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2021 SANTA BARBARA COUNTY GRAND JURY

FINAL REPORT

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GRAND JURY
SANTA BARBARA COUNTY

December 31, 2021

The Honorable Gustavo Lavayen
Santa Barbara County Superior Court
312 East Cook Street
Santa Maria, CA 93454

Dear Presiding Judge Lavayen:

On behalf of the 2021 Santa Barbara County Grand Jury, and in compliance with *California Penal Code Section 933(a)*, I am honored to present to you and the citizens of Santa Barbara County the Jury's consolidated final report. We hope that these reports will help inform the public and contribute to improved local government.

The members of this Grand Jury represent a diverse group of dedicated citizens from within the County. They have demonstrated their commitment to the Grand Jury process by spending countless hours researching, interviewing and writing reports. During the COVID-19 pandemic, we completed our work remotely and successfully. It has been an honor for me to have had the opportunity to work with these individuals.

The Jury appreciates the cooperation from the many public officials who responded to our questions and requests. We are particularly thankful for the support from Mike Munoz from the Santa Barbara County Counsel's office. Lt. Robert Minter from the Santa Barbara County Sheriff's Office was very helpful in obtaining requested documents and answering questions. The Jury is also grateful for the assistance provided by Darrel Parker, Superior Court Executive Officer.

The members of the 2021 Santa Barbara County Grand Jury gained personal satisfaction from their service to the community and appreciate the privilege of serving. I personally thank the Court for the opportunity to serve as Foreperson.

Respectfully,

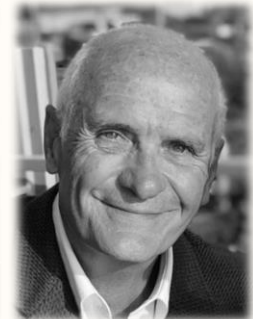
A handwritten signature in cursive script that reads "Pamela Olsen".

Pamela Olsen
Foreperson
2021 Santa Barbara County Grand Jury

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2021 Santa Barbara County Grand Jury Members

JoAnne Banks	Carpinteria
Barbara Chalmers	Santa Barbara
Pat Fallin, Recording Secretary	Solvang
Andrea Hein	Santa Barbara
Cherif Khoury	Santa Barbara
Diane Kirchner, Treasurer	Santa Barbara
Peter Kulp	Solvang
Robert Mann	Santa Barbara
John McIntire	Santa Barbara
Pamela Olsen, Foreperson	Santa Barbara
John Richards, Corresponding Secretary	Orcutt
Gwen Rigby	Santa Barbara
Richard Rogers	Santa Barbara
Lorelei Snyder	Santa Barbara
Lindsay Straub	Santa Barbara
Steve Weiss	Montecito
William Werlin, Foreperson Pro Tem	Santa Barbara



Pictured: First Row – JoAnne Banks, Barbara Chalmers, Pat Fallin, Andrea Hein

Second Row – Cherif Khoury, Diane Kirchner, Peter Kulp, Robert Mann

Third Row – John McIntire, Pam Olsen, John Richards, Gwen Rigby

Fourth Row – Richard Rogers, Lorelei Snyder, Lindsay Straub, Steve Weiss, William Werlin

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GRAND JURY
SANTA BARBARA COUNTY

2019-20 SANTA BARBARA COUNTY GRAND JURY RESPONSE REPORT

Publication of the

2021 Santa Barbara County Grand Jury

July 13, 2021

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2019-20 SANTA BARBARA COUNTY GRAND JURY RESPONSE REPORT

INTRODUCTION

The Santa Barbara County Grand Jury is empaneled annually to act on the public's behalf, conducting investigations and reporting back to the community on areas of concern as requested by the public.

This Status Report by the 2021 Santa Barbara County Grand Jury assesses the adequacy of the responses to the ten Investigative Reports issued by the 2019-20 Jury. Each investigative report required responses from one or more government agencies. This action is required by *California Penal Code sections 933 and 933.05*, which specify the form of response and the statutory time limit. All Grand Jury reports and the responses to each report are posted on the Grand Jury's website (www.sbcgj.org/2020/).

The 2019-20 Grand Jury made 335 recommendations to local agencies on issues regarding cyber-attacks, detention facilities, the coroner bureau, community development, public alerts, housing, homelessness, deaths in custody, juvenile gangs, and cannabis.

RESPONSE REQUIREMENTS

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented with a brief summary of the implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with a time frame that shall not exceed six months from the date of publication of the report.
- Will not be implemented, with an explanation of why

SUMMARY OF RESPONSES

The governmental oversight role of the Grand Jury requires it to ensure the reported actions have been implemented. The 2021 Jury collected and reviewed the required responses to each report.

Responses to Findings

A total of 250 responses to Jury findings were received from the agencies within the County.

- The respondents agreed with 174 (70 percent) of the findings
- The respondents disagreed with 30 (12 percent) of the findings
- The respondents disagreed partially with 46 (18 percent) of the findings

Responses to Recommendations

A total of 335 responses to the Jury recommendations were received.

- 136 (41 percent) have been implemented
- 66 (20 percent) will be implemented
- 24 (7 percent) require further analysis
- 109 (32 percent) will not be implemented

ANALYSIS OF SPECIFIC REPORTS

The ten reports requiring responses to the recommendations are discussed in the order in which they appear in the 2019-20 Grand Jury's final report.

