

1/8/2023

Chair Williams and County Supervisors
Santa Barbara County Board of Supervisors
105 East Anapamu Street
Santa Barbara, CA, 93101

RE: Community Benefit Rezone Criteria

Dear Chair Williams and Supervisors,

The lack of local housing supply continues to be one of the biggest challenges faced by businesses in Santa Barbara County, and the Santa Barbara South Coast Chamber of Commerce continues to prioritize workforce housing solutions as one of our central pillars. The Chamber is happy to see the Board considering criteria for rezones that will more clearly define community benefits, giving property owners a straightforward path to providing housing for our communities.

As we have mentioned in previous letters, included in the [Chamber's Road Home](#) document is a proposal for an Employer Sponsored Housing Consortium, in which multiple employers will enter a partnership to acquire property which they can provide to local employees. Last year the Chamber hired an outside consultant with experience in employer sponsored housing initiatives, to help us put something together that will work for our community. Over the past 7+ months the Chamber has held discussions with employers, property owners, developers, other housing practitioners, County staff, and other community organizations to better understand this topic from several perspectives and develop a model that will be successful in our County long-term. Over these past months we have made significant progress on this initiative, identifying rental and ownership models that appear to satisfy employers and property owners alike.

We are aware that there is a concern that housing built within this RHNA cycle may not go to the local workforce unless deliberate action is taken towards ensuring it does. An employer sponsored housing consortium, which is endorsed and supported by the County, is an intuitive and effective means of accomplishing that goal. Two of the potential criteria presented in the board letter on this item are the "creation of moderate-income housing that prioritizes the local workforce, in alignment with HE programs 13 (density bonus) and 21 (local preference)" and "offer of new unrestricted units to local employees before offering them on the open market." These criteria make sense toward accomplishing the goal of guaranteeing housing for the local workforce, however there are several challenges associated with local preference and offering units to employees before the open market. These challenges are solved by an employer sponsored housing consortium model, as a consortium would act as a proactive buyer that would secure units specifically for the purpose of providing them to the workforce.

The serious lack of housing supply in general, not just at specific income levels, means that local employers have a need for housing for employees at all levels of income (from entry level to executive). That being said, the "missing middle" (80-120% AMI) is the most serious area of concern for local employers in terms of income levels. The employer sponsored housing consortium model will help guarantee that housing of all income levels are secured for the local workforce.

We urge the board to prioritize workforce housing, support the employer sponsored housing consortium program, and recognize the clear community benefit offered by properties that partner with a consortium. Several of the properties included in the County's potential rezones have expressed a willingness to work with the Chamber on this program, and this is a benefit that the board should take into account as they consider the rezones this year.

In some ways, the initial success of this program relies on the successful rezoning of the sites looking to partner with the early employer sponsored housing consortium. However, as our efforts on this program have progressed, we have seen an increasing interest from local employers and property owners alike. We expect that interest in this collaborative model will only increase once we have successful pilot projects we can point to. In the meantime, the Chamber is dedicated to gathering letters of interest from employers and property owners alike, in order to demonstrate the existing interest in the community and help better inform decision makers on the interest, effectiveness, and potential of the employer sponsored housing program. Once partner properties are rezoned we can move forward with the creation of the administrative and legal entities needed to manage the consortium and bring the previously identified partners together.

The Chamber looks forward to continuing to engage with the County on the development of an employer sponsored housing consortium program and will continue to watch the rezoning process carefully as we simultaneously work with local property owners to lay the foundations for a successful employer sponsored housing consortium program.

We look forward to working with you to address the regional housing supply crisis.

Sincerely,



Kristen Miller
President & CEO
Santa Barbara South Coast Chamber of Commerce