

**To dream the American Dream**  
*Locals and developers need to think outside the white picket fence to continue in the pursuit of property*  
**BY ANDREA ROOKS**

Home.

Ownership.

Those two words together have meant more than just a good investment for generations of families and workers. For most people, home ownership means independence, freedom, stability—in short, the American Dream.

On the Central Coast, that dream is rapidly becoming all but impossible for the generations of hard workers who make the world go round. It's downright undoable for college graduates just entering the workforce.

As an issue near and dear to so many hearts, we at the Sun wanted answers to a handful of questions about this inherent desire to own a home.

We sat down with three movers and shakers who are dutifully aware of the all-but impossible dream: Lawnae Hunter, a Santa Maria planning commissioner and owner of Plus Property Management; Joe Centeno, 5th District Santa Barbara County supervisor; and Jennifer McGovern, coordinator for the Housing Trust Fund of Santa Barbara County.

Together, they waxed philosophical and shared their visions for future generations of homeowners.

**The dream defined**

“To give you a definition of the American Dream, I think it’s becoming a bit more fuzzy as we progress, and that’s sad,” Supervisor Centeno said. “We think about our children and wanting them to be close by. The result is that’s an impossibility now if you live on the Central Coast.”

As local children grow up, they’re going to have to leave the area just to achieve homeownership, Centeno commented.

“If we define the American Dream as young people coming together who want a family and want a home and want a good job where one or the other goes off and creates the fiscal resources to sustain the family and one stays home to take care of the children—which is the ideal, mind you—then I think that’s lost here on the Central Coast,” the supervisor said.

“If we believe that’s still here, I think we’re just wallowing around in a utopian world of make believe. I hear of people moving out right and left, and the reason they’re moving out is they can’t afford to stay here.

“It’s kind of a sad commentary for our culture in the 21st century,” he said.



**PHOTO ILLUSTRATIONS BY CHRISTOPHER GARDNER**

The supervisor, who bought his first home in North County in the early 1960s, said that each generation decides what its own dream is.

“Preceding generations cannot dictate the path that future generations will take,” he said.

“To have my family and me living in a home that we picked out and to live in that home and raise our children and give them a better position in life than when I was growing up—that was my dream.

“I’m not sure that if you talk to young people in high school or junior college that owning a house and raising a family is going to mean as much to them as it did to me,” the supervisor continued. “They have their own priorities, I’m sure.”

Property manager and Planning Commissioner Hunter isn’t so sure that the American Dream changes over time.

“One of the foundations that America is built on is the possibility that families can own a home,” she said.

Hunter contrasted this country’s ideal to the reality in Europe, where families are most often long-term renters in state-run housing. In America, people dream of the pursuit of their own property, she said.

“Homeownership really represents stability in their lives,” she said. “I think it’s an indicator—whether they’re single or married or have children—that they are making a commitment to be part of mainstream society.”

She said that most people think of home ownership first and foremost as an investment, which it is. But there’s much more to buying one’s own home sweet home.

“It really reaches much further into building family values,” Hunter said. “For our children and our youth, having the stability of knowing your family owns a home, that you don’t have that worry of having to move, being transient—it helps keep kids out of trouble. It helps keep them in school. It helps them build relationships.”

“I have a different take than most people,” said McGovern, coordinator for the Housing Trust Fund of Santa Barbara County.

“I don’t think the dream is the single-family house with the white picket fence. People want to be a part of a community, something larger that meets their needs,” she explained. “Part of that is to live in the community where you work—to be a part of the leadership and the myriad activities that happen, creating a sense of common good.

“The house goes along with it.”

She explained that achieving that dream, being a part of the community, gives people a sense of place, of continuity, and of security.

“They’re making a commitment to the area and the community,” McGovern said, “and creating a home where they’ve decided to live their life. All of those things come with owning a home.”

### **Dream vs. machine**

“We hired a doctor in our public health department—his salary’s something like \$170,000 a year, and he’s having a very difficult time trying to buy a house,” Supervisor Centeno said. “Can you believe that?”

Centeno and others believe that something has to change, but will that something be the dream or the system of home ownership?

“I don’t think we should give up the dream,” McGovern said. “That’s what makes American a wonderful place.”

