

## Private, public officials tackle housing shortage

*By Luis Gomez/Staff Writer*

One of the biggest concerns for Central Coast employers and leaders is losing workers to the inland valleys where cheaper housing is easier to find.

And despite a growing number of housing developments, particularly in Santa Maria, the problem is far from solved.

That's why, for the first time, a "Housing Our Workforce" summit Wednesday at the Radisson Hotel included nearly 200 housing developers, bankers and city officials who were trying to get on the same page.

When the median price of a home in the North County is \$453,850 and the average annual income is \$29,726, Jennifer McGovern said it's no wonder that fewer young families buy homes, instead of moving away or commuting longer to get to work.

According to federal standards, McGovern said, it would take an annual income of \$94,300 - or about \$25.35 an hour - to afford buying a home.

McGovern works with the nonprofit Housing Trust Fund of Santa Barbara County, and as part of its goal to find ways to narrow the gap between housing costs and wages, she called on those attending the summit to face the issues and share solutions.

"How do we create workforce housing?" she asked the crowd. "I think the three sectors - private, government and nonprofit - must come together."

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Workforce retention usually depends on the availability of housing, which has also been at the front of the Cal Poly Housing Corporation's aim to retain college staff.

As its student body grows, Cal Poly typically hires about 50 new faculty members each year, some of whom come and go, said Housing

Corporation managing director Jim Reinhart.

“Cal Poly has had a problem hiring in the past couple of years,” he said.

That's why the nonprofit has worked on a 69-condo project near the campus, which encourages staff to stay longer, he explained.

Although the condo price is about \$348,000, that's about a 20 percent to 25 percent market discount - affordable at least to those who may have some staff seniority.

The average starting annual salary is up to \$60,000, he said.

“Without a larger income, those homes may be a little difficult to afford,” he said.

Panelists also discussed the environmental impact housing has when there are no affordable homes near work.

“We figure if we can get them to live near work, they can get by without an automobile,” said Detlev Peikert, the principal of the Peikert Group Architects on the South Coast.

About 30 percent of the 10,000 people living in the Goleta Valley, for example, commute for work in areas further south, McGovern said.

“The sense of community is eroded,” she added.

Social equity is among the top benefits of having large clusters - high density - of residents in a single community, Peikert said.

The architecture company's sample project, Garden Court De La Vina in Santa Barbara, a 96-unit senior complex, was built in 1995 for \$7.5 million as a result of private and public partnerships, city incentives and equity funding, he said.

It is up to developers to work with nonprofits and the public in generating funds to start a housing project, said Carl Guardino, president of Silicon Valley Manufacturing Group.

Santa Maria City Council member Marty Mariscal agreed.

“The city is building a wide range of housing projects,” he said. “The one

thing we're not doing well on is basic rental units.”

Because developers don't see much profit in building apartment complexes, Mariscal said, the major issue is finding companies or nonprofits willing to bring more apartments to a city with a high population of farmworkers.

Farm workers are among the lowest paid, with annual wages of about \$18,600, according to the 2000 Census.

John Polanskey, director of the Housing Authority of Santa Barbara County, added that the average age of a farmworker is 32, and 90 percent of them are Hispanic.

With those wages or slightly above, and a market rent of \$1,036 per two-bedroom home, Sheryl Flores said multiple farm workers often crowd into one living unit.

“Is it any wonder one, two or three people are living in one apartment?” said Flores, Housing Development Director of People's Self-Help Housing.

Because development costs drive up the rent to two or three times the amount one farm worker can afford to pay each month, Flores said, subsidized financing is required.

“There are a lot of sources of funding,” she said. “The problem is that they (funds) are very limited.”

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