

# Housing Task Force AUD Report

Effective 02/28/2017

	Number of Projects	Sum of Total Units	Number of Number of Number of				3+-bed Units	Average Number of Bedrooms	Parking Residential	Parking Commercial (if MU)	Average Project Density (units/acre)
			Studio Units	1-bed Units	2-bed Units	3+-bed Units					
<b>(High Density and Priority Housing)*</b>	<b>30</b>	<b>753</b>	<b>95</b>	<b>258</b>	<b>374</b>	<b>27</b>	<b>1.60</b>	<b>931</b>	<b>101</b>	<b>49.6</b>	
Pending	18	396	52	133	198	14	1.58	530	47	49.2	
Approved	9	206	25	95	83	3	1.63	212	26	49.9	
Building Permit Issued	3	151	18	30	93	10	1.61	189	28	51.7	
<b>AUD Medium High Der</b>	<b>32</b>	<b>205</b>	<b>10</b>	<b>62</b>	<b>92</b>	<b>41</b>	<b>1.96</b>	<b>291</b>	<b>6</b>	<b>21.3</b>	
Pending	12	55	2	13	23	17	1.91	89	6	19.9	
Approved	11	109	6	40	48	15	2.06	157	0	21.8	
Building Permit Issued	7	35	0	7	21	7	2.01	37	0	22.6	
Certificate of Occupan	2	6	2	2	0	2	1.50	8	0	21.5	
<b>AUD Affordable</b>	<b>5</b>	<b>251</b>	<b>152</b>	<b>64</b>	<b>22</b>	<b>13</b>	<b>1.24</b>	<b>124</b>	<b>0</b>	<b>63.8</b>	
Pending	2	63	63	0	0	0	1.00	28	0	84.0	
Approved	1	90	89	1	0	0	1.00	34	0	52.0	
Building Permit Issued	2	98	0	63	22	13	1.60	62	0	49.5	
<b>Grand Total</b>	<b>67</b>	<b>1209</b>	<b>257</b>	<b>384</b>	<b>488</b>	<b>81</b>	<b>1.74</b>	<b>1346</b>	<b>107</b>	<b>37.1</b>	

\* Does not include one project in PRT (418 N Milpas St) that does not have bedroom type or parking counts

**City of Santa Barbara**  
**AUD Priority Housing Rental Units**  
**AUD Cases – February 2, 2017**  
**Observations**

**Average Unit Density Cases for Priority Housing Rental Units are compiled on schedules attached and observations are summarized below. The intention is to have this material serve for future discussion. (Some additional information has been provided.\*)**

**AUD Priority Cases Approved (pages 10-14)**

***Observations – See SCHEDULE A detail attached***

10 priority rental cases (up to 63 du/acre) have been approved

2 of these cases are under construction

3 of these cases are in building plan check

10 cases are all in commercial zones

7 of these cases are mixed use

59,152 net commercial square footage, is being removed as part of site redevelopment

10 cases are located on commercial parcels totaling 248,451 square feet, or 5.7 acres

Densities range from 38 du/acre to the maximum 63 du/acre with an overall average of 56 du/acre

321 units - would be built on the 10 sites

321 units - 13% are studios, 36% are one-bedroom, 49% are two-bedrooms and 2% are three-bedrooms

321 units – average of 1.54 bedrooms (treating studios as one- bedroom), (calculations on Schedule A\*)

321 units - 765 square feet is average size of each unit

321 units - 863 square feet would be allowed based on actual densities, (calculations on Schedule A\*)

165 of the 321 units are on sites revised from prior variable density applications

**AUD Priority Cases Pending (pages 2-9)**

***Observations – See SCHEDULE B detail attached***

16 priority rental cases (up to 63 du/acre) are pending

11 cases are in commercial zones

8 of these 11 cases are mixed use

5 cases are in the R-4 Zone

40,026 of net commercial square footage, is being removed as part of site redevelopment

11 cases are located on commercial parcels totaling 253,407 square feet, or 5.8 acres

5 cases are located on R-4 parcels totaling 45,955 square feet, or 1.1 acre

Densities range from 24 du/acre (R-4) to the maximum 63 du/acre with an overall average of 56 du/acre

387 units - would be built on the 16 sites

387 units - 12% are studios, 31% are one-bedroom, 54% are two-bedrooms and 3% are three-bedrooms

387 units – average of 1.60 bedrooms (treating studios as one-bedroom), (calculations on Schedule B\*)

387 units - 725 square feet is average size of each unit

387 units - 833 square feet would be allowed based on actual densities (calculations on Schedule B\*)

77 of the 387 units are on sites revised from variable density applications

John Campanella

March 10, 2017

**SCHEDULE A**

**AUD Priority Housing Rental Units  
10 Cases Approved  
February 2, 2017**

10 AUD Priority Cases Approved	Zone	Mixed Use	Net New Comm'l SF	Parcel Size SF	Density Proposed du / acre	Total Units	Unit Type				Calculation: Average Bedrooms	Average Unit Size SF	Calculation: (AUD Table) Max SF at Density Proposed	
							Studio	1-Bed	2-Bed	3-Bed				
711 N Milpas - Approved	C-2	Yes	(26,344)	67,406	48	73	0	32	41	0	1.56	700	970	
116 E Cota - Approved	C-M	Yes	738	10,865	61	15	0	1	14	0	1.93	827	827	
414 Chapala - Approved	C-M	Yes	(1,876)	15,823	61	22	1	17	4	0	1.18	808	827	
1032 Santa Barbara - Approved	C-2	No	(131)	7,497	47	8	1	0	7	0	1.88	970	970	
1115 Garden - Approved	R-O	No	(1,080)	4,658	38	4	0	0	3	1	2.25	906	970	
510 E Ortega - Bldg Plan Check	C-M	No	0	5,000	44	5	2	0	2	1	1.80	961	970	
15 S Hope - Bldg Plan Check	C-2/SD-2	Yes	(7,737)	33,910	60	46 *	13	30	3	0	1.07	794	840	
634 Anacapa - Bldg Plan Check	C-M	Yes	(818)	20,825	63	30 *	8	13	9	0	1.30	733	811	
604 E Cota - Under Construction	C-M	Yes	346	20,670	62	29	16	10	3	0	1.10	595	825	
3885 State - Under Construction	C-2/SD-2	Yes	(22,250)	61,797	63	89 *	0	11	72	6	1.94	811	811	
<b>10 AUD Priority Cases Approved</b>			<b>(59,152)</b>	<b>248,451</b>	<b>56</b>	<b>321</b>		<b>41</b>	<b>114</b>	<b>158</b>	<b>8</b>	<b>1.54</b>	<b>765</b>	<b>863</b>
<b>Percent by Unit Type</b>						<b>100%</b>	<b>13%</b>	<b>36%</b>	<b>49%</b>	<b>2%</b>	<b>Studio = 1-bed</b>	<b>weighted average</b>	<b>weighted average</b>	
<b>AUD Units Revised from Prior Variable Density Applications</b>						<b>165 *</b>								