Instead of giving up on their hopes of home ownership, Central Coast dreamers leave the area in pursuit of cheaper pastures.

“They can’t afford to rent. They can’t afford to buy. They don’t want to commute because of increasing expense and fuel costs,” Centeno continued, “so they opt to move to ... where the cost of living is significantly less than it is here.”

And they’re not necessarily happy about making such a move to places like the Central Valley, Oregon, Nevada, Arizona, Texas—anywhere but here, Planning Commissioner Hunter reflected.

“Many of them, I think, are angry—‘Why can’t I stay on the Central Coast and buy a home?’” she said. “Unless you have significant income or significant family help, it’s just not possible.

“I think we’re facing a huge crisis in our country. We are literally seeing a huge exodus of young first-time homebuyers leaving our California communities in search of housing,” Hunter continued. “They’re literally forced out.

The fortunate few who do make it into the housing market face their own problems on the home front.

“There’s been this frenzy for housing as an investment,” Hunter said. “The markets were going up and people were being very anxious that they wouldn’t get in. We had markets escalating 20 and 25 percent a year. Many just felt that that dream of home ownership was going further and further away from them.

“It created a frenzy, which was unfortunate because it encouraged people to buy who maybe shouldn’t have.”

As a result, those who were willing to buy at any price get caught in cycles of refinancing, using up their equity to pay other debts—which gradually eats away at their nest egg, Hunter explained.

“They’ll pay the price later,” she said. “As a society, we’ll pay the price later because ... many of these people will end up using some kind of assistance in the future because they haven’t planned for retirement, and they don’t have that equity in their house.”

“We cannot solve the regional housing problem, but we can make a difference by creating partnerships and offering more options for people,” said the Housing Trust Fund’s McGovern. “We have to do that collectively as a county for many reasons—for the economic vitality of the whole region.”

That vitality is dependent upon the region’s being able to house its workforce, she explained.

“The leadership and diversity of our community is really threatened by a lack of affordable housing,” McGovern said.

The community suffers socially, as well, she added.

“People are living in one area—it splits up the families. And people are not able to take leadership or volunteer roles in the community,” she explained. “It has lots of ramifications.

“You have to question: What does community mean?”

With housing prices driving away a specific segment of the community, Supervisor Centeno sees a dire problem facing the Central Coast’s long-term health.

“We’d like to believe that we need our young people here. Without them we have no society here in the community,” Centeno said.

“People die off and you can’t replace them with the young folks. If you’re going to sustain as a people and a community and a country, we need our young people,” he explained.

Not everyone is willing to look that far into the future, however.

“I feel chagrined sometimes by the attitudes of people in my generation ... the Baby Boomers,” McGovern said. “It’s as if they’re the only generation.”

She said that it’s irresponsible to ignore the new generations entering the workforce, offering their energy and diversity to the community.

“We need to recognize and honor the next generation,” she insisted.

The American Dream must be recast, McGovern asserted.

“We have to find new ways to make that dream happen,” she said. “We shouldn’t limit the dream to one form: the single-family home with the white picket fence and big yards.

“Earlier towns were more compact. People lived above shops,” McGovern elaborated. “The ranch-style home is part of the American West, but it’s not the only way that the American Dream has been fulfilled over the past several hundred years.”

She dreams of bringing back townhomes and the downtown units above storefronts.

“There are a lot of ways that people can experience homeownership and the American Dream.”

Supervisor Centeno cautioned that building on ideas—such as vastly increasing housing density—could lead to severe socioeconomic problems down the road.

“To put too many people in an area is not a very good thing,” Centeno said, noting the blighted fate of many a government-funded project in New York and Chicago. “The quality of life goes away. It creates severe social problems.”

Instead of tacking affordable homes onto existing urban areas, Centeno and his fellow county supervisors are currently considering the concept of creating village centers in rural areas. These self-contained townships would satisfy a range of the county’s housing and employment needs.

“Surely we have to come up with something—or a lot of somethings—whether it be those projects or a number of different projects,” Centeno said. “If we just sit idly by and not discuss it at all, things can only get worse.”

Planning Commissioner Hunter noted that changing the approach to creating new units—both to rent and to sell—could also satisfy the needs of the next few generations.

