

Why New “Smart Growth” Housing Developments Won’t Build Us Out of The Housing Dilemma

and

A Better Option

Presented by

Allied Neighborhoods Association

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**Good afternoon everyone. The title of this presentation is:
WHY NEW “SMART GROWTH” HOUSING DEVELOPMENTS
WON’T BUILD US OUT OF THE HOUSING DILEMMA
and
A BETTER OPTION**

We’re focusing on the so-called “smart growth” housing model, because of all proposals being considered, this one is a huge mistake: a mistake of far-reaching and irrevocable consequence.

Two Options

“Smart Growth”

Build and Grow our way
into balance



Playa Vista Award-Winning Smart Growth

“Protect and Preserve”

Maintain and Enhance, but
not Risk, existing qualities



Santa Barbara Award -Winning Public Housing

Our purpose is to show why this development proposal won't work here ... and to suggest a better option.

This “Smart Growth’ model” isn't *expressly* mentioned in the Preferences Report. But the concept is endorsed throughout the Report. And it's the “vision” that has been heavily promoted throughout this process.

What is it we are specifically opposing?

We certainly don't oppose affordable housing efforts: our Housing Authority has shown us how appropriately sized projects work very nicely.

What we are concerned with are sizeable housing projects in big – and tall - buildings ... especially ones that include a substantial number of market-rate units.

This is not simply paranoia about something unlikely to occur. Big and tall building projects are on the horizon. If they weren't, then why are so many movers and shakers flipping out about efforts to limit heights?

We Want ...

- Affordable housing
- Open space preservation
- Less traffic
- Fewer commuters

We agree with the *goals* of the “smart growth” proposal.

Our concern is solely with the means--the way to get there-----if there is a sensible way to get there.

We Also Want ...

- A low density residential city
- Low profile cityscape
- Small town ambience



“High buildings are inimical to the ... character of the City”
City Charter Sec. 1506



“Maintain ... a low density residential city”
Santa Barbara General Plan

Our purpose is to protect our other high-priority community goals and values: ones that were repeatedly cited during this planning process:

- Maintaining a city of optimum size that preserves our small-town ambience. (This was the essence of a public vote overwhelmingly passed some years ago.)
- That tall buildings are inimical to the character of this city. (These words were placed in our Charter by public vote.)
- Preserving Santa Barbara as a “low-density residential community”, which has been expressly stated in our General Plan since its adoption.

We wouldn't consider compromising these values unless it was absolutely essential.

Some say it *is* essential ... and that “smart growth” is the ticket.

But ... **is** it the ticket?

“Sustainable”

Sustainable plan =
Promises + Ability to deliver on promises

The problem with the “smart growth” housing option is that its promises are unrealistic.

To be “sustainable” a plan must offer more than promises. It needs substantial assurances that the ***promises can be fulfilled.***

And this is where the smart growth model fails us.

Not Sustainable

Great little city + Risky plan =
Cure worse than the Disease

This “smart growth” model provides no persuasive evidence that it can succeed in this city. That is not acceptable.

The risks might be justified if we were applying it to a desperately flawed city. But this is not the case. Ours is a special little gem of a city that we shouldn't be putting at risk with problematic, transformative plans.

Target Problems

- Housing prices
- Traffic congestion
- Commuters coming into the city
- Shortage of buildable land in the city
- Development threatening outlying open space

Of course, our city does have problems that concern us.

But the “smart growth” proposal – to construct substantial housing and mixed-use projects along transit routes – is not the answer.

Plausible ideas do not work in all situations. This proposal may work in some places, but not here.

Fatal Flaw #1

Fly In The Ointment:

SANTA BARBARA'S DESIRABILITY

We're a "globally marketed commodity"



The New York Times
GREAT HOMES

“... is the listing agent for a home three miles north of Montecito, Calif., near Santa Barbara, with ocean views and rows of avocado and lemon trees spread out on 80 acres.”

There are two fundamental factors that prevent the model from working here.

The first is our now-famous “attractiveness factor”.

The housing that is built here attracts people from far and wide. There is a worldwide market for Santa Barbara housing. That’s what drives our housing prices, increases our population, and escalates our land values. As a result, new housing is priced out of reach of local workers. Most of the new units that have been built recently – and that will be produced under the proposal – will be sold at market prices.