**SCHEDULE B**

**AUD Priority Housing Rental Units**  
**16 Cases Pending**  
**February 2, 2017**

16 AUD Priority Cases Pending	Zone	Net New Comm'l SF	Mixed Use	Parcel Size SF	Density Proposed du / acre	Total Units	Unit Type				Calculation: Average Bedrooms	Average Unit Size SF	Calculation: (AUD Table) Max SF at Density Proposed
							Studio	1-Bed	2-Bed	3-Bed			
825 De La Vina	C-2	1,000	Yes	14,750	63	21 *	3	15	1	2	1.24	801	811
125 E Gutierrez	C-M	N/A	No	7,050	62	10	0	2	8	0	1.80	802	825
711 Bath	R-4	N/A	No	8,995	44	9	1	4	4	0	1.44	589	970
24 W Gutierrez	C-M	400	Yes	6,720	52	8	0	2	6	0	1.75	935	935
809 De La Vina	C-2	Missing	No	29,375	51	34	4	21	9	0	1.26	647	941
1124 Castillo	R-4	(3,690)	No	10,500	46	11	0	4	7	0	1.64	835	970
3891 State	C-2/SD-2	(18,935)	Yes	59,300	63	85	0	12	68	5	1.92	811	811
800 Santa Barbara	C-2	(582)	Yes	18,568	54	23 *	0	4	15	4	2.00	779	901
333 West Ortega	R-4	N/A	No	9,375	38	8	0	6	2	0	1.25	698	970
618 Castillo	R-4	N/A	No	7,500	24	4	0	1	3	0	1.75	1,091	1,245
214 E De La Guerra	C-2	4,819	Yes	18,979	60	26	10	16	0	0	1.00	554	840
113 W De La Guerra	C-2	(4,545)	Yes	16,272	62	23 *	0	5	18	0	1.78	725	825
219 E Haley	C-M	2,018	Yes	25,113	63	36	0	8	28	0	1.78	811	811
401 E Haley	C-M	(1,511)	Yes	22,500	57	29	6	9	14	0	1.48	775	874
835 E Canon Perdido	C-2	(19,000)	No	34,780	63	50	24	0	26	0	1.52	642	811
325 W Anapamu	R-4	N/A	No	9,585	46	10 *	0	10	0	0	1.00	626	970
<b>16 AUD Priority Cases Pending</b>		<b>(40,026)</b>		<b>299,362</b>	<b>56</b>	<b>387</b>	<b>48</b>	<b>119</b>	<b>209</b>	<b>11</b>	<b>1.60</b>	<b>725</b>	<b>833</b>
<b>Percent by Unit Type</b>						<b>100%</b>	<b>12%</b>	<b>31%</b>	<b>54%</b>	<b>3%</b>	<b>Studio = 1-bed</b>	<b>weighted average</b>	<b>weighted average</b>
<b>AUD Units Revised from Prior Variable Density Applications</b>						<b>77 *</b>							
<b>Footnote: 5 - Priority Cases (Included Above)</b>	<b>R-4</b>	<b>(3,690)</b>		<b>45,955</b>	<b>40</b>	<b>42</b>	<b>1</b>	<b>25</b>	<b>16</b>	<b>0</b>	<b>1.38</b>	<b>731</b>	<b>996</b>

**SCHEDULE A-1**

**AUD Priority Housing Rental Units  
10 Cases Approved  
February 2, 2017**

10 AUD Priority Cases Approved	Zone	1 Space Per Unit Requirements			If Non AUD 1 Space Per Unit	Total Units	Residential Parking	Commercial Parking	Total Parking
		Mixed Use	+	CBD					
711 N Milpas - Approved	C-2	Yes		No	No	73			91
116 E Cota - Approved	C-M	Yes		Yes	Yes *	15			16
414 Chapala - Approved	C-M	Yes		Yes	Yes *	22			25
1032 Santa Barbara - Approved	C-2	No		Yes	No	8		-	11
1115 Garden - Approved	R-O	No		Yes	No	4		-	4
510 E Ortega - Bldg Plan Check	C-M	No		No	No	5		-	5
15 S Hope - Bldg Plan Check	C-2/SD-2	Yes		No	No	46			51
634 Anacapa - Bldg Plan Check	C-M	Yes		Yes	Yes *	30			32
604 E Cota - Under Construction	C-M	Yes		No	No	29			37
3885 State - Under Construction	C-2/SD-2	Yes		No	No	89			145
<b>10 AUD Priority Cases Approved</b>		<b>7</b>		<b>5</b>	<b>3 *</b>	<b>321</b>		<b>-</b>	<b>417</b>

\* Memo: 3 Mixed-Use projects in CBD that would allow 1 space per unit.  
(All 10 AUD Priority Cases Approved under AUD require 1 space per unit.)

