



# Housing Affordability

**Philanthropic Solutions for Santa Barbara County**



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# Foreword



**Stable and affordable housing is essential to Santa Barbara County's collective health, well-being, and economic prosperity. Yet, for too many, housing is unaffordable or even unattainable.**

Efforts to protect, preserve and produce housing supply are essential to address what has become a countywide crisis. More affordable housing options are needed for everyone: families with small children; graduates of local educational institutions who want to continue to call Santa Barbara County home; those who work in the service industry, grow our food, teach our children and care for older adults; people who grew up here and want to establish a home near parents and other family members; talent working in one of our county's many nonprofit, government, university, or business sector jobs; and older adults who want to age gracefully in their community.

The Santa Barbara Foundation is committed to fostering an environment where everyone can thrive, and stable, affordable housing is fundamental to this vision. As early as 1948, the Foundation's Board of Trustees supported a housing study which examined substandard housing conditions as well as options for emergency and long-term, low-cost housing. In recent years, our efforts have been focused on shelter for our most vulnerable residents. Housing affordability remains a priority for the Foundation and with this report, we deepen our commitment to the issue.

We hope that this report will:

- Stimulate creative ideas, cultivate learning and collaboration, and mobilize our community's collective wisdom;
- Provide a vision for how philanthropy can work together with government, business, and nonprofit sectors to increase housing affordability;
- Demonstrate new and innovative ways that financial resources can be assembled to protect, preserve, and produce affordable housing.

As your community foundation, the Santa Barbara Foundation serves as a hub for donors and funders to learn more about the issues that matter the most to our County, and to identify ways to help. This collaborative model has sparked innovation and motivated philanthropic investment for decades.

**Now more than ever, Santa Barbara County's housing crisis calls for us to come together to develop and implement philanthropic solutions to address housing affordability.** As the Foundation expands our commitment to support advocacy efforts, collect and share research and best practices, and facilitate philanthropic investment in housing solutions, we need our public, private and philanthropic partners.

We hope you will join us.



**Stephen Hicks**  
Board Chair



**Jackie Carrera**  
President & CEO



# Executive Summary



## Purpose & Methodology

**Increasing housing affordability for working families is one of the Santa Barbara Foundation's top priorities to build inclusive and resilient communities.** We hope this report will help to develop a shared, cross-sector understanding of our housing affordability challenges and offer actionable opportunities for philanthropy to join other sectors in increasing housing affordability, supply, and stability in the region.

To accomplish this, we convened the Housing Affordability Advisory Committee, comprised of more than 40 cross-sector housing leaders, and then gathered additional input from more than 80 elected, government, business, nonprofit, philanthropic and nonprofit leaders that reflect the geographic, demographic, and socioeconomic diversity of the county.

## Housing Affordability

Our homes and neighborhoods set the stage for our lives. Research has shown that safe, stable, well-located affordable housing is essential for children's academic success, everyone's physical and mental health (particularly children and older adults), worker productivity, stronger local economies, and climate resilience.

Unfortunately, the Santa Barbara-Santa Maria region has the fifth highest housing cost in California, which leaves the majority of our community members precariously housed, with 55% of renters spending more than 30% of their income on housing, and 29% spending over 50%. This disproportionately impacts Latina/o and other people of color and causes shortages of childcare providers, elder care aides, medical assistants, teachers, and other essential workers.

Santa Barbara County's housing production has not kept pace with its economic growth. Between 2013 and 2018, Santa Barbara County added four jobs for each new housing unit permitted. Restrictive zoning, declines in public funding sources, lengthy permitting processes, and increased land and construction costs, have made it challenging for Santa Barbara County to keep up. The latest State Regional Housing Needs Allocation finds that nearly 10,000 new affordable homes are needed for families earning 80% of area median income or below (under \$112,000 for a family of four).

## Cross-Sector Opportunities

To ensure the range of housing types, affordability levels, and locations that Santa Barbara County needs to thrive, communities need to protect, preserve, and produce affordable housing in concert.



**PROTECT** — Keep tenants and homeowners in their existing homes and communities.



**PRESERVE** — Ensure that existing housing remains affordable and in good condition.



**PRODUCE** — Increase the supply of affordable homes, particularly for our lowest-income families.

The Housing Affordability Advisory Committee identified the following areas as the greatest challenges and opportunities for action.

### Public & Political Will

**Challenge:** Insufficient public and political will to address housing affordability issues at scale.

**Opportunities:** Develop countywide, cross-sector housing advocacy coalition or organization; launch pro-housing public messaging, communications, and education; and support funding, policy, ballot, and regulatory measures.

### Housing Production & Preservation

**Challenge:** Inadequate and complex financing options; restrictive land use policies; and slow and costly building and permitting processes.

**Opportunities:**

- **Financing** — countywide affordable housing bond, transit occupancy tax, low-interest philanthropic loans.
- **Land Use** — area-wide plans, objective design standards, policies to increase density, and streamline approval processes.
- **Innovation** — development partnerships, in-fill, employer-based housing, off-site construction, and development of mission-based lands.

### Housing Protection

**Challenge:** Displacement of lower-income households and loss of housing affordability and habitability.

**Opportunities:** Community organizing and policy advocacy; direct financial assistance and legal services; and community land trusts.



# Philanthropic Recommendations

Government, for profit developers, employers, and nonprofits all have critical roles to play in increasing housing affordability, and it is essential that philanthropy focuses on its own 'lane,' supporting but not supplanting the work of others. Philanthropy is in a unique position to support innovation and take risks, providing flexible dollars more quickly than government is able. Philanthropy can serve as a catalyst for change, funding research, technical assistance, and convening to help housing stakeholders determine the best course of action.

## Philanthropic Investment Criteria



**EQUITABLE IMPACT** — Demonstrate positive impact for populations that are at highest risk of displacement.



**INNOVATION** — Develop or implement new solutions to the affordable housing crisis.



**SCALE** — Contribute to the development of a large number of units and benefiting a large number of people.



**LEVERAGE** — Directly leverage and/or have the potential to leverage public and private sector financial resources and funding streams.



**PARTNERSHIP** — Include the private, public, nonprofit, and/or philanthropic sectors needed to achieve significant and sustainable outcomes.



## Public Will Building Opportunities

- 1. Unified Housing Advocacy:** Support development of a countywide housing advocacy nonprofit or coalition to lead political and public will building and advocacy activities.
- 2. Pro-Housing Education Campaign:** Fund pro-housing public messaging and communications strategy development and implementation.



## Preservation & Production Opportunities

- 1. Land Use Reform:** Provide technical assistance funding to help jurisdictions obtain State Prohousing Designation and develop new policies, regulations, and processes.
- 2. Affordable Housing Bond:** Support passage of a countywide affordable housing bond by providing flexible funding, convening stakeholders, serving on campaign committee, and publicly endorsing.
- 3. Lower-Cost Capital:** Leverage endowments to make Impact Investments, to support land and housing acquisition, development, and rehabilitation.
- 4. Mission-Based Lands:** Fund feasibility studies, technical assistance, and grants to help government, faith-based, and educational organizations collaborate with affordable housing developers.
- 5. Modular Construction:** Convene interested organizations, invite experts from across the state, and provide support for pilot projects.



## Housing Protection Opportunities

- 1. Renter and Homeowner Support:** Award general operating grants for community organizing, legal services, and tenant advocacy as well as home sharing, home repair, and accessory dwelling support for lower-income homeowners.
- 2. Community Ownership:** Provide resources and technical assistance to pilot community ownership models including land trusts and mobile home parks.

## Conclusion

The severity of the housing affordability crisis calls for a collective response with public, private, and philanthropic alignment, action, and investment. Philanthropy is well-positioned to play a significant role in this effort, providing grants and program-related investments, and using our voices to advocate for housing affordability. Together, our investments will provide the foundation for an inclusive, equitable, and thriving region.



# Introduction



People's Self-Help Housing: Jardín de las Rosas. Photo credit: RRM Design Group.



# Purpose

**One of the Santa Barbara Foundation's (SBF's) strategic priorities is to find opportunities to partner with social and private sector leaders to increase housing affordability and supply** for working families throughout Santa Barbara County. SBF believes that the government, philanthropic, nonprofit, and private sectors can work together to remove barriers, align resources, and increase investment to help address Santa Barbara County's housing affordability challenges.

