information, feel free to contact me at (805) 961-7501.

Sincerely,



Daniel Singer
City Manager

C: Santa Barbara County Civil Grand Jury *
City Council
Vyto Adomaitis, RDA, Neighborhood Services, and Public Safety Director
Steve Chase, Planning & Environmental Services Director
Anne Wells, Advance Planning Manager
Von Louise Detrick, Management Analyst

Enclosure: *CD-ROM