**SCHEDULE B-1**

**AUD Priority Housing Rental Units  
16 Cases Pending  
February 2, 2017**

16 AUD Priority Cases Pending	Zone	1 Space Per Unit Requirements		=	If Non AUD 1 Space Per Unit	Total Units	Residential Parking	Commercial Parking	Total Parking
		Mixed Use	+						
825 De La Vina	C-2	Yes		Yes	*	21			27
125 E Gutierrez	C-M	No		Yes		10		-	10
711 Bath	R-4	No		No		9		-	10
24 W Gutierrez	C-M	Yes		Yes	*	8			10
809 De La Vina	C-2	No		Yes		34		-	34
1124 Castillo	R-4	No		No		11		-	11
3891 State	C-2/SD-2	Yes		No		85			192
800 Santa Barbara	C-2	Yes		Yes	*	23			27
333 West Ortega	R-4	No		No		8		-	8
618 Castillo	R-4	No		No		4		-	4
214 E De La Guerra	C-2	Yes		Yes	*	26			41
113 W De La Guerra	C-2	Yes		Yes	*	23			29
219 E Haley	C-M	Yes		Yes	*	36			46
401 E Haley	C-M	Yes		No		29		-	58
835 E Canon Perdido	C-2	No		No		50		-	50
325 W Anapamu	R-4	No		No		10		-	10
<b>16 AUD Priority Cases Pending</b>		<b>8</b>		<b>8</b>	<b>6</b>	<b>387</b>			<b>567</b>

\* Memo: 6 Mixed-Use projects in CBD that would allow 1 space per unit.  
(All 16 Priority Cases Pending under AUD require 1 space per unit.)

Average Unit Density Cases  
Bedroom Mix - "Total Units"  
February 2, 2017

Approved

Priority	AUD Page	Test Projects				
		Studio	1 bed	2 bed	3 bed	Total
Rental	2	3	15	1	2	21
	2	0	2	8	0	10
	3	1	4	4	0	9
	3	0	2	6	0	8
	4	4	21	9	0	34
	4	0	4	7	0	11
	5	0	12	68	5	85
	5	0	4	15	4	23
	6	0	6	2	0	8
	6	0	1	3	0	4
	7	10	16	0	0	26
	7	0	5	18	0	23
	8	0	8	28	0	36
	8	6	9	14	0	29
	9	24	0	26	0	50
	9	0	10	0	0	10
	10	0	32	41	0	73
	10	0	1	14	0	15
	11	1	17	4	0	22
	11	1	0	7	0	8
	12	0	0	3	1	4
	12	2	0	2	1	5
	13	13	30	3	0	46
	13	8	13	9	0	30
	14	16	10	3	0	29
	14	0	11	72	6	89
High Rental	15	Mixed Use Hotel / 31 Rentals (no detail)				
"	15	0	1	2	3	6
"	16	0	2	0	1	3
"	16	2	9	18	4	33
Ownership	17	0	2	2	0	4
<b>Priority</b>		89	233	367	19	708
<b>High</b>		2	14	22	8	46
<b>Total</b>		91	247	389	27	754
<b>Priority</b>		13%	33%	52%	3%	100%
<b>High</b>		4%	30%	48%	17%	100%
<b>Total</b>		12%	33%	52%	4%	100%

Average Bedrooms

1.59

Priority	AUD Page	Medium High				
		Studio	1 bed	2 bed	3 bed	Total
Med High Rental	20	0	0	11	1	12
	20	0	0	4	0	4
	21	1	4	2	0	7
	21	0	0	5	0	5
	22	0	0	3	0	3
	22	0	0	0	4	4
	23	0	1	1	10	12
	23	1	0	1	0	2
	24	0	1	2	0	3
	24	0	1	4	1	6
	25	0	3	0	1	4
	25	0	2	0	1	3
	26	0	13	8	0	21
	26	0	1	4	1	6
	27	0	0	2	1	3
	27	0	0	2	2	4
	28	6	6	9	0	21
	28	0	19	5	0	24
	29	0	1	0	1	2
	29	0	0	5	0	5
	30	0	0	2	5	7
	30	0	5	1	0	6
	31	0	0	4	4	8
	31	0	0	3	2	5
	32	0	0	1	1	2
	32	0	2	2	0	4
	33	0	0	7	0	7
	33	0	0	3	0	3
	34	2	0	0	2	4
	34	0	2	0	0	2
Ownership	35	0	0	0	4	4
<b>Total</b>		10	61	91	41	203
<b>Total</b>		5%	30%	45%	20%	100%

1.85

Priority	AUD Page	Affordable				
		Studio	1 bed	2 bed	3 bed	Total
	17	17	0	0	0	17
	18	46	0	0	0	46
	18	89	1	0	0	90
	19	0	58	0	0	58
	19	0	5	22	13	40
<b>Total</b>		152	64	22	13	251
<b>Total</b>		61%	25%	9%	5%	100%

1.19



**Average Unit Density Cases  
Priority and High Analysis  
February 2, 2017**

**Approved**

	AUD Page	Test Projects					Average Bedrooms	3 bed
		Studio	1 bed	2 bed	3 bed	Total		
Priority	2	3	15	1	2	21	1.24	2
Rental	2	0	2	8	0	10	1.80	0
	3	1	4	4	0	9	1.44	0
	3	0	2	6	0	8	1.75	0
	4	4	21	9	0	34	1.26	0
	4	0	4	7	0	11	1.64	0
	5	0	12	68	5	85	1.92	5
	5	0	4	15	4	23	2.00	4
	6	0	6	2	0	8	1.25	0
	6	0	1	3	0	4	1.75	0
	7	10	16	0	0	26	1.00	0
	7	0	5	18	0	23	1.78	0
	8	0	8	28	0	36	1.78	0
	8	6	9	14	0	29	1.48	0
	9	24	0	26	0	50	1.52	0
	9	0	10	0	0	10	1.00	0
	10	0	32	41	0	73	1.56	0
	10	0	1	14	0	15	1.93	0
	11	1	17	4	0	22	1.18	0
	11	1	0	7	0	8	1.88	0
	12	0	0	3	1	4	2.25	1
	12	2	0	2	1	5	1.80	1
	13	13	30	3	0	46	1.07	0
	13	8	13	9	0	30	1.30	0
	14	16	10	3	0	29	1.10	0
	14	0	11	72	6	89	1.94	6
High	15	Mixed Use Hotel / 31 Rentals (no detail)						
Rental	15	0	1	2	3	6	2.33	3
"	16	0	2	0	1	3	1.67	1
"	16	2	9	18	4	33	1.79	4
Ownership	17	0	2	2	0	4	1.50	0
Priority		89	233	367	19	708		
High		2	14	22	8	46		
<b>Total</b>		<b>91</b>	<b>247</b>	<b>389</b>	<b>27</b>	<b>754</b>		<b>27</b>
Priority		13%	33%	52%	3%	100%		
High		4%	30%	48%	17%	100%		
<b>Total</b>		<b>12%</b>	<b>33%</b>	<b>52%</b>	<b>4%</b>	<b>100%</b>		