This report is the starting place for the Foundation's work, providing an overview of the current state of housing affordability, supply, challenges, and opportunities. Our goal is two-fold:

- 1. Develop a shared, cross-sector understanding** of the housing affordability challenges and opportunities in the County, identifying potential areas for alignment, partnership, and investment.
- 2. Offer specific and actionable opportunities for philanthropy** to bring its unique strengths and assets to the table and join other sectors in increasing housing affordability, supply, and stability in the region.

As a resource for potential philanthropic work around housing affordability, this report is intended to provide context, increase understanding of housing-related issues, and present ideas for consideration by grantmakers working in the region, particularly those for whom this will be a new area of investment. Numerous other reports on the topic have been completed in recent years, and this report is designed to build upon, not duplicate, earlier efforts and focus on philanthropy's role in particular.

# Methodology

**True to its mission of mobilizing collective wisdom, SBF began this work by convening a diverse group of more than 40 community leaders** who agreed to serve on the Housing Affordability Advisory Committee. Their insights have been critical to identifying the specific challenges and opportunities summarized in the report as well as vetting potential recommendations and solutions. Additional perspectives have been included from throughout the region, with more than 120 stakeholders (listed on page 38–39) sharing their thoughts and recommendations.

The interviews and listening sessions were conducted with elected, government, business, nonprofit, philanthropic and nonprofit leaders that reflect the geographic, demographic, and socioeconomic diversity of the county, as well as a range of approaches to increasing housing affordability.

Specific activities included:

- Housing Affordability Advisory Committee Meetings
- Three in-person listening sessions in North, Mid-, and South County
- Three stakeholder-specific focus groups with private funders, housing developers, and city/county planning and development staff
- Individual interviews with key actors and influencers in the housing arena

We also analyzed and synthesized existing housing data via review of numerous websites and reports, including locally focused reports by Blue Sky Center, CAUSE, County of Santa Barbara, The Fund for Santa Barbara, Housing Trust Fund of Santa Barbara County, and the Santa Barbara South Coast Chamber of Commerce, among others.



## Why Housing Matters

**Our homes and neighborhoods set the stage for our lives.** Research has shown that housing problems have ripple effects on health, education, economic mobility, child welfare, racial equity, criminal justice, and more. Affordable, stable, and quality housing options for all types of households and income levels support better outcomes in each of these areas.<sup>1</sup>

## Health & Well-Being

**Numerous studies have shown that health outcomes are closely tied to housing stability and affordability.**<sup>2</sup> In places with few affordable vacancies, people with the lowest incomes are forced to rent substandard housing or live in overcrowded housing. These housing conditions can expose families to health and safety risks, and affect mental health, stress levels, relationships, and the risk of infectious disease. Families paying excessive amounts of their income for housing often have insufficient resources remaining for other essential needs, including food, medical insurance, and health care. These tradeoffs can threaten the health of all family members, particularly children. All of these housing-related issues disproportionately affect communities of color, directly contributing to significant racial disparities in health outcomes.

### Results of safe, stable, & well-located housing



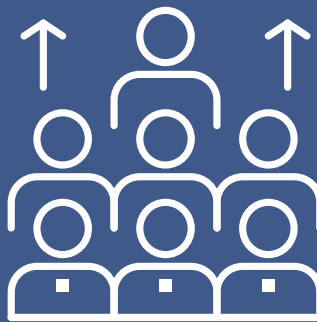
Better physical and mental health



Fewer trips to the emergency room and lower health costs



Children's academic success



More productive workers and stronger local economies



Healthier, and more socially connected older adults



Increased climate resilience

# Education

**Housing and economic success are integrally linked**, starting with pre-kindergarten education, through elementary and high school, and on to college and beyond. Residential stability (often affected by housing quality and housing affordability) leads to an uninterrupted school year, avoids disruptions at home caused by an unplanned move, and contributes to fewer school changes that leave children behind academically.<sup>3</sup> Access to higher quality public education is also directly tied to housing, because most school children attend neighborhood public schools. Exclusionary housing policies that keep families of modest means out of high-performing public school districts thwart opportunity for low-income and working-class students, many of them students of color.<sup>4</sup>

**Housing is the key to reducing intergenerational poverty and increasing economic mobility.** Research shows that increasing access to affordable housing is the most cost-effective strategy for reducing childhood poverty and increasing economic mobility in the United States. Harvard economist Raj Chetty found that children who moved to lower poverty neighborhoods saw their earnings as adults increase by approximately 31% and they were more likely to live in higher opportunity neighborhoods as adults and less likely to become single parents. Moreover, children living in stable, affordable homes are more likely to thrive in school and have greater opportunities to learn inside and outside the classroom.<sup>5</sup>





## Employment & Economy

**Higher housing costs for employees result in higher wage requirements for employers to recruit and retain a viable and skilled workforce.** Employers are also burdened by higher turnover rates when housing costs rise. Employers regularly cite the high cost of housing as the greatest challenge to sustaining and growing their businesses in Santa Barbara County.

Workers, on the other hand, may not be able to access certain jobs or may spend all of any increased salary on housing costs in regions with a higher cost of living. Low-income workers who move farther away to find housing that matches their incomes are then subject to longer commutes. These workers are more likely to face issues such as depression, financial concern, and stress, with overall productivity costs (loss of hours at home or at work) in the billions for some regions.<sup>6</sup> Creating an overall inclusive community with affordable housing opportunities could potentially lead to a more active local economy in the form of local consumer activity, employment opportunities, and private-market investment.<sup>7</sup>

## Climate Resiliency

**Californians are increasingly forced into long commutes from remote areas that are often more vulnerable to wildfires, flooding, and other climate-accelerated disasters due to the lack of affordable housing.** Building housing far from jobs also reduces the landscape's ability to store carbon by paving over natural and agricultural lands that would otherwise remove it from the atmosphere. California's Legislative Analyst Office explains that the changing climate disproportionately impacts low-income residents who tend to live in geographic areas and housing types (such as older housing units) that are more vulnerable to the effects of climate change.<sup>8</sup>

Strategically building denser communities can both mitigate the future effects of climate change and help to respond to its current impacts. Building housing near jobs, schools, and other community amenities that can be accessed with public transportation can help reduce dependence on vehicles, thereby limiting greenhouse gas emissions. Additionally, if housing is placed strategically, it can enable the development of more housing without having to resort to building in locations that are at the highest risk for climate change impacts such as wildfires and extreme heat.





# Housing Affordability Overview





Santa Barbara County:  
Housing Affordability  
at a Glance  
2022

DEMOGRAPHICS

443,837

population

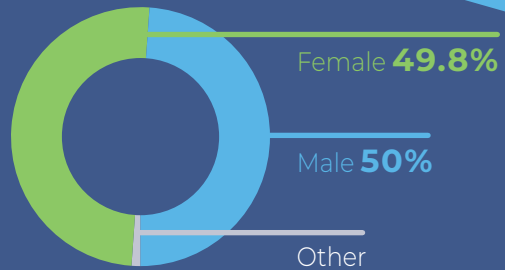
34

median age

Race/Ethnicity

- 48% White, not-Hispanic
- 43% Hispanic/Latina/o
- 5% Asian
- 2% Black/African American
- 2% Other

Gender



POVERTY RATE

15%

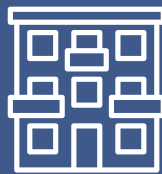
67,463

individuals living below poverty line

HOUSING COST BURDEN

55%

of renters are cost burdened



INCOME

\$100,100

area median income

RENT

\$2,447

average rent per month



HOMELESSNESS

1,887

people living on the street



29%

of renters are severely cost burdened

HOME PRICE

\$1,072,500

median cost of a home in Santa Barbara County

TRANSIT



31,300

workers commute to South County daily

HOUSING



4,946

subsidized affordable homes



## Housing Demand

**The Santa Barbara-Santa Maria region has the fifth highest cost of housing among California metro areas.**<sup>9</sup> Affordable housing in Santa Barbara County is in short supply, with demand for affordable properties far outstripping the supply of units affordable to low- and median-income households. Approximately 20,338 low-income renter households in Santa Barbara County do not have access to an affordable home.<sup>10</sup> In 2022, 14,175 unique applicants were on the combined City and County Housing Authority waiting lists for various housing programs.<sup>11</sup>

Housing affordability is determined by the percentage of household income required to cover the cost of housing, including rent or mortgage payments, insurance, taxes, and utilities. A household that can cover housing costs with 30% or less of gross income is considered to have a “reasonable housing cost burden.” Households spending 30-50% of their incomes on housing are considered cost burdened, and those spending over 50% are defined as severely cost burdened.