“We’re really creating a group of people within our society that will be long-term renters. We need

to look at how do we create housing for them that will be stable,” she said. “What we’ve done in the past is looked at entry-level apartments. Now what we need to begin to look at are ... more homelike multiple-family situations for those people who can’t buy.

“I think there are people who would be content to be renters long term,” Hunter observed, “even people with good incomes who would invest their money in other places if they knew their housing situation was stable and also met their needs.”

McGovern agrees.

“You can be a part of the American Dream and part of the community and have a nice rental,” she said.

Building and owning two full-sized homes on one residential lot has become another option Hunter’s observed people moving toward.

“That’s a way that we can keep the American Dream alive,” Hunter said. “People are really moving back to wanting to have family closer and pooling their money and making it work better for both of them.”

As for new single-family starter homes, Hunter said that they’re rapidly becoming extinct.

“Part of the problem when we look at the American Dream is that the builders are building the largest units that they can get on all the lots,” Hunter said, “because economically their return is greater on those larger houses.”

She said that it’s practically impossible for a first-time homebuyer to find a new 1,200-square-foot starter home.

“They don’t exist,” Hunter said. “It’s much more common to find a 2,500-square-foot house on a 4,000-square-foot lot.

“We really need to look at how do we encourage what truly should be an entry-level house. How do we encourage builders to do that?” Hunter said.

She explained that first-time buyers should make every effort to start with a smaller home, but they often don’t because it’s not what they see around them.

“Many of them also suffer from an illusion that they should start where their parents are,” she said. “Part of that is perpetuated on them because of society and the builders and the advertising. There needs to be a re-evaluation of where do we start.”

### **Dream catchers**

“I think that we [in government] have a role, obviously, in trying to accommodate the needs of our citizens,” Centeno said. “But it has to be partnership with the private sector.”

The county Board of Supervisors took one step in that direction in early April when it voted to create an ad hoc committee to study and create a pilot low-income housing project in Santa Maria.

“The housing committee that we started here is primarily to look at low- and super-low-income people and try to come up with some ways to come up with projects and build some units for them,” Centeno said. “I think we can try to do a mix of both, but they’re going to have to be highly subsidized by the federal government.”

Centeno said that current county programs and ordinances mandate developers to set aside a few units per development for qualified moderate- to low-income owners. The developers can also opt to pay a fee instead of building those units.

“To say that it’s really working great would be a stretch. To say that it’s a total failure is also a stretch,” Centeno said of such mandates. “I think that if we come up with 10, 12 units in a subdivision ... then it’s a plus.

“But in the scheme of things, that really isn’t going to do it for us. There really is such a demand out there for homes for middle-income people,” he continued. “We just can’t build enough subdivisions and set aside 12 units for each subdivision to accommodate the need for that amount of people.

“It’s a small way of helping, but in the broader sense, we’re falling behind.”

Property manager and Planning Commissioner Hunter said that she helps buyers get their start in a small but significant way: advice.

“[[It’s] financial counseling—getting them in with a good financial planner or mortgage banker who can evaluate their credit, their income,” she explained.

“I really would like to see buyers become better educated. I think so many people are caught up in this whole buying frenzy, they really don’t understand the process,” Hunter continued. “People need to really realize this is a long-term commitment.”

Timing is also of the essence when it comes to pursuing the American Dream, Hunter said.

“People also make the mistake of trying to figure out the market, and they’re afraid they’re going to buy when it’s too high,” she said. “You buy when the time is right for you.”

On Oct. 18, the Housing Trust Fund of Santa Barbara County plans to act on its goal of creating a partnership among employers, developers, and financial institutions. The Santa Maria housing summit will bring to the table representatives from each of those entities to dialogue about creating models of workforce housing—both for rent and for sale.

“This is our primary mission: creating innovative partnerships to produce housing for the community,” the trust fund’s McGovern said.

Creating such housing would in turn preserve the socioeconomic core of the community, she noted.

The Housing Trust Fund is also in the process of building its revolving-loan program, through which developers can obtain low-cost loans as incentives to build low-income housing.

“A lot of people are still stuck in the past and wanting California to be the California of 30 or 40 years ago,” she said.

“We have to be willing to make an attitude shift and embrace new ways of doing things.” m

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