**Average  
Bedrooms**

**1.59**

**Average Unit Density Cases  
Medium-High Analysis  
February 2, 2017**

**Approved**

	AUD Page	Medium High					Total	Average Bedrooms	3 bed
		Studio	1 bed	2 bed	3 bed				
Med High	20	0	0	11	1	12	2.08	1	
Rental	20	0	0	4	0	4	2.00	0	
	21	1	4	2	0	7	1.29	0	
	21	0	0	5	0	5	2.00	0	
	22	0	0	3	0	3	2.00	0	
	22	0	0	0	4	4	3.00	4	
	23	0	1	1	10	12	2.75	10	
	23	1	0	1	0	2	1.50	0	
	24	0	1	2	0	3	1.67	0	
	24	0	1	4	1	6	2.00	1	
	25	0	3	0	1	4	1.50	1	
	25	0	2	0	1	3	1.67	1	
	26	0	13	8	0	21	1.38	0	
	26	0	1	4	1	6	2.00	1	
	27	0	0	2	1	3	2.33	1	
	27	0	0	2	2	4	2.50	2	
	28	6	6	9	0	21	1.43	0	
	28	0	19	5	0	24	1.21	0	
	29	0	1	0	1	2	2.00	1	
	29	0	0	5	0	5	2.00	0	
	30	0	0	2	5	7	2.71	5	
	30	0	5	1	0	6	1.17	0	
	31	0	0	4	4	8	2.50	4	
	31	0	0	3	2	5	2.40	2	
	32	0	0	1	1	2	2.50	1	
	32	0	2	2	0	4	1.50	0	
	33	0	0	7	0	7	2.00	0	
	33	0	0	3	0	3	2.00	0	
	34	2	0	0	2	4	2.00	2	
	34	0	2	0	0	2	1.00	0	
Ownership	35	0	0	0	4	4	3.00	4	
Total		10	61	91	41	203		41	
Total		5%	30%	45%	20%	100%			

**Average Bedrooms**

**1.85**

## **2017 – HOUSING TASK FORCE – FACT SHEET - NEXUS AND FEASIBILITY STUDIES**

**Objective:** Explore options to assess impact fees or otherwise mandate the construction of rental housing affordable to households earning 80 to 120% of the Area Median Income.

### **Nexus Study**

A Nexus Study demonstrates the quantitative relationship between an increase in housing and the resulting increased need for affordable housing. New housing residents place demands on services provided by both the public and private sector, creating a demand for public and private services and new employees (who typically have low incomes ( $\leq 80\%$  AMI) or moderate incomes (80% - 120% AMI) and require affordable housing units). Approximate Cost: \$30,000/Approximate Time: 6 months

### **Economic Feasibility Study**

An Economic Feasibility Study determines if the inclusionary housing or affordable housing impact fee would unreasonably disrupt developer/owner's economic returns from a project. A Feasibility Study would also provide information regarding the cost of parking as well as other incentives and enable any proposed modifications to have a clear understanding of both project and policy economics. Approximate Cost: \$40,000/Approximate Time: 6 months

### **Questions to Submit for the Nexus and Feasibility Studies**

- 1) What is the value of various development incentives such as:
  - Parking
  - Building stories
  - Setbacks/outdoor living space
  - Stream-lined review/approval process
- 2) What is the cost to developer of restricting the rents of various sized units:
  - Low (80% and below of Area Median Income)
  - Moderate (80% to 120% of Area Median Income)
- 3) What is the appropriate level of a Housing Impact Fee?
- 4) Evaluate the rate of return for the following prototypes and projects:
  - Multifamily Rental in Priority Housing Overlay
  - Multifamily Rental in High Density
  - Multifamily Rental in Medium-High Density
  - Existing AUD Projects
  - Owner Condo Project

**Stakeholder Participation in development and review:**

City Council

Planning Commission

HLC Members

ABR Members

HTF Members

City Staff

Developers

Architects

Multifamily Lenders

Real Estate Appraisers

Real Estate Agents

Advocacy Groups

Landlords

Tenants

Other

## **2017 HOUSING TASK FORCE – Fact Sheet / AUD SURVEY**

### **Objective**

Analyze effectiveness of AUD Program to provide housing for existing Santa Barbara residents/employees

### **ANNUAL RESIDENT SURVEY**

In order to obtain necessary information to evaluate and monitor the program and determine whether the AUD Incentive Program units are meeting the goals and objectives of the General Plan, all AUD Incentive Program projects that obtain design review, Staff Hearing Officer, or Planning Commission approval will include a requirement to complete a survey(s) as a condition of project approval.

The owner is required to conduct the annual resident survey commencing six months after final Certificate of Occupancy. For example, if an AUD project was issued a final Certificate of Occupancy in November 2016, the first survey report will be due December 31, 2017. The survey report must include findings for each unit and must be submitted to the Planning Division by December 31st of each year for the first eight years of the project. The annual survey report for each unit includes:

- a. Net floor area.
- b. Number of bedrooms.
- c. Monthly rent (or condominium purchase price) and utilities.
- d. Periods of vacancy.
- e. Household size.
- f. Current employment location of each adult resident by zip code.
- g. Prior employment location of each adult resident by zip code.
- h. Prior residence zip code for each adult.
- i. Number of cars, trucks and bikes owned by each resident. Please list types of alternative transportation used (if any).

Staff will continue to require this annual survey as a standard condition of approval for as long as it is deemed potentially useful to evaluate the effectiveness of the AUD Incentive Program.

The survey questions can be revised or cease to be required at any point, if deemed necessary. Staff and Planning Commission developed the annual survey, and Staff would consult with the Planning Commission prior to adjusting significant aspects of the annual survey requirement.