Housing that receives government subsidies and places income restrictions on the occupant(s) in order to maintain a reasonable housing cost burden is known as “deed-restricted affordable housing.” Income restrictions for housing units designated as affordable are determined based on the prevailing earnings level for the community in which the housing is located — typically a percent of Area Median Income (AMI) — allowing for affordable housing to be targeted to specific households based on their earnings relative to the local economy.



# Who Needs Affordable Housing in Santa Barbara County?



## Extremely low-income

<30% AMI

**<\$42,000/yr<sup>1</sup>**

Farmworkers, cooks, home health and personal care aides, retail salespersons, childcare providers, janitors and cleaners, retired and/or disabled household members on fixed incomes.

**18,060**

households (13%)



## Very low-income

<50% AMI

**<\$70,000/yr<sup>1</sup>**

Administrative assistants, elementary school teachers, social workers, transportation workers, construction workers, electricians, plumbers.

**16,780**

households (12%)



## Low-income

<80% AMI

**<\$112,000/yr<sup>1</sup>**

Nurses, pharmacists, paralegals, laboratory technicians, public administrators, dental hygienists, firefighters.

**24,905**

households (17%)



## Moderate-income

<120% AMI

**<\$120,000/yr<sup>1</sup>**

Public safety workers, school principals, physical therapists, architects, engineers.

**27,540**

households (19%)

<sup>1</sup>) For a family of four.  
Source: Santa Barbara County Housing Element, 2023

# Housing Supply

## Nearly half (48% of households in 2022) of Santa Barbara County residents are renters.<sup>12</sup>

People of color, in particular Black and Latina/o families, are more likely to be renters. 86% of Black families and 59% of Latina/o families are renters, compared to just 38% of White families.<sup>13</sup> Between 2021 and 2023, asking rent in the county increased by 31%, from \$1,862 to \$2,447.<sup>14</sup> Based on those averages, the majority of workers living in Santa Barbara County are unable to afford their monthly rents. More than half (55%) of renters in the county are cost burdened and nearly one in three (29%) of households were severely cost burdened, or paying more than 50% of their income for housing.<sup>15</sup>

Many of the jobs available to Santa Barbara County workers do not pay enough to cover the cost of rent and the other necessities that families need not only to survive but to thrive. Renters in Santa Barbara County need to earn \$47.06 per hour — three times the minimum wage — to afford the average monthly rent in Santa Barbara County. In 2021, the mean hourly wage for farmworkers in Santa Maria, which houses 64% of the county’s farmworker population, was \$15.96, nearly half of the overall mean hourly wage for all workers (\$29.82).<sup>16</sup>

The lack of “job-housing fit” — the alignment between earning levels for jobs in the region and the cost of available housing — promises to constrain future growth and economic activity. As lower-wage residents are forced out, and the region’s workforce faces longer commutes, the housing crisis becomes a driver of income inequity.

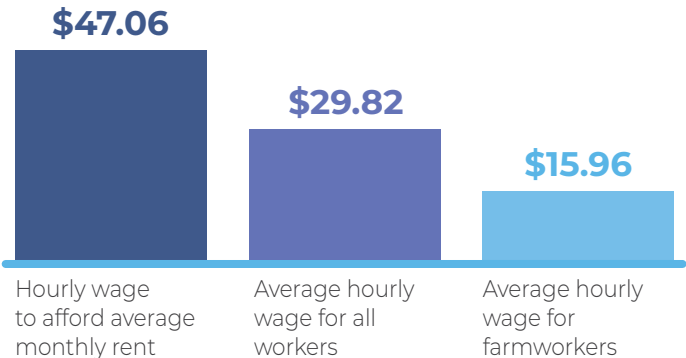
**Santa Barbara’s housing production has not kept pace with its economic growth.** Between 2013 and 2018, Santa Barbara County added four jobs for each new housing unit permitted.<sup>17</sup> Meanwhile, the region has seen declining housing production — the annual average permitting of new housing in the county decreased by approximately 37.5%, with South County experiencing the most severe decline.<sup>18</sup> When the number of jobs significantly exceeds the housing supply, there is not sufficient housing to accommodate all the workers in the area. This leads to issues of housing unaffordability, overcrowding, and longer commutes as workers seek more affordable housing in outlying areas or other counties.

Cities in South County have permitted a larger proportion of job growth relative to new housing.<sup>19</sup> This has resulted in higher costs of living and housing due to demand, and high commuter levels from North County and Ventura County by residents seeking more affordable housing. Approximately 32% of residents in the North County commuted for at least 30 minutes to a job compared to 13% of residents living on the South Coast.<sup>20</sup>

Meanwhile, the cost of building new housing continues to increase. In 2021, affordable housing developers in Santa Barbara County reported that the per unit cost of multifamily affordable housing hovered on average at \$500,000.<sup>21</sup> Since late 2021, the United States has entered an inflationary period, and current construction costs are anticipated to increase, further exacerbating overall constraints on the production of housing.

Decreases in federal and state funding have dramatically slowed production over the last few decades — particularly the ending of State Redevelopment Agency funding, which cut production in half. The sheer scope of resources needed for the construction, rehabilitation, and maintenance of physical property requires a significant public funding investment.

### Hourly Wage Needed to Afford Housing





Major housing supply challenges include:

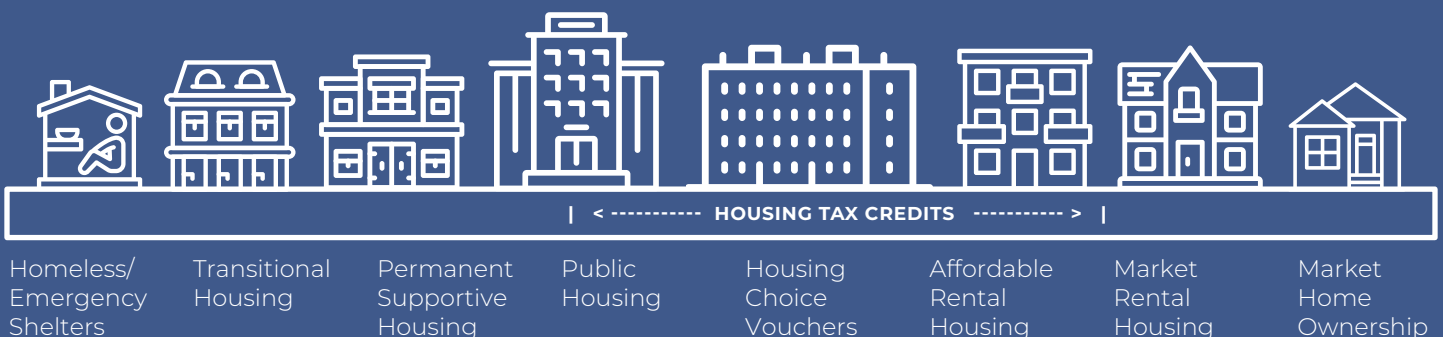
- **Significant resources are required.** Given an approximate construction cost of \$500,000 per unit, the total funding gap to meet the county’s goal to build 9,734 affordable homes for low-income families by 2031 is approximately \$4.9 billion.
- **Significant public funds are required.** Public funds are the only feasible revenue source for affordable housing development and operation, and local funds are required to access increased state and federal support. Furthermore, affordable housing places a cap on allowable rents, which limits the revenue potential so that a project cannot break even, much less present an attractive development opportunity for a for-profit developer. Without government subsidy or incentive, there is not a rational market opportunity that can attract private sector developers to meet demand.
- **Significant technical capacity is required.** The array of funding sources that housing developers must combine to finance their development and preservation work is substantial, typically ranging from federal, local and state sources to private lending, donations, and grants. With different requirements and timelines for each source of funds, developers must navigate a complex range of applications and approval processes, interweaving compatible funding sources to finance each housing project across the housing finance spectrum.