The amount of strictly affordable public and subsidized housing we can build is severely limited by high land costs and funding constraints.

To extract “workforce affordable” units from new privately developed housing, we’ve relied heavily upon the “inclusionary” device. But in *our* housing market, it’s counterproductive. The new residents of the expensive market-rate units require additional workforce to support their needs: **more** new workers than the projects can house. With inclusionary, we simply dig ourselves deeper.

Inclusionary might make sense if we had **no choice but** to approve these big projects. But we **should** have a choice.

Fatal Flaw #2

Too little “Cure”
to produce
Sufficient Results

(A “Tipping Point” problem)

And there is another fundamental reason why the proposal cannot work.

There will never be enough affordable units built under the plan! Never enough units to yield an acceptable level of promised benefits ... or even to overcome the negative impacts. This is a “Tipping Point” problem.

In fact, we will only be building a few thousand additional housing units. This is assured by Santa Barbara’s resource constraints - along with community attitudes about growth. And only a relatively small percentage of these units will be “affordable”. Relative to the size of the problems they are intended to address, these benefits will amount to a mere token.

“We Can’t Build Our Way Out of the Housing Crisis”

Too few affordable units will be ever be built to have a significant impact because:

- Resources are limited
- Community sentiments have always overwhelmingly favored limiting growth

That is why the consensus has always been: “We Can’t Build Our Way Out of the Housing Crisis”.

For decades we have accepted this as a bedrock truth. In spite of what “smart growth” promises, it’s *still* true.

“Smart Growth” Promises are Impossible Dreams

- “Affordable by design”?
- Weaning off cars and reducing traffic?
- Reducing commuting?
- Inducing “Green” behavior?
- Cultural rewards?
- Preserving open spaces?
- Facilitating public transit?

The problem with the promises of the “smart growth” model: they are unrealistic, utopian, wishful thinking.

Affordable by design: Will even tiny “affordable-by-design” units sell for affordable prices in Santa Barbara’s worldwide housing market? Not according to any evidence we have ever seen.

Weaning people off cars: Will many drivers be tempted to switch to public transit? in Santa Barbara? ... where driving at most times is relatively hassle-free? Who says? They might in big cities where traffic is terrible and driving is nasty ... but not in places like this.

Reducing commutes: How many of the 20,000+ daily commuters can we get off the road by building a few thousand housing units? Remember the tipping point problem.

Inducing “Green” Behavior: People have limited tolerance for government coercion to manipulate behavior and limit choice. Will it produce desired results ... or “backlash” against city government?

Density’s cultural rewards: Can we justify density on the promise of cultural advantages? This city is already blessed with an incredible degree of cultural advantages - *without* the density.

Reducing development “pressure”: A “smart growth” principle is to concentrate development in the urban center, rather than have it chew up open spaces. But it only works in places that have finite development demands ... not in a region like ours, where our desirability produces an infinite degree of development pressure. We could build like a Coral Gables and there would still be as much – or more – demand for development of our open spaces.

And what’s up with the notion of creating the densities necessary to make public transit work? Isn’t that cart-before-the-horse thinking?

The Cost of Failure



Betrayed by the promises of “smart growth”, Santa Monica residents initiated a ballot measure because of the projects’ traffic generation.

(LA Times, May 19, 2008)

Now, what if the new building projects do not yield all their promised results?

This city will end up with a cure worse than the disease:

- more population than the community wants
- more local traffic
- a worse jobs/housing imbalance
- drastic, irreversible changes to a city most people like just the way it is

And the “Adaptive Management” monitoring suggested in the Report can never make big buildings go away.

Sustainability

Sustainable plan =
Promises + Ability to deliver on promises

This bears repeating:

**a plan is only sustainable if, in fact,
it can deliver on its promises.**

The Reasonable (and Feasible) Option: “Protect and Preserve”

- Maintain community character
- Avoid strategies that encourage growth
- Implement “*Living Within Our Resources*”



Photo by Sheila Lodge. Used by permission.

We propose an alternative to this unproven, transformational “smart growth” model:

A preservation and protection-oriented approach: one in the tradition of what has so successfully served us in the past.