## 2017 – HOUSING TASK FORCE – FACT SHEET – COMMUNITY PROFILE

### Objective

Analyze effectiveness of AUD Program to provide housing for existing Santa Barbara residents/employees

### Existing Santa Barbara Residents/Employees

Based on 2011-2015 American Community Survey:

#### 1) Housing Occupancy

- a) Total housing units: 37,886
- b) Occupied housing units: 34,973
- c) Vacant housing units: 2,913
- d) Rental vacancy rate: 1.7%

#### 2) Housing Tenure

- a) Ownership units: 40%
- b) Rental Units: 60%

#### 3) Bedrooms

- a) Total housing units: 37,886
- b) No bedroom: 1,959
- c) 1 bedroom: 9,535
- d) 2 bedrooms: 12,118
- e) 3 bedrooms: 10,113
- f) 4 bedrooms: 3,221
- g) 5 or more bedrooms: 940

#### 4) Household Income in the Past 12 Months

- a) \$104,896 Median Income of an owner household
- b) \$49,684 Median Income of a renter household

#### 5) Household Size

- a) 1-person household: 32.6%
- b) 2-person household: 32.1%
- c) 3-person household: 14.9%
- d) 4-or more person household: 20.4%

### 2014 SBCAG “State of the Commute”

- a) Daytime population change due to commuting: +15,858 (+17.3%)
- b) Workers who live and work in the City of Santa Barbara: 31,086 (62.3%)

## 2017 – HOUSING TASK FORCE – FACT SHEET – CURRENT RENTAL MARKET

### Objective

Analyze effectiveness of AUD Program to provide housing for existing Santa Barbara residents/employees

Santa Barbara’s residential vacancy rate in 2014 was about 0.6%.<sup>1</sup> According to the Department of Housing and Urban Development, a vacancy rate of 5.0% is considered sufficient to provide choice and mobility.<sup>2</sup> “There is anecdotal evidence that the residential vacancy rate in the South Coast has increased slightly from the less than 1% level that it has been at for a number of years to the 2-3% range” – Santa Barbara Real Estate Observations, Quarterly Economic and Market Review by Keller Williams.

City of Santa Barbara Median Rents as of April 2016 Survey				
	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Apartments	\$1,438.00	\$1,695.00	\$2,325.00	\$3,040.00
Duplexes	N/A	\$1,650.00	\$2,400.00	\$2,995.00
Condos	N/A	\$2,500.00	\$2,700.00	\$2,987.00
Houses	N/A	\$2,500.00	\$3,600.00	\$3,600.00
Dyer Sheehan Group-October 2016				
	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Low	\$850.00	\$1,140.00	\$1,445.00	\$2,100.00
High	\$1,900.00	\$2,750.00	\$4,225.00	\$5,875.00
Average	\$1,208.00	\$1,530.00	\$2,334.00	\$3,808.00
2017 Telephone Survey - Goleta				
	WILLOW SPRINGS	HOLLISTER VILLAGE		
# OF UNITS	335	266		
RENT	1 BR/1 BA = \$2,000 - \$2,500 2 BR/1 BA= \$2,500 - \$2,800 2 BR/2 BA= \$2,700 - \$3,200 3 BR /2 BA= \$3,300 - \$3,600	1 BR/1 BA = \$2,400 2 BR/2 BA = \$2,800 - \$3,000 3 BR/2 BA = \$3,190 - \$3,450		
VACANCY RATE	0% (as of 02/28/17)	2.25% (as of 3/1/17)		
DEMOGRAPHICS	Mixed Students and Workforce	not provided		
FURNISHED/UNFURNISHED	Majority unfurnished	100 % Unfurnished		
TURNOVER/WAITLIST	Waitlist/Interest List	No Waitlist		

<sup>1</sup> 2015 Housing Element, p.26, fn.1.

<sup>2</sup> 2015 Housing Element, p.26.

\* City Staff conducted April 1-30, 2016 (Newspress, Independent and Craig's List)  
Dyer-Sheehan Survey Data October 2016 (copy in Agenda Packet)

**2016 RENT SURVEY - AFFORDABILITY**

Apartment Size	Median Rent	Hourly Income Needed*	Annual Income Needed*	2016 Median Income	2016 Min Wage Income (\$10/hr) 2080 hrs	% of Min Wage Income Needed
Studio:	\$1,438	\$27.64	\$57,500	\$53,970 (1 person)	\$20,800	276%
1-Bedroom:	\$1,695	\$32.60	\$67,800	\$61,680 (2 persons)	\$41,600	163%
2-Bedroom:	\$2,325	\$44.71	\$93,000	\$69,390 (3 persons)	\$62,400	149%
3-Bedroom:	\$3,040	\$58.46	\$121,600	\$77,100 (4 persons)	\$83,200	146%
Min wage \$10 as of 1/1/16						
(* Income required if household pays 30% of income for rent)						

**City of Santa Barbara  
Tenant Displacement Assistance Ordinance (TDAO)**

Median Rents as of April 2016

By Unit Type and Bedroom Count

	Studio	1 BR	2 BR	3 BR	4 BR
Apartments	\$1,438	\$1,695	\$2,325	\$3,040	\$3,138
Duplexes*	N/A	\$1,650	\$2,400	\$2,995	NSD
Condos	N/A	\$2,500	\$2,700	\$2,987	\$4,000
Houses	N/A	\$2,500	\$2,900	\$3,600	\$4,450

\* Duplex Data is from 2015 - no listings during 2016 period of survey

From City of Santa Barbara Rent Survey (Data from April 2016 NewPress, Craig's List, and Independent rental listings)