## Housing Production Funding Sources

<b>Hard debt</b>	<ul style="list-style-type: none"> <li>• Mortgages</li> <li>• Taxable or tax-exempt bonds</li> </ul>
<b>Soft debt</b>	<ul style="list-style-type: none"> <li>• Local loan funds</li> <li>• Mortgages with below-market interest rates</li> </ul>
<b>Equity</b>	<ul style="list-style-type: none"> <li>• Low-Income Housing Tax Credits</li> <li>• State Tax Credits</li> </ul>
<b>Grants &amp; Other Subsidies</b>	<ul style="list-style-type: none"> <li>• State grants, subsidies, energy funds, loan funds, and tax incentives</li> <li>• Land donations</li> <li>• HOME Investment Partnerships Program</li> <li>• Community Development Block Grants</li> <li>• Deferred developer fees</li> <li>• General Partner capital</li> <li>• Federal Home Loan Banks</li> <li>• Affordable Housing Program</li> <li>• State and local Housing Trust Funds</li> <li>• Local grants</li> </ul>

Ultimately, the construction, rehabilitation, and maintenance of affordable housing requires multiple sources of funding, both for development costs and to fill the gap between resident rents and the actual cost of operating affordable rental housing developments. The dramatic reductions seen in nearly all major funding sources over the past decades, combined with escalating land and construction costs, has resulted in a national, statewide, and local housing deficit particularly in highly desirable, coastal counties like Santa Barbara.

## Housing Finance Spectrum



# Housing Need

**To address the significant housing supply gap, California’s Regional Housing Needs Allocation (RHNA) calls for building 9,734 homes in Santa Barbara County that are affordable for families earning less than 80% of the Area Median Income by 2031:**

- 5,799 housing units affordable to households earning below 50% of Area Median Income, or an annual income of \$48,900 for one person<sup>22</sup>
- 3,935 housing units affordable to households earning between 50% and 80% of Area Median Income, or an annual income of \$78,350 for one person

It is particularly critical to focus on housing for those at the lowest end of the income spectrum — as most jurisdictions are exceeding their housing production goals for higher-income families, but falling short for lower-wage workers. Between 2015 and 2023, Santa Barbara County only produced 25% of the RHNA target number for its very low-income residents with just 664 units permitted for households earning 50% AMI or below over eight years.

California’s RHNA process also finds that 4,397 housing units affordable at 81-120% AMI and 10,725 market rate housing units for 121% AMI and above are needed for a total of nearly 25,000 new housing units by 2031. Additional strategies are recommended to protect existing residents from displacement and preserve the affordability of existing units as production efforts alone cannot ensure an inclusive, equitable, and thriving region.

Despite the overturning of legally-sanctioned racial segregation in the mid-twentieth century, low-income residents of color living in predominantly non-white neighborhoods are particularly vulnerable to displacement. First, the value of their neighborhoods has been depressed by past discriminatory actions, making them lucrative sites for residential investment associated with gentrification and displacement. Second, these residents continue to face barriers to living in more affluent, historically white neighborhoods. Once displaced, their housing choices remain limited.

## RHNA ALLOCATION BY INCOME LEVEL

*Allocation by Income Level*

Jurisdiction	RHNA Allocation	Very Low	Low	Moderate	Above Moderate
Carpinteria	901	286	132	135	348
Santa Barbara	8,001	2,147	1,381	1,441	3,032
Goleta	1,837	682	324	370	461
Unincorporated (South Coast)	4,142	809	957	1,051	1,325
Lompoc	2,248	166	262	311	1,509
Unincorporated (Lompoc Valley)	521	209	72	54	186
Santa Maria	5,418	1,032	536	731	3,119
Guadalupe	431	3	24	77	327
Unincorporated (Santa Maria Valley)	721	262	118	118	223
Solvang	191	55	39	22	75
Buellton	165	55	37	30	43
Unincorporated (Santa Ynez Valley)	280	93	53	57	77
County Total	24,856	5,799	3,935	4,397	10,725
Total Unincorporated	5,664	1,373	1,200	1,280	1,811



**Nationally, households at the highest risk for displacement are people of color, people 25 and older without a bachelor's degree, people making at or below 80% Area Median Income, households below the poverty line with children, and renters.** Larger families and those with multiple indicators are even more vulnerable. In Santa Barbara County, renters, particularly Latina/o renters in the Southern Coastal area, have been most vulnerable to displacement, with the City of Santa Barbara seeing a decrease of 24% of its Latina/o population between 2011 and 2017.<sup>23</sup>

The nonprofit group Central Coast Alliance United for a Sustainable Economy (CAUSE) conducted a survey of renter households in Santa Barbara and Ventura Counties in 2018.<sup>24</sup> The study found that many renter families, particularly low-income and immigrant households, had to move from their neighborhoods, take on additional jobs or cut down on vital expenses, such as food and healthcare, in order to afford their housing. Many were living in unsafe or unhealthy living conditions due to the scarcity of affordable housing options and fears of displacement.

It is essential to preserve the affordability of Santa Barbara County's existing stock to prevent further displacement. Although the County does not have a large number of government-subsidized affordable housing units at risk of expiring, it does have more than 300 multi-family properties, representing over 6,500 rental units, which are currently affordable to households at 80% AMI and below, and at high-risk of becoming unaffordable.

These units are often referred to as NOAH (naturally occurring affordable housing), and increasingly they have been targeted for acquisition and conversion by for-profit entities seeking to maximize rents, leading to the displacement of low-income residents and the loss of affordability for future low-income residents — as occurred in Isla Vista in 2023. Unless the properties are preserved by mission-driven, nonprofit-controlled organizations with the support and oversight of local government housing agencies, NOAH properties will eventually become extinct in California.



# Santa Barbara County Challenges & Opportunities





# Overview

**In order to ensure the range of housing types, affordability levels, and locations that the Santa Barbara region needs to thrive, communities need to protect, preserve, and produce affordable housing.**

Pursuing only one or two of these strategies will not solve the affordability crisis and can unintentionally lead to less housing affordability and community displacement.

The Housing Affordability Advisory Committee and other key stakeholders identified the following areas as the greatest challenges related to housing protection, preservation, and production — and then developed corresponding opportunities — to address Santa Barbara County’s housing shortage. In terms of solutions, only those identified by stakeholders across sectors were included, and they were prioritized based on the following criteria developed by the Committee:

- **People** — Meets community needs; provides significant, positive results for people; offers affordability for workforce; and/or helps increase upward housing mobility.
- **Impact** — Scalable, replicable policies, practices, and innovations that can lead to greater breakthroughs and higher impact.
- **Financial Feasibility** — Reduces acquisition, rehabilitation, and/or construction costs; increases speed and efficiency of rehab/construction; and/or is financially sustainable.



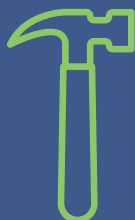
## PROTECT

Keep tenants and homeowners in their existing housing and existing communities together with a particular emphasis upon lower-income renters and neighborhoods most at-risk for gentrification.



## PRESERVE

Ensure that existing affordable units remain affordable and are in good physical shape, safe, and well-maintained, considering both publicly subsidized and privately owned units in both higher- and lower-cost communities.



## PRODUCE

Increase the supply of affordable homes, particularly units affordable for extremely- and very-low-income households (at 50% or below of MFI) in opportunity-rich neighborhoods.

# Public & Political Will

**The top challenge and priority identified was insufficient public and political will to address housing affordability issues at scale.** From community member opposition to individual housing developments or tenant protection policies to a lack of aligned political leadership to enact major land use reforms or promote large-scale financing opportunities, stakeholders felt that building public and political will was essential. The first step — broad understanding that housing affordability is a critical issue to address — appears well underway, but a sense of hope or possibility to align on actionable solutions seems much farther away.

## Key Stakeholders

Alignment on opportunities and solutions across organizations, sectors, and geographies is critical to addressing Santa Barbara County's housing affordability needs. Each of the opportunities presented here will require leadership from a particular sector, indicated by these symbols.



For profit



Government



Nonprofit



Philanthropy

## Opportunities



**1. Development of a countywide, cross-sector coalition** or organization focused on full spectrum of housing needed to lead political and public will building.



**2. Coordinated pro-housing public messaging,** communications, and education.



**3. Organizing pro-housing residents** to attend planning and council meetings related to specific housing developments.



**4. Polling, organizing, and other campaign support** for specific policy change and ballot measures.





**5. Connections, resources, and education** for public officials and government staff to support policy change, implementation, and innovation.

# Housing Production & Preservation

**Inadequate and complex financing options; restrictive land use policies; and slow and costly building and permitting processes are barriers** cited by all stakeholders and by for-profit and nonprofit housing developers in particular. Decades of exclusionary single-family zoning, multi-year permitting processes, and declines in public funding, have left Santa Barbara County far behind in terms of needed housing supply and affordability levels. In order to produce thousands of new affordable units and preserve the affordability and physical condition of existing units, it is essential to develop new and increased financing resources, make land use and zoning reforms, and find new ways to build housing more quickly and cost-efficiently.