Based on the following objectives:

- Preserving existing fundamental components of community character
- Developing strategies that do not generate growth, and
- Turning “living within our resources” into an enforceable proposition

What measures can we take to address our city’s major development-related problems?

Preserving Housing Stock

- Restrict condo conversions/protect rentals
- Prevent expensive condo developments that displace middle-class units
- Control “mansionization” and “gentrification”
- Preserve existing community character (historic neighborhood preservation, etc.)

“Market” condos displace modest, traditional housing.



We should preserve, as best we can, our existing middle and working class housing stock. Remember, just as an “out” at home plate counts as much on the scoreboard as a home run, every workforce unit we save equals one we’d otherwise need to build.

We can do this by:

- Restricting condo conversions and protecting our rental market
- Reducing the construction of expensive condo developments that displace existing units
- Controlling “upscaling” that transforms middle-class neighborhoods.
Expand Neighborhood Protection Ordinance protections.
- Preserving older neighborhoods by way of historic preservation devices: design districts and overlays. It’s not necessary that “Washington slept here” to employ such measures.

Create Truly Affordable Units In Smaller, Well-Integrated, Scattered-site Projects

- S.B. Housing Authority sets excellent example
- Promote self-help, innovative financing, and employer-assistance

HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA

- Public Housing
- Private (Non-HUD)
- ▲ Other
- ☀ In-Planning
- ★ Under Construction



Excerpted from
<http://www.hacsb.org/housing/properties.html>

Support the creation of truly affordable units, built in smaller, well-integrated, scattered-site projects.

- Follow the examples of our City Housing Authority.
- Promote self-help, innovative financing, and employer-assisted housing creation.

Stabilize the Jobs/Housing Imbalance

- Extend “Measure E” with strict job-creation limitations
- Promote an economy that does not rely on “growth”



<http://www.101inmotion.com/>

Stabilize the jobs/housing imbalance by curbing the jobs-generation side of the equation:

- Extend “Measure E” with job-creation limitations
- Promote the kind of economic vitality that does not rely on physical growth or creation of new jobs. Other cities do it; so can we.

“ Grow Our Own Middle Class Instead of Importing One”

Jane Jacobs, *Death & Life of Great American Cities*

- Prepare locals for local jobs
- Get locals into local jobs



School of Culinary Arts of Santa Barbara City College



University of California, Santa Barbara

We should “grow our own” middle class, instead of importing one. Nurture and cultivate the human resources that are already housed here.

- Tap educational and social service resources to prepare locals for local jobs
- Employ ways to channel locals into local jobs

Creative Affordability

(Without Risk to the Community)

- Converting existing units into “affordables” (“buying” rights to limit resale prices)
- Novel zoning models (“dual density” plan)
- Transfer fees or parcel taxes (recoup “windfalls”)
- Land banking (acquisitions for potential housing sites)
- Voluntary efforts (“Alternative Budget” contributions)

Explore and exploit imaginative ways of creating affordable units:

- Devices to turn existing units into affordable ones. (For example, “buying” rights to limit resale prices from existing occupants)
- Novel zoning models, like a “dual-density” plan that has been suggested
- Transfer fees or parcel taxes (scaled to recoup some of the “windfall” Santa Barbara’s escalating values have created)
- Land banking: bird-dogging potential land acquisitions (Since the “price of dirt” is the key to our affordability dilemma, all the public land we can secure is precious)
- Experiment ... with concepts that do no harm if they don’t work out: things like an “Alternative Budget” that solicits contributions from taxpayers who pay only a fraction of their fair share as a result of Prop. 13, but recognize an “obligation” – and willingness – to pay more

No More “Market Rate” Housing

- Use “build out” potential for affordable units only
- Abandon “inclusionary” approach
- Challenge RHNA market unit allocation

- One, two and three-bedroom flats and townhomes from \$1,149,000 to \$2,595,000
- Private garages
- Fireplaces
- Patios for entertaining
- Ceiling heights of 9' to 10'



Excerpted from <http://www.paseochapala.com/>

Avoid building any more “market rate” housing. Almost everyone agrees on this point: additional expensive housing here yields no community benefit.

