Santa Barbara Association of REALTORS®

October 23, 2026

Anne Miller, Chair
Rita Serotkin, Vice Chair
Jennifer Fullerton
Katie Maynard
Cary Penniman
130 Cremona Drive
Goleta, CA 93117

RE: Consideration of Amendments to the City's Inclusionary Housing Requirements

Dear Chair Miller and Commissioners,

The Santa Barbara Association of REALTORS® (SBAOR) represents about 1,200 REALTORS® throughout the South Coast and our mission includes engaging in real estate related community issues affecting our members and/or their clients who are homeowners, housing providers, tenants, and commercial owners. We appreciate the City's efforts to provide greater flexibility and predictability in its inclusionary housing requirements, and we support the proposed changes that would allow developers to utilize off-site development and land dedication as objective compliance options without first demonstrating that on-site development is infeasible. These are positive steps toward providing developers with more choices in how they meet affordable housing requirements.

We also appreciate the City's willingness to think outside the box and explore innovative approaches to meeting its affordable housing goals. We believe these options should be practical, financially achievable, and designed to encourage additional housing production.

With that in mind, we offer the following questions and concerns:

- **Financial Feasibility:** Has the City evaluated whether the existing 20% inclusionary requirement is financially achievable under current construction costs, land values, and financing conditions? Additional compliance options are beneficial, but the underlying requirements must also be economically viable.
- **In-Lieu Fee Flexibility:** We question the proposed prohibition on combining affordable unit construction with discretionary in-lieu fee payments. Allowing developers to construct some affordable units while contributing funding for others could provide another practical pathway to producing affordable housing. We encourage the City to retain this flexibility.
- **Off-Site Development and Land Dedication:** We strongly support making these objective compliance options. We encourage the City to ensure the proposed standards are achievable and provide meaningful opportunities for developers to utilize these alternatives, particularly given the limited availability and high cost of developable land in Goleta.
- **Small Housing Projects:** Projects with two to four units remain subject to mandatory in-lieu fees. Has the City evaluated how these fees affect the feasibility of smaller developments, particularly those undertaken by individual property owners?
- **Demonstrating Infeasibility:** Developers seeking discretionary alternatives must provide a financial feasibility study, potentially subject to peer review at their expense. We encourage the City to establish clear, objective evaluation criteria so this process does not create unnecessary costs, delays, or uncertainty.

Ultimately, **the goal should be to produce more housing, including affordable housing, not simply create additional ways to comply with requirements that may be financially difficult to achieve.**

We appreciate the City's willingness to explore alternative approaches and encourage the Planning Commission to recommend amendments that expand opportunities for developers, provide meaningful flexibility, and ultimately result in more housing, including affordable housing, for the Goleta community.

Sincerely,



Jennifer Berger
SBAOR President