## Financing Opportunities

- 




**1. Develop a campaign to pass a countywide affordable housing bond** and explore opportunities for city and tri-county (with San Luis Obispo and Ventura) housing bonds.
- 

**2. Support a City of Santa Barbara Transit Occupancy Tax** dedicated to affordable housing.
- 

**3. Leverage foundations and other philanthropic endowments** and provide lower-interest bridge capital for housing developments.
- 

**4. Work with the County and Cities to pass polices** to defer, reduce and/or waive fees for development of affordable housing, providing financial relief for larger-scale and/or more deeply affordable projects.
- 

**5. Increase jurisdictions in Santa Barbara County's competitiveness for State Funding** by obtaining "Pro-housing" designation and offering more local matches.

## Land Use & Zoning Opportunities

- 

**1. Develop area-wide plans** to create more development capacity and clarity, thereby reducing costs.
- 

**2. Develop objective design standards** and pre-approved plans to decrease cost and time.
- 

**3. Increase density through upzoning**, density bonuses, infill incentives, expansion of height limits, reduction of setback and parking requirements, and other measures.
- 

**4. Create more predictable and efficient planning and approval processes**, particularly for affordable housing projects.
- 


**5. Secure funding for increased city/county staff and consultant capacity** to develop and implement reforms.

## Key Stakeholders



Philanthropy



Nonprofit



Government



For profit



# Housing Protection

**Housing is not just about buildings — it is about family and community stability.** Lower-income households need additional support to retain their homes in hot housing markets like the Santa Barbara region.

Stabilizing households still residing in affordable homes, particularly unsubsidized affordable housing, is highly efficient as compared to the cost of new development and preservation. Strong protection policies are also important to maintain the diversity of our communities, from preventing the displacement of Latina/o communities to enabling older adults on fixed incomes to age in place.

## Housing Protection Opportunities

- 


**1. Community organizing and policy advocacy** to enact and enforce tenant protections including rent stabilization, eviction protection, and conduct habitability inspections.
- 



**2. Provide direct financial assistance** including short-term rental subsidies, free repairs, and low-cost loans for low-income renters and homeowners.
- 


**3. Support legal services to ensure fair housing**, address habitability issues (mold, leaks, etc.) and prevent unlawful rent increases and evictions.
- 




**4. Increase density within single family zoning** including home sharing programs and incentives for developing affordable accessory dwelling units.
- 


**5. Develop community land trusts** and other equity sharing models of home ownership, with particular attention to mobile home parks.


## Innovation Opportunities


- 




**1. Continue to grow government, nonprofit, and for-profit developer partnerships** that result in more affordable and market rate housing units, particularly in high opportunity areas.
- 


**2. Develop in-fill and commercial re-use areas** that add housing to downtown and other already developed areas.
- 

**3. Increase employer-based housing** and housing assistance including housing development on employer-owned properties and financial incentives such as rental allowances and down payment support.
- 


**4. Employ modular and off-site construction innovations** for multi- and single-family housing to reduce costs and time.
- 




**5. Build housing on under-utilized land owned by government, faith-based groups,** and other mission-driven actors to reduce land costs and open new development opportunities.

## Key Stakeholders



Philanthropy



Nonprofit



Government



For profit



# Philanthropic Recommendations





# Philanthropic Tools & Approaches

Whether seeking to build community and political will to advance housing-friendly policies and local land use decisions, or to increase the capacity of housing development organizations active in the area, philanthropy has three key categories of tools to employ:

- **Grantmaking** in support of organizations, policies, and projects that advance one or more strategies to protect, preserve, or produce affordable housing.
- **Program-related and other impact investments** for direct support of projects, for financing to increase the capacity of housing-related organizations, such as loans for predevelopment working capital, or into pooled funds.
- **Exercising the influence** afforded by philanthropy's position and relationships through research, convening, messaging, and advocacy.

Philanthropy can apply these tools toward a variety of approaches. In some cases, philanthropic organizations identify housing as a crosscutting concern to be addressed in conjunction with the primary portfolio areas within their overarching strategy. In other cases, some have focused primarily on one geography, a specific strategy relevant to other program priorities, or one particular area of need, such as helping to build stronger community support for affordable housing development in a target region.

Regardless of the approach, three common themes are important for philanthropic organizations in developing their housing-related strategy:

- **Mutually-reinforcing strategies** — There is no single solution or one-size-fits-all approach to our housing challenges. Cross-sector collaboration and sustained investment with a variety of approaches are needed.
- **Strategic focus at both program and systems level** is essential with emphasis on capacity building and general operating support that allow nonprofit partners the flexibility not often available from government sources.
- **Systems change focus is critical** — Philanthropy needs to partner with and leverage government, as it is the primary funder, policy maker, and regulator — including building public will and directly advocating for changes to increase equity.

**Most importantly, philanthropy needs to focus on its 'lane,' supporting but not supplanting the work of other sectors and maximizing the use of all of its assets and capabilities to increase housing affordability in the region.** Philanthropy is in a unique position to support innovation and take risks, providing flexible dollars more quickly than government is able. Philanthropy can serve as a catalyst for change, funding research, technical assistance, and convening to help housing stakeholders determine the best course of action and move forward. Ultimately, philanthropy plays a critical role in helping to create an enabling environment for housing affordability that allows the nonprofit, for-profit, and government sectors to protect, preserve, and produce the range of housing needed for a thriving and equitable Santa Barbara County.

# Criteria for Developing Philanthropic Strategies and Vetting Opportunities



## EQUITABLE IMPACT

Demonstrate significant and enduring positive impact for priority populations with an emphasis on Latina/o and other communities of color whose housing outcomes have been severely impacted by systemic racial discrimination and displacement.



## INNOVATION

Develop or implement new solutions to the affordable housing crisis, particularly those with clear learning and evaluation plans and pathways to using the learning for greater adaptation and scale.



## SCALE

Contribute to the development of a large number of units, to benefit a large number of people, and/or have a clear pathway to reaching significant scale. This includes efforts to create a pro-housing culture and enabling environment.



## PARTNERSHIP

Include all of the private, public, nonprofit, and/or philanthropic sectors needed to achieve significant and sustainable outcomes.



## LEVERAGE

Directly leverage and/or have the potential to leverage public and private sector financial resources and funding streams.

# Philanthropic Opportunities

Following are the areas of greatest opportunity for philanthropy to contribute to the cross-sector recommendations prioritized by the Housing Affordability Advisory Committee. These recommendations are specifically designed to meet the philanthropic investment criteria and utilize philanthropy's unique assets including:

- **Within grantmaking**, opportunities that help to build public and political will; leverage increased public and/or private funding; support policy, regulatory, and process change that accelerates protection, preservation, and production; spur housing innovation; and help people remain in their homes and communities.
- **Within Impact Investments**, opportunities that provide flexible, bridge capital to increase affordability and/or efficiency (timing) and/or innovation that can lead to greater scale and density.
- **Research, education, convening, and influence** opportunities that help individual sectors (e.g., developers, government) to innovate and achieve results, and actors across sectors to align their resources and strategies for greater collective impact.

## Public Will Building Opportunities

**Given that the public sector is the largest source of funds in affordable housing and controls regulations (including policies that can incentivize the private sector), advancing systems change efforts is a top priority for philanthropy.** The affordable housing system needs both political and community will for policies and programs that lead to the creation of an adequate supply of quality, well-located affordable housing. Advocacy for land use policy, capital and operating funding, and project siting is essential to increasing the supply of affordable housing and ensuring that current residents can remain housed.

Community acceptance of affordable housing and political support are prerequisites to creating a regulatory and tax policy environment in which affordable housing developers can find land, navigate approval processes, secure financing, and commence construction. Community leaders, organizers, and advocates play a critical role in communicating housing needs and building the support required for housing friendly policies, particularly for homes that are affordable to the lowest-income community members.







## Unified Housing Advocacy

**Support development of a countywide housing advocacy nonprofit or coalition** to lead political and public will building and advocacy activities. This could be an additional role for an existing organization, an expansion of an existing coalition, and/or development of a new organization or coalition. The unified organization or coalition could directly lead or coordinate development and implementation of pro-housing messaging, communications, and education; training and deployment of pro-housing champions; funding and policy change-related campaigns; and technical assistance to local jurisdictions.