- Use all our remaining “build out” solely for housing that can be made truly affordable
- Abandon policies that depend upon the building of market-rate housing – such as the “inclusionary” approach
- Challenge and defy RHNA mandates for above-“middle-income” market units. Here’s a perfect application of “Just Say **No**”!
- Adjust our zoning so it enforces these determinations, instead of permitting a buildout we can’t even accurately predict

Give Teeth to “Living Within Our Resources”



GoogleEarth Imagery: NASA

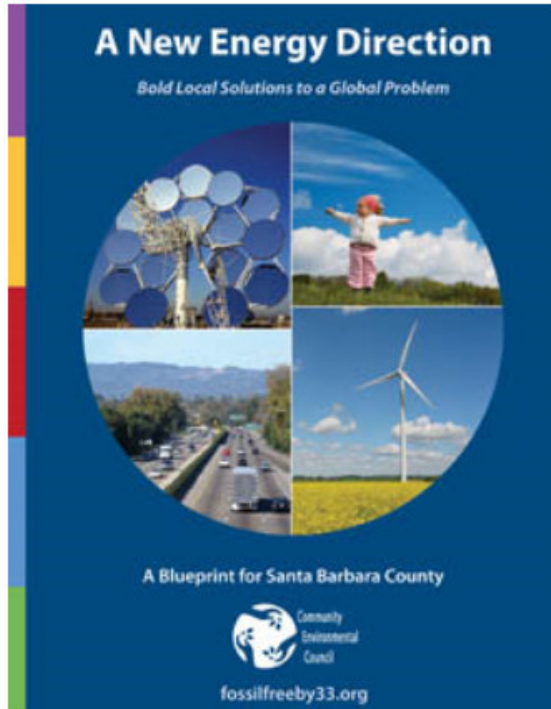
Turn “Living Within Our Resources” into
an enforceable and effective tool.

Better Public Transit ... Without the Big Housing Projects



Instead of a very problematic housing construction plan, why not just concentrate on an outstanding public transit system?

“Sustainable” and “Green” Require Education First



↑ <http://www.santabarbaraca.gov/Recycling-Trash/>

← <http://www.communityenvironmentalcouncil.org/>

In order to bring about “sustainable” behavior modification (such as reducing reliance on the personal auto), coercion should be preceded by education ... the way government succeeded with smoking. Let’s use our bully pulpit!

The Bottom Line

An approach based on realities, rather than utopian hopes and dreams:

- No sizeable housing projects of big and/or tall buildings
- No more market rate housing
- Measures based upon realistic expectations
- Measures based on traditional values, rather than risky transformation

THE BOTTOM LINE:

What are we primarily recommending that differs from what is in the Preferences Report?

An approach based on realities, rather than utopian hopes and dreams:

- No sizeable housing projects involving big and/or tall buildings
- No more market-rate housing, which compounds our problems and frustrate our “solutions”

Let’s stick to:

- Measures based upon realistic expectation – ones that recognize the limits of trying to alter ingrained behavior, personal preferences and choices
- Measures based on traditional values and proven approaches, rather than transformative “new paradigms”

Santa Barbara's Tradition (and Key to its Success): **Citizen-Based Planning**

- The General Plan has traditionally been the Citizens' Plan
- In 1975 the voters overwhelmingly passed advisory ballot measure A-2 calling for public votes on policies potentially influencing growth
- The citizens deserve the opportunity to vote on this Plan

Remember what the General Plan has traditionally been in Santa Barbara ... and what this update was promised to be: The "Citizen's Plan". Not the Planners' Plan, or the Boards' and Commissions' Plan, or the Council's Plan. **The Citizens' plan!**

This business is not rocket science. Professional planners, staff, consultants and EIR analysts are not privy to anything that is beyond our comprehension. We can use their expertise to enlighten us, but we need not defer to their judgments.

We should remember that in 1975, the voters overwhelmingly passed an advisory ballot measure – A-2 – which called for public votes on policies that potentially influence growth. That ballot box mandate has never been rescinded.

The citizen's deserve a vote - at least an advisory vote - on any General Plan revisions that affect growth.

Thank you!

Allied Neighborhoods Association

Thank you!