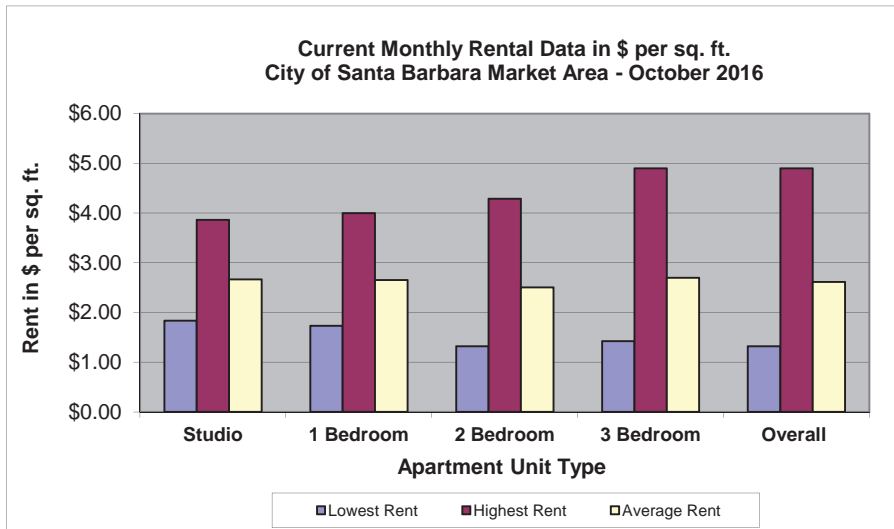
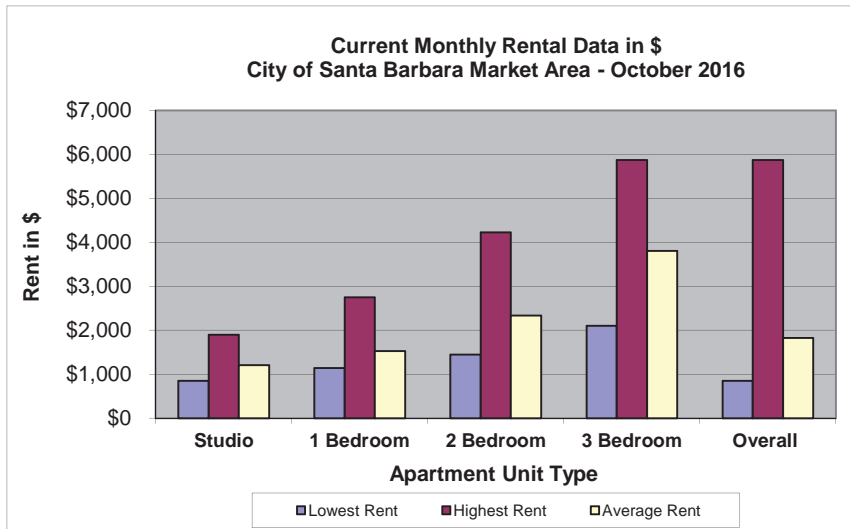


SANTA BARBARA COUNTY - SOUTH COAST APARTMENT MARKET SURVEY

Page 3 of 10 Pages

**Current Survey Data for October 2016 - City of Santa Barbara Market Area**

Market Area and General Survey Data	Unit Type	# of Units in Survey	Average Floor Area	Monthly Rent in \$			Monthly Rent in \$ per Sq. Ft.		
				Lowest	Highest	Average	Lowest	Highest	Average
<b>Total Properties Surveyed: 44</b>	<b>Studio</b>	110	460 sq ft	\$850	\$1,900	\$1,208	\$1.83	\$3.86	\$2.66
<b>Minimum Property Size: 8 Units</b>	<b>1 Bedroom</b>	1,368	588 sq ft	\$1,140	\$2,750	\$1,530	\$1.73	\$4.00	\$2.65
<b>Maximum Property Size: 168 Units</b>	<b>2 Bedroom</b>	562	949 sq ft	\$1,445	\$4,225	\$2,334	\$1.32	\$4.28	\$2.50
<b>Average Property Age: 53 Years</b>	<b>3 Bedroom</b>	92	1,463 sq ft	\$2,100	\$5,875	\$3,808	\$1.42	\$4.90	\$2.70
<b>Weighted Average Vacancy Rate: 1.38%</b>	<b>Overall</b>	<b>2,132</b>	<b>714 sq ft</b>	<b>\$850</b>	<b>\$5,875</b>	<b>\$1,823</b>	<b>\$1.32</b>	<b>\$4.90</b>	<b>\$2.62</b>



All information provided above is from sources deemed to be reliable, but no guarantee or warranty is stated or implied herein.

**2017 – HOUSING TASK FORCE – FACT SHEET 4 – Income Levels & Rent Affordability**

**Objective**

Analyze effectiveness of AUD Program to provide housing for existing Santa Barbara residents/employees

Incomes Eligible for Subsidies				
INCOME BY HOUSEHOLD SIZE				
Income Limit Category	Household Size			
	1	2	3	4
50%	\$ 29,500	\$ 33,700	\$ 37,900	\$ 42,100
80%	\$ 47,150	\$ 53,900	\$ 60,650	\$ 67,350
<b>Area Median Income 100%</b>	<b>\$ 53,970</b>	<b>\$ 61,680</b>	<b>\$ 69,390</b>	<b>\$ 77,100</b>
120%	\$ 64,764	\$ 74,016	\$ 83,268	\$ 92,520
160%	\$ 86,352	\$ 98,688	\$ 111,024	\$ 123,360
200%	\$ 107,940	\$ 123,360	\$ 138,780	\$ 154,200
Household Size	Unit Size	Rent*		
1	Studio	\$1,600		
2	One Bedroom	\$2,100		
3	Two Bedroom	\$2,500		
4	Two Bedroom	\$2,500		
Below 80% Incomes Eligible for Subsidies				
Households earning 80 - 120% of AMI				
PERCENT OF GROSS HOUSEHOLD INCOME USED FOR RENT**				
Income Limit Category	Household Size			
	1	2	3	4
50%	65%	75%	79%	71%
80%	41%	47%	49%	45%
<b>100%</b>	<b>36%</b>	<b>41%</b>	<b>43%</b>	<b>39%</b>
<b>120%</b>	<b>30%</b>	<b>34%</b>	<b>36%</b>	<b>32%</b>
160%	22%	26%	27%	24%
200%	18%	20%	22%	19%
*Rents are average of April 2016 City Rent Survey and October 2016 Dyer/Sheehan Survey (both included in Agenda packet)				
** 45.6% of SB renters pay over 35% of Gross Household Income -American Community Services 2015				