It can build off the local progress made by diverse local advocacy groups from [SBCAN](#) and [CAUSE](#) to [REACH](#) and [Santa Barbara South Coast Chamber of Commerce](#). Santa Barbara County can also learn from regional efforts such as [vcHome](#) in Ventura, CAUSE's new campaign to create a countywide housing coalition in Ventura (which received grant funding from the California Community Foundation and Southern California Association of Governments), and the San Luis Obispo Council of Governments [Housing and Infrastructure Plan](#).

Most counties of Santa Barbara's size already have housing advocacy organizations, such as [Sacramento Housing Alliance](#), [San Diego Housing Federation](#), and [SV@Home Generation Housing](#) in Sonoma County is a particularly strong example as it is located in a coastal county of similar size, represents a broad range of housing stakeholders, and was started with funding from Community Foundation Sonoma County.

Financial support for initial development and ongoing general operating funds from philanthropy are essential to the coalition's success, particularly in the first three to five years as it builds its membership base and revenue streams. Foundation, corporate, and individual philanthropic leaders also have tremendous influence and connections that they can bring to bear in terms of building the organization and public and political will more broadly. They can convene groups, serve on the coalition's Board, publish op-eds, meet with elected officials, and provide support for coalition activities.



## Pro-Housing Education Campaign

**Coordinated pro-housing public messaging, including compelling storytelling with clear goals and action opportunities, is essential** to making the policy and funding changes necessary to address housing affordability at scale. Although most stakeholders agree that there is a crisis, not enough believe that it can be solved nor understand how to be part of the solution.

Philanthropic dollars are needed to fund the message development, communications strategy, and campaign implementation. Similar efforts have helped to align stakeholders, pass large housing bonds, and approve higher density developments. The [California Dream](#) toolkit provides a range of thoughtful insights and tools to help frame housing communications. Examples of successful efforts include [We are Gen H, Housing Ready Communities](#), and [Seize the Narrative](#).



**Generation Housing's** pro-housing education campaign examples.

Please see QR code on page 37 to access [web links](#).

## Housing Preservation & Production Opportunities

In collaboration with the public and private sectors, philanthropy can support housing preservation and production efforts, especially homes that will be affordable for very and extremely low-income households. Although the cost of entire housing developments are far beyond most foundations' capacity, philanthropy can use smaller, more flexible dollars strategically to help government improve its land use regulations, provide increased funding, and explore ways to increase efficiency and decrease cost. Impact investments and grants can also provide early bridge funding for specific developments, and convenings can enable developers and nonprofits to pilot innovations in the field.

In terms of innovation, Santa Barbara County already has strong partnerships between government, nonprofit, and for-profit developers to create infill, mixed-income, and higher density multi-family housing. Many of these partnerships include one of the region's three award winning housing developers and owners — [Housing Authority of the City of Santa Barbara](#), [Housing Authority of the County of Santa Barbara](#), and [People's Self-Help Housing](#). There are additional innovations to increase housing production that have been successful elsewhere and could be piloted and scaled in the Santa Barbara region. These include increasing development of housing on mission-driven land owned by local government, education institutions, faith-based congregations, and others, as well as employing more modular and off-site construction techniques.

Please see QR code on page 37 to access [web links](#).



Missing Middle Housing term created by Daniel Parolek. Image © Opticos Design, Inc., [missingmiddlehousing.com](http://missingmiddlehousing.com).



### Land Use — Technical Assistance Funding

**In order to improve land use regulations and increase the Santa Barbara region's ability to access state and other housing-related funding**, government entities need more staffing, consultants, and technical assistance to develop new policies, regulations, and processes.

Funding could be awarded for a technical assistance provider to serve multiple jurisdictions, ideally with matching funds from the Santa Barbara County Association of Governments and/or individual cities. This assistance could help the region gain state [Prohousing Designation](#) more affordably, which increases access to and competitiveness for a range of State funding sources. Philanthropy could also sponsor convenings and provide experts from other regions to share strategies such as how to zone for and incentivize development of more “Missing Middle” Housing — the range of homes between single family and mid-rise apartments such as bungalow courts, duplexes, fourplexes, and live/work spaces.

Examples include [21 Elements](#) in San Mateo County, which contracts with [Community Planning Collaborative](#) to convene planning directors and provide technical assistance and [Destination Home's](#) funding of an additional [planner at the City of San Jose](#) to expedite the review of affordable housing development proposals, which has reduced plan review time by more than 20%.



## Financing — Affordable Housing Bond

One of the best potential resources for local funding is to support development and passage of a countywide affordable housing bond such as [Santa Clara's](#), which has resulted in the completion of more than 2,500 affordable new homes with 3,000 more in the pipeline. Santa Barbara County could also partner with Ventura and/or San Luis Obispo Counties for a regional Central Coast bond such as [Bay Area Housing for All](#). Local dollars make projects more competitive for state and federal resources, greatly amplifying their impact. This could be developed for the 2024 or 2026 ballot and result in hundreds of millions of dollars for the production and preservation of affordable housing.

Flexible, early grant dollars will be needed to develop the campaign, and philanthropy's support will add credibility and momentum for it, as [Marin Community Foundation](#) just did to help the Bay Area Housing Finance Authority become a reality. Philanthropic leaders can also co-sign an op-ed in favor of the bond measure once developed, serve on a blue-ribbon commission promoting it, and help to convene key stakeholder groups to become educated about its importance.



## Financing — Impact Investments

Another important way that philanthropy can help with affordable housing development is to leverage their endowments to provide lower-cost capital.

Foundations can make Impact Investments, such as low-interest loans, loan guarantees, and lines of credit, with more flexible and favorable terms than traditional financing sources. In collaboration with developers, philanthropy can identify where the capital gaps generally are in the region, what other financing sources are available, and explore how to most strategically deploy philanthropic capital, enabling projects to have higher levels of affordability, density, and/or efficiency.

Philanthropic loans can also support acquisition and preservation of at-risk multi-family housing. Low- or no-interest loans are needed to quickly acquire housing that is at risk of losing its affordability, either due to the expiration of government subsidies or rising market values, and to rehabilitate properties to ensure quality housing that is habitable and affordable for many years to come. The [Housing Trust of Santa Barbara County's Revolving Loan Fund](#) has contributed to the preservation and production of more than 400 homes and could do even more with increased capital investment from the philanthropic community.

As smaller foundations, donor advised funds, and individual investors may not have access to the technical expertise needed to develop an Impact Investment strategy and evaluate potential investments, many community foundations develop pooled funds to aggregate and deploy capital. With its new impact investing program, Santa Barbara Foundation is well-positioned to offer this opportunity for the region. Examples include smaller philanthropic pools such as [Fund ATX](#) at Austin Community Foundation, mid-sized pools like [Home for Good](#) at The San Francisco Foundation, and larger, public-private examples like at the [Community Foundation for Greater Atlanta](#).

Please see QR code on page 37 to access [web links](#).

### SANTA CLARA 2016 \$950M HOUSING BOND RESULTS TO DATE

# \$669,217,710

in multi-family housing development approved

## 50

housing developments

## 4,481

new apartments

## 689

units renovated

## \$25M

home-owner support

\* As of May 16, 2023.





## Innovations — Mission-Based Land

**High land costs make it difficult to create new affordable housing, particularly in high-value, amenity-rich locations.** Leaders can help to overcome this obstacle by identifying under-utilized properties owned by government, nonprofit, and faith-based organizations and helping to repurpose them for residential use. This will make land available to developers who commit to creating and maintaining ongoing affordability. In California, the Surplus Land Act requires government entities wishing to sell or lease a property to give affordable housing developers a right of first refusal.

A number of the housing sites in Santa Barbara County's housing elements are actually publicly-owned, providing cost, zoning, and permitting advantages. Additional lands are available through faith-based and educational organizations. A [recent report](#) found that the region has a total of 222 developable parcels owned by faith-based organizations and 92 parcels (representing more than 12,000 acres) owned by nonprofit colleges.<sup>25</sup> Over half of these are in high opportunity areas with access to important community amenities. An [\\_](#) identified 83 additional developable properties on land owned by school districts and the county office of education,<sup>26</sup> and recent state legislation has created a pathway for districts to develop affordable housing specifically for their employees.<sup>27</sup>

**Philanthropy can assist in this process by funding feasibility studies, technical assistance and grants,** to help faith-based and educational organizations collaborate with affordable housing developers to maximize opportunities on their lands. A number of organizations are available to provide support for faith-based groups, including Enterprise Community Partners' [Faith-Based Development Initiative](#), LISC's [Faith and Housing program](#), and [Yes in God's Backyard](#) (YIGBY) in San Diego. The California School Board Association offers a helpful handbook for Local Education Agencies on developing [Education Workforce Housing](#).

Philanthropy can also provide flexible pre-development grants and low-interest bridge financing for specific developments, creating multiple community benefits. For example, education workforce housing improves teacher retention, creating more stability and better educational outcomes for students. Projects include 705 Serramonte (pictured below), a [122-unit building](#) in Daly City which opened in 2022, and a new collaboration between Mercy Housing and Abode Communities for a [110-unit property](#) in Palo Alto, supported by a range of public and private funders.

Please see QR code on page 37 to access [web links](#).

705 Serramonte school employee housing.





## Innovations — Modular Construction

**Another innovation gaining traction is modular housing — not just for individual homes or accessory dwelling units — but for larger multi-family developments.** Modular construction is a process in which a building is constructed off-site, under controlled plant conditions, using the same materials and designing to the same codes and standards as conventionally built facilities — but faster. The factory-controlled process generates less waste, creates fewer site disturbances, and allows for tighter construction. Construction of modular buildings occurs simultaneously with site work, allowing projects to be completed much faster and more cost-effectively than traditional construction.<sup>28</sup>

The time and cost savings are proving to be significant. In an evaluation of a recent permanent supportive housing development in San Francisco, The Terner Center concluded that it was built at least 30% faster and at 25% lower cost than comparable projects.<sup>29</sup> Other examples include [Virginia Street Studios](#) in San Jose, where the 301 modular units were craned and placed in only 18 days.

Locally, [Santa Maria Studios](#) (pictured below) will provide 160 affordable older-adult housing units via modular construction. Philanthropy could convene interested organizations, invite experts and examples from across the state, and even fund field trips for local stakeholders to visit sample projects or modular construction facilities such as [Factory OS](#). Foundations could also support particular projects through Program-Related Investments or provide technical assistance funding to help local jurisdictions develop regulations and processes to encourage more modular construction.

Please see QR code on page 37 to access [web links](#).





## Housing Protection Opportunities

There are a number of promising programs and policies for decreasing displacement and enabling people to stay in their current homes and/or access more affordable options. These include tenant protection and eviction prevention policies, habitability inspections, legal services, and financial assistance for renters, and financial counseling, home repair, and home improvement funds for lower-income homeowners.



### Renter and Homeowner Advocacy & Support

The McCune Foundation, Fund for Santa Barbara (FSB), and the Mickey Flacks Social Housing Fund at FSB have provided a range of impactful grants for community organizing, tenants rights, and housing advocacy. More general operating grants are needed to support this work, with a number of strong grantee partners in the region including [Central Coast Alliance United for a Sustainable Economy](#) (CAUSE), [Legal Aid Foundation of Santa Barbara County](#), and [Santa Barbara County Community Action Network](#) (SBCAN). For lower-income homeowners, Habitat for Humanity of Southern Santa Barbara's [Home Preservation Programs](#) provide critical repairs, modifications, and maintenance free of charge.

Philanthropy could also organize convenings, fund technical assistance, and provide seed grants to local organizations to implement new ways to help people stay in their homes and increase density within single family zoning. Many communities have welcomed home sharing programs that help older adults age in place and other lower-income individuals to find affordable rentals by providing home matching services. [Smart Share Housing Solutions](#) in San Luis Obispo County and [Front Porch Home Match](#) in the San Francisco Bay Area offer strong examples, and the [National Shared Housing Resource Center](#) provides a range of resources. Another retention strategy is to provide technical and financial assistance for low-income homeowners to develop accessory dwelling units — to move into themselves or rent out for income. [Keys to Equity](#) in Oakland specifically serves lower-income homeowners of color, Los Angeles' [ADU Accelerator Program](#) focuses on low-income older adult renters, and [Napa Sonoma ADU](#) offers a range of examples and services.

Please see QR code on page 37 to access [web links](#).







## Community Ownership

**On a larger scale, models of community land ownership that permanently protect land for lower-income households** have accelerated greatly in the last decade. These shared equity and co-operative ownership models include community land trusts (CLTs), limited-equity cooperatives, deed-restricted homes, and resident-owned manufactured housing communities. They are designed to provide lasting housing affordability and support wealth creation for families, who otherwise would not have access to stable housing or asset building opportunities. They often also allow for increased community control of housing and land, creating the opportunity for more inclusive, economically, and racially diverse neighborhoods.<sup>30</sup>

Please see QR code on page 37 to access [web links](#).

**Community land trusts (CLTs) are the most prominent type of community ownership** — nonprofit organizations governed by a board of CLT residents, community members and public representatives that provide shared equity homeownership opportunities. CLTs can develop agriculture projects, affordable rental and cooperative housing projects, and conserve land or urban green spaces. However, the heart of their work is the creation of homes that remain permanently affordable, providing homeownership opportunities for generations of lower income families. There are now over 225 community land trusts in the United States.<sup>31</sup>

Philanthropy could bring national and statewide groups such as [Grounded Solutions Network](#) and the [California Community Land Trust Network](#) to provide technical assistance and share resources with those interested in starting community land trusts. For many years, mobile home parks have provided affordable housing options, but they are at increasing risk of rent increases, closure, and sale in high-priced markets like Santa Barbara County. To address this, foundations could work with local stakeholders to enlist [ROC USA](#) nationally and its California affiliate, [CaliROC](#), to preserve these community assets, providing technical assistance and financing to help residents buy their mobile home parks cooperatively.

## How Community Land Trusts Work



Land is bought by or donated to a Community Land Trust. Buildings are built by the Trust.



The Trust is governed by a nonprofit board and made up of local people and families on low incomes who live in its properties.



The Trust sells a long-term lease on the property to families on low incomes, but retains ownership of the land.



If the leaseholder moves out, they can sell the building back to the trust, who can then resell it without making a profit.

# Conclusion

## Maximizing Impact through Cross-Sector Collaboration

**The severity of the housing affordability crisis in Santa Barbara County calls for a collective response with public, private, and philanthropic alignment, action, and investment.** Philanthropy is well positioned to play a significant role in this effort — working with the many potential partners who are currently implementing affordable housing solutions, building deeper capacity and connections, and forging new ground together.

Corporate, private, and community foundations can develop an aligned framework for their investments, identifying ways to bring their individual and combined assets to bear. Philanthropy can partner with regional public and private sector leaders and use their collective voices to advocate for the resources necessary to ensure housing equity and affordability.

Now is the time for Santa Barbara County-area foundations and philanthropists to join together to build communities where people with different incomes, beliefs, and backgrounds can live, work, and create the California Dream. Together we can help lower-income families and individuals continue to contribute to their communities, employers recruit and retain workers, and everyone have a range of housing options that meet our different life stages. Our combined investment in housing stability and affordability will improve health, education, workforce, and economic mobility incomes for community members and provide the platform for an inclusive, equitable, and thriving region.



# Endnotes

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To access web links in this report, visit **[SBFoundation.org/Housing-Affordability-Report](https://SBFoundation.org/Housing-Affordability-Report)** or scan this code.