<b>Household Income Required To Afford Market Rent- Calculated at 30% of Gross Income</b>				
<b>Household Size</b>	<b>Unit Size</b>	<b>Rent*</b>	<b>Income Required</b>	
1	Studio	\$1,600	\$57,500	
2	One Bedroom	\$2,100	\$67,800	
3	Two Bedroom	\$2,500	\$93,000	
4	Two Bedroom	\$2,500	\$93,000	
4	Three Bedroom	\$3,040	\$121,600	
*Rents are average of April 2016 City Rent Survey and October 2016 Dyer/Sheehan Survey				
Area Median Income (AMI) Determined By HUD Annually				
Below 80% AMI Incomes are Eligible for Subsidies and not included in below calculations				
<b>Moderate Income Limits</b>	<b>Household Size</b>			
	1	2	3	4
<b>80% AMI</b>	\$ 47,150.00	\$ 53,900.00	\$ 60,650.00	\$ 67,350.00
Rent @ 30% of 80% AMI	\$ 1,178.75	\$ 1,347.50	\$ 1,516.25	\$ 1,683.75
<b>100% AMI</b>	\$ 53,970.00	\$ 61,680.00	\$ 69,390.00	\$ 77,100.00
Rent @ 30% of 100% AMI	\$ 1,157.00	\$ 1,446.00	\$ 1,734.75	\$ 1,927.50
<b>120% AMI</b>	\$ 64,764.00	\$ 74,016.00	\$ 83,268.00	\$ 92,520.00
Rent @ 30% of 120% AMI	\$ 1,619.10	\$ 1,850.40	\$ 2,081.70	\$ 2,313.00
<b>Example: Difference between Market Rents and Affordable Rents</b>				
	Studio	One Bedroom	Two Bedroom	Three Bedroom
Market Rents	\$1,600	\$2,100	\$2,500	\$2,500
<b>100% AMI Affordable Rents</b>	<b>\$1,157</b>	<b>\$1,446</b>	<b>\$1,735</b>	<b>\$1,928</b>
Difference	<b>(\$443)</b>	<b>(\$654)</b>	<b>(\$765)</b>	<b>(\$1,196)</b>
<b>Higher Income Limits</b>	<b>Household Size</b>			
	1	2	3	4
<b>160%</b>	\$ 86,352.00	\$ 98,688.00	\$ 111,024.00	\$ 123,360.00
Rent @ 30% of 160% AMI	\$ 2,158.00	\$ 2,467.20	\$ 2,775.60	\$ 3,084.00
<b>200%</b>	\$ 107,940.00	\$ 123,360.00	\$ 138,780.00	\$ 154,200.00
Rent @ 30% of 200% AMI	\$ 2,698.00	\$ 3,084.00	\$ 3,469.50	\$ 3,855.00

**2017 – HOUSING TASK FORCE – FACT SHEET - HOUSING ELEMENT PERFORMANCE**

**Objective**

Analyze effectiveness of AUD Program to provide housing for existing Santa Barbara residents/employees; explore options to assess impact fees or otherwise mandate the construction of rental housing affordable to households earning 80 to 120% of the Area Median Income.

**2015 HOUSING ELEMENT**

H11. Promote Affordable Units. The production of affordable housing units shall be the highest priority and the City will encourage all opportunities to construct new housing units that are affordable to extremely low, very low, low, moderate and middle income owners and renters.

Per the 2015 Housing Element, the City’s RHNA Plan demonstrates the capacity to develop 4,099 units. The table below is a breakdown of the 4,099 units by income category and the City’s projected performance:

Income Category	<b>Very-Low</b> 0-50% AMI	<b>Low</b> 50-80% AMI	<b>Moderate</b> 80-120%	<b>Above Moderate</b> >120%	<b>Total</b> N/A
RHNA Units	962	701	820	1,616	4,099
City Income Range	\$0-\$45,500	\$45,501-\$72,750	\$47,151-\$99,922	>\$86,353	N/A
State Income Range	\$0-\$32,100	\$32,101-\$51,350	\$51,351-\$72,400	N/A	N/A
Percent of SB Households*	25%	14%	28%	33%	100%

*\*Based on 2011-2015 American Community Survey*

The City of Santa Barbara’s Quantified Objective in the 2015 Housing Element is to produce 1,378 units from 2015-2023 or 172 units per year. As of March 1, 2017, there are 1,101 net new units in the AUD pipeline (including 240 restricted affordable units).

The tables below reflect the City’s Housing Element Goals for unit production and new unit produced.

**Table H-39: Quantified Objectives (2015-2023)**  
**City of Santa Barbara**

<b>Income Category</b>	<b>New Construction</b>	<b>Rehabilitation</b>	<b>Conservation/ Preservation</b>	<b>Total</b>
Extremely Low, Very Low (<50% AMI)	109	110	60	<b>279</b>
Low (50%-80% AMI)				
Moderate (80%-120%)	13	0	0	<b>13</b>
Above Moderate (>120%)	1,086	N/A	N/A	<b>1,086</b>
<b>Total</b>	<b>1,208</b>	<b>110</b>	<b>60</b>	<b>1,378</b>

<b>Income Category</b>	<b>New Unit Objective (2015-2023)</b>	<b>New Units Produced</b>		
		<b>2015</b>	<b>2016</b>	<b>Total</b>
Extremely Low, Very Low (<50% AMI)	109	0	3	3
Low (50%-80% AMI)		0	95	95
Moderate (80%-120%)	13	0	0	0
Above Moderate (>120%)	1,086	180	189	369
<b>Total</b>	<b>1,208</b>	<b>180</b>	<b>287</b>	<b>467</b>

## 2017 – HOUSING TASK FORCE – FACT SHEET- RESTRICTED UNITS OR IMPOSE IMPACT FEES

**Objective:** Explore options to assess impact fees or otherwise mandate the construction of rental housing affordable to households earning 80 to 120% of the Area Median Income.