# Acknowledgments

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## Housing Affordability Advisory Committee

1. George Adam, President & Owner, Innovative Produce
2. Christie Alarcon, Community Development Director, City of Lompoc
3. Alfredo Arredondo, Partner, The Resolute Company
4. Barbara Andersen, Assistant City Manager, City of Santa Barbara
5. Laurie Baker, Housing & Community Development Grants and Program Manager, County of Santa Barbara
6. Mike Becker, Director of Planning, Santa Barbara County Association of Governments
7. Hillary Blackerby, Planning & Marketing Manager, Santa Barbara Metropolitan Transit District
8. Lisa Brabo, Executive Director, Family Service Agency
9. Lisa Carlos, Board of Directors, Santa Barbara Habitat for Humanity and League of Women Voters
10. Sophia Checa, Planning Manager, City of Solvang
11. Ashley Costa, Executive Director, Lompoc Valley Community Health Organization
12. Kirsten Deshler, Director, Government Relations, University of California Santa Barbara
13. Lanny Ebenstein, President, CA Center for Public Policy
14. Dale Fathe-Aazam, Director of Property, Housing Authority of the City of Santa Barbara
15. Michael Foote, Project Manager, REACH
16. Rob Fredericks, Executive Director/CEO, Housing Authority of the City of Santa Barbara
17. Janet Garufis, Chairman & CEO, Montecito Bank & Trust
18. Geoff Green, CEO, Santa Barbara City College Foundation
19. Joe Halsell, Co-Owner, Halsell Builders
20. Bob Havlicek, Executive Director, Housing Authority of Santa Barbara County
21. Brian Johnson, Chief Executive Officer, Santa Barbara Association of Realtors
22. Patricia Keelean, CEO, CommUnify
23. Marjie Kirn, Executive Director, Santa Barbara County Association of Governments
24. Jessica de L'Arbre, CEO, Santa Barbara Habitat for Humanity
25. Dinah Lockhart, Former Deputy Director, Santa Barbara County Housing and Community Development Division
26. Graham Lyons, Managing Partner, Mullen & Henzell LLP
27. Alejandra Mahoney, Former Acting Executive Director, Los Amigos de Guadalupe
28. Olivia Marr, Partner, Fauver, Large, Archbald & Spray, LLP
29. Jennifer McGovern, President & CEO, Housing Trust Fund of Santa Barbara County
30. Craig Minus, Owner, CAM Land Use & Development
31. Maria Navarro, Policy Advocate, CAUSE
32. Robert (Bob) Nisbet, City Manager, City of Goleta
33. Rosa Paredes, President & CEO, St. Vincent's
34. Tom Parker, President, Hutton Parker Foundation
35. Detty Peikert, Principal, RRM Design Group
36. Lisa Plowman, Director of Planning & Development, County of Santa Barbara
37. John Polanskey, Director of Housing Development, Housing Authority of Santa Barbara County
38. Susan Salcido, Superintendent of Schools, Santa Barbara County
39. Jason Stilwell, City Manager, City of Santa Maria
40. Rob Skinner, CEO and General Counsel, The Towbes Group
41. Jennifer Smith, Executive Director, Legal Aid Foundation of Santa Barbara Foundation
42. Ken Trigueiro, President & CEO, People's Self-Help Housing
43. Kristin Tufvesson, Senior Vice President & CFO, Santa Barbara Cottage Hospital
44. Megan Turley, Board of Directors, League of Women Voters
45. Zohar Ziv, Santa Barbara Foundation Trustee, and retired COO, Deckers

## Interviewees & Listening Session Participants

1. Jonathan Abboud, General Manager, Isla Vista Community Services District
2. Connie Alexander, Co-Executive Director, Gateway Educational Services
3. Richard Appelbaum, Advocate, SB CLUE, Housing Justice Workgroup
4. Claudia Armann, Executive Director, McCune Foundation
5. Michael Baker, CEO, United Boys & Girls Clubs of Santa Barbara
6. Jeremy Ball, City Councilmember, Lompoc City Council
7. Tracy Beard, Executive Director, Solvang Chamber of Commerce
8. Nick Bobroff, Principal Planner, City of Carpinteria
9. Todd Bodem, City Administrator, City of Guadalupe
10. Elizabeth Breen, Association Executive, Santa Ynez Valley Association of Realtors

11. Jessa Brooks, Vice President of Philanthropy, Marian Regional Medical Center
12. John Campanella, Former City Planning Commissioner, City of Santa Barbara
13. Nancy Cardoza Barragan, Family Support Services Supervisor, Family Service Agency
14. Lynn Carlisle, Executive Director, Cuyama Family Resource Center
15. Michael Carroll, Branch Manager, Vice President, Union Bank Lompoc Office
16. Denise El Amin, Member, NAACP and Santa Ynez Resident
17. Darcel Elliott, Chief of Staff, Supervisor Das Williams' Office
18. Alejandra Enciso, Deputy Director, Community Partners in Caring
19. Richard Flacks, Professor Emeritus, University of California Santa Barbara
20. Erica Flores, Development & Communications Director, Santa Ynez Valley People Helping People
21. Audrey Gamble, Co-Executive Director, Gateway Educational Services
22. Adolfo Garcia, Chief Operating Officer, CALM
23. Dr. Gabriella Garcia, Executive Director, Storyteller Children's Center; Greater Santa Barbara Hispanic Chamber of Commerce
24. Pam Gates, Vice President, NAACP; League of Women Voters Santa Maria Valley
25. Andrea Gleysteen, Director of Human Resources, CALM
26. Jeffery Hall, Vice President, NAACP Santa Maria-Lompoc Branch
27. James Halsell, Co-Owner, Halsell Builders
28. Jay Hardy, Founder, Hardy Diagnostics
29. Tim Harrington, Co-Founder, FUTURE for Lompoc Youth
30. Lindy Hatcher, Executive Director, Home Builders Association of the Central Coast
31. Alma Hernandez, District Representative, Joan Hartmann's Office
32. Carrie Hernandez, Assistant Controller, Westmont College
33. Dustin Hoiseth, Public Policy Manager, South Coast Chamber of Commerce
34. Debra Hood, North County Liaison, Santa Barbara County Education Office
35. Elias Isaacson, Community Development Director, City of Santa Barbara
36. Jeff Johnson, Sales Manager, Montecito Bank & Trust
37. James Joyce III, Founder, Coffee with a Black Guy
38. Sheila Lodge, Former Mayor, City of Santa Barbara
39. Sara Macdonald, Member, NAACP
40. Denise Manriquez, Program Manager, Transitions Mental Health Association
41. Jessica Metzger, Project Planner, City of Santa Barbara
42. Glenn Morris, CEO, Santa Maria Valley Chamber of Commerce
43. Andy Newkirk, Supervising Senior Planner, City of Goleta
44. Karen Ortiz, Director of Development, Alzheimer's Association's California Central Coast Chapter
45. Rosa Paredes, President & CEO, St. Vincent's
46. Chris Parker, Vice-President, Hutton Parker Foundation
47. Steve Popkin, Executive Director, Lompoc Hospital
48. Dave Powers, CEO, Deckers
49. Daniel Ramirez, Director of Strategic Initiatives, Downtown Santa Barbara
50. Charlotte Reynolds, Member, Lompoc NAACP
51. Chris Rogers, HR Manager, Hardy Diagnostics
52. James Rogers, CEO, Apeel Sciences and Santa Barbara Foundation Trustee
53. Ben Romo, Consultant, Romo & Associates
54. Susan Rose, McClune Foundation Trustee; and Former Board Member, Santa Barbara County Board of Supervisors
55. De Rosenberry, Senior & Caregiver Services Senior Program Manager, Family Service Agency
56. Rich Sander, Executive Director, SB Act
57. Lisa Scherman, Assistant Planner, City of Solvang
58. Suzanne Signh, Economic Development Director, Santa Maria Valley Chamber of Commerce
59. Gloria Soto, Executive Director, Future Leaders of America; and City Councilmember, City of Santa Maria
60. Mayra Soto, Communications/Program Director, Lompoc Chamber of Commerce
61. Tommy Speidel, Executive Director, Channel Islands YMCA
62. DeVika Stalling, CEO, Lompoc Valley Chamber of Commerce
63. Tom Stevens, Executive Director, Space Launch Delta, Vandenberg Space Force Base
64. Gretchen Swinehart, Housing Management Chief, Military Housing Office, Vandenberg Space Force Base
65. Laurie Tamura, Principal Planner and President, Urban Planning Concepts
66. Eddie Taylor, CEO, United Way of Northern Santa Barbara County
67. Lucy Thoms-Harrington, President, American Association of University Women
68. Megan Turley, Associate Director of Development, University of California Santa Barbara
69. Marcos Vargas, CEO, Fund for Santa Barbara
70. Alison Wales, Associate Director, North County Rape Crisis & Child Protection Center
71. Edwin Weaver, Executive Director, Fighting Back Santa Maria Valley
72. Pat Wheatley, Chair, Housing Authority of the City of Santa Barbara
73. Das Williams, Board of Supervisors, Santa Barbara County
74. Jessica Woodyard, Program Coordinator, Transitions Mental Health Association
75. Sigrid Wright, President & CEO, Community Environmental Council
76. Chuen Wu, Director of Community Development, City of Santa Maria
77. Lucas Zucker, Co-Executive Director, CAUSE



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Authored by Cassandra Benjamin, [csbconsulting.org](http://csbconsulting.org)

Designed by Jennifer Beales, [crookbealesdesign.com](http://crookbealesdesign.com)