### Restricted Units or Impact Fees

California State Law limits the ability of cities to apply inclusionary zoning requirements to rental housing unless some form of financial assistance is provided. Due to this, many cities have turned instead to the use of development impact fees charged on new, market-rate housing developments, known as “Housing Impact Fees”. These Housing Impact Fees are based on an assessment of the extent to which the development of new housing generates additional demand for affordable housing.

Adoption of a Housing Impact Fee must be established through a “Nexus Study.” The Mitigation Fee Act (Government Code Sections 66000-66008:

[http://leginfo.legislature.ca.gov/faces/codes\\_displayText.xhtml?lawCode=GOV&division=1.&title=7.&part=&chapter=5.&article](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=1.&title=7.&part=&chapter=5.&article) requires California jurisdictions to show through a Nexus study that:

- (1) The proposed development is in fact creating an impact and
- (2) The fee or restricted units are proportional to the impact. The Nexus study effectively establishes the *maximum* fee amount that a jurisdiction may legally assess.

Some jurisdictions have adopted a policy that allows the developer the option to provide inclusionary units or be assessed a housing impact fee on new rental developments. To ensure long-term affordability of the restricted units, an Affordability Covenant Imposed on Real Property document is recorded on title. The Covenant would require compliance monitoring which includes submission of annual reports.

However, imposition of Housing Impact Fees and/or setting affordability restrictions (inclusionary rental housing) or altering the AUD Program incentives will change project economics. Setting the fees too high or making the AUD Incentive Program too restrictive could result in unintended consequences such as curtailing AUD development all together.

### Use of Housing Impact Fees:

Housing Impact Fees could be used by the City to provide financing for:

- Acquisition (Land/Property)
- Contribution to Low Income Housing Tax Credit Projects
- Development of new low & moderate income housing units

- Rehabilitation of existing affordable rental housing units to extend useful life
- Moderate income condominium projects

Approximately 170 California jurisdictions have an Inclusionary Housing program. The degree of implementation varies. Each jurisdiction’s utilization of Inclusionary or Density Bonus varies due to the jurisdiction’s base density level and how that relates to a project’s size.

The below table shows a representative sample:

<b>AFFORDABLE RENTAL HOUSING POLICY</b>		
Jurisdiction	Restricted Units	Housing Impact Fee
City of Salinas	Yes-Very Low to Workforce	No
City of Pasadena	yes-15 (5% low,10% mod)	Yes
City of San Diego	No	Yes
City of San Jose	15% (6%VL & 9% moderate)	\$17 per sq. ft.
City of Walnut Creek	10% Low, 6% VL	\$1.60 to \$7.20 per sq. ft
City of Berkeley	No	\$28,000 per rental unit



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Elizabeth Wagner

March 14, 2017

Mayor Helene Schneider and Members of the City Council and Housing Task Force  
City of Santa Barbara  
City Hall  
P.O. Box 1990  
Santa Barbara, CA 93102-1990

**RE: Proposed Actions for Average Unit-sized Density Program**

Dear City Council and members of the Housing Task Force,

The Community Environmental Council (CEC) supports the AUD program’s strategy of climate-smart infill development that concentrates growth in existing denser areas and places workforce housing closer to jobs. We also acknowledge that the AUD program has raised important and sensitive issues for our community. **We encourage the City to continue with the AUD program, while making necessary changes that will address issues of equity, gentrification, and neighborhood preservation.**

To continue demonstrating leadership on climate change, the City needs to increase the supply of local affordable housing in its job center. We cannot continue to export our housing needs to distant communities such as Lompoc and Ventura, contributing to more jammed freeways and higher greenhouse gas emissions in our region. City programs that support a pattern of infill development and increase the supply of affordable workforce housing in Santa Barbara are a crucial thread in the tapestry of regional solutions to climate change.

The availability of housing in our community also has a profound impact on Santa Barbara’s economic vitality, community character, and quality of life. Imagine the teacher-nurse couple who work in Ventura because they can’t afford their own place in Santa Barbara. They move into a new AUD development, allowing the nurse to walk to his job at Cottage hospital and the teacher to bike to her classroom. The couple saves money that they can spend in Santa Barbara, and they sell one of their cars instead of fighting traffic on the US-101 in separate automobiles because of their disparate work schedules.

These people are out there, and for the first time in decades, the AUD program has the potential to create new local housing that will allow them to live where they work.

It is not yet clear if the program is working as intended, but more time is needed to assess its effectiveness before major changes are made. Once a few hundred AUD





units are built and occupied, we will have data on the mix of housing being developed, the rates for units, and information about the types of occupants moving in. Until that time, CEC supports the following actions to address important community concerns, including:

- **Pause AUD development in R3-R4 areas for the time being and focus on Commercial zones.** Placing developments in non-residential areas can help address community concerns about gentrification, neighborhood preservation, and the eviction of low wage earners living in areas with an older housing stock that may be torn down for new AUD developments.
- **Use car share programs to address potential parking issues and to encourage lower rates of car ownership among new AUD occupants.** Research shows that car share programs are effective at getting people to shed cars, so pairing car share with AUD development is one strategy for reducing parking impacts. These cars should also be available to neighbors.
- **Develop a system of incentives to help ensure that AUD developments are aligned with City goals in the General Plan and Climate Action Plan.** Implementing hierarchical scoring for AUD projects during the application submittal or permitting process can help the City prioritize projects based on sustainability, equity, and affordability criteria.
- **Convene a broad coalition of stakeholders to identify criteria for scoring and prioritizing AUD projects.** Bringing together an inclusive and representative cross section of community members who can evaluate the AUD program from a variety of social, economic, and environmental perspectives will help ensure that the appropriate criteria are used.
- **Provide incentives for developers to locate projects in areas that have good access to alternative transportation options.** Prioritize developments located near transit corridors and existing or proposed bikeways in the City, and encourage developers to include facilities and amenities for bicycle commuters.
- **Take actions that will address concerns about less expensive rental housing being torn down and replaced with luxury apartments.** For example, create additional housing programs to compliment AUD that will serve low-to-moderate-income demographics and prospective home-owners.

Sincerely,

Sigrid Wright  
Executive Director / CEO

Michael Chiacos  
Interim Energy and Climate Program Director