Cyber Attacks Threaten Santa Barbara County

Cyber-attacks and related threats are an ongoing reality that all public entities within Santa Barbara County need to take prompt and aggressive steps to prevent. While some local public entities are taking steps to protect themselves from these risks, many are not adequately prepared. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
7	4	0	1	12

Responses - City of Buellton

+

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
3	6	3	0	12

Responses - City of Carpinteria

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
7	5	0	0	12

Responses - City of Goleta

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
11	1	0	0	12

Responses - City of Guadalupe

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
9	3	0	0	12

Responses - City of Lompoc

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	7	1	0	12

Responses - City of Santa Barbara

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
10	2	0	0	12

Responses - City of Santa Maria

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
5	5	2	0	12

Responses - City of Solvang

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
7	5	0	0	12

Of the 108 recommendations, 63 have been implemented, 38 recommendations will be implemented, and 6 recommendations require further analysis. The recommendations requiring further analysis involved staffing, training, and budget considerations. The only recommendation that will not be implemented is due to limitations in the ability to upgrade state or heritage systems.

Detention Facilities in Santa Barbara

The 2019-20 Santa Barbara County Grand Jury was impressed overall by the professionalism and dedication of the detention facility teams interviewed. While a number of findings and recommendations were identified, none related to any deficiency in the way these professionals are performing their responsibilities. The majority of the findings and recommendations stem from the lack of funding; funding that is essential to add staff where needed, funding to upgrade older and dangerous buildings, and funding to add new mission-critical technical systems for safer management.

The investigation by the Grand Jury predated the COVID-19 pandemic. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
3	5	0	7	15

Responses - Santa Barbara County Sheriff-Coroner

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
1	3	0	9	13

Responses - Santa Barbara County District Attorney

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
2	0	0	0	2

Responses - Lompoc City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	1	1

Responses - Santa Barbara City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	1	1

Of the 32 recommendations, 6 were implemented, 8 recommendations will be implemented, and 18 recommendations will not be implemented as they were believed to be unwarranted at this time. The opening of the North Branch Jail will resolve some of the issues.

Santa Barbara County Coroner's Bureau

The Grand Jury recommends that the Santa Barbara County Board of Supervisors establish an independent Coroner's Bureau, one that can be accredited by the National Association of Medical Examiners, and build a new, fully accredited facility to meet the challenges of the 21st century. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	4	4

Responses - Santa Barbara County Sheriff-Coroner

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
1	0	0	5	6

Of the 10 recommendations, 1 recommendation has been implemented, and 9 recommendations will not be implemented. The recommendations not being implemented are believed to be unnecessary at this time and the funding is not available.

City of Santa Barbara Community Development Department

The Jury believed there was a lack of strong leadership at several levels, insufficient coordination and communication between the Building and Safety Division and the Planning Division, an impression of a slow growth policy, inconsistent customer service, in addition to a fee structure which could be a deterrent to building development. ([Read Full Report](#))

Responses - City of Santa Barbara

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
12	3	3	0	18

Of the 18 recommendations, 12 recommendations were implemented, and 3 recommendations require further analysis. The recommendations requiring further analysis include the development of checklists and the evaluation of potential impacts on other departments.

Public Alerts for Public Safety Power Shutoffs and Emergencies

Planning and carrying out County responses to PSPS and emergencies are complex, difficult tasks. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	1	0	0	5

Affordable Housing in Santa Barbara

The City of Santa Barbara needs to act in a forward and positive manner, rather than resist change and avoid State of California orders to build housing. Instead of protecting what is already here, it can think in terms of what could be. Santa Barbara has been a city that has won the reputation of being unique and beautiful, in part due to caution over development. The City's inactions have come at a cost to many residents or potential residents: they cannot call Santa Barbara home. ([Read Full Report](#))

Responses - City of Santa Barbara

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
2	1	3	3	9

Of the 9 recommendations, 2 were implemented, 3 recommendations require further analysis and 3 recommendations will not be implemented. The 3 recommendations requiring further analysis involve updating the city Housing Element due in 2022 and the evaluation of form based codes. The 3 recommendations will not be implemented because of tax structures, wildfire hazard analysis and one deemed not necessary.

Homelessness in Santa Barbara County

Santa Barbara County is in the midst of a homeless crisis that long predates the challenges of the COVID-19 pandemic. Santa Barbara County has one of the highest rates of homeless school-age children and youth in the state. Additional housing for the homeless has long been a necessity, but it is only in recent years that it has achieved national attention on a large scale. Whether considering temporary, transitional or permanent housing for the homeless, it will not be built without the support of the surrounding community. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	0	3	5	12

Responses - City of Santa Barbara

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	1	1	4	10

Responses - City of Goleta

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	0	0	6	10

Responses - City of Carpinteria

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
2	2	0	5	9

Responses - City of Solvang

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	5	2	3	10

Responses - City of Buellton

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
2	2	1	4	9

Responses - City of Lompoc

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	0	1	4	9

Responses - City of Guadalupe

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
4	3	3	0	10

Responses - City of Santa Maria

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
5	1	1	3	10

Of the 89 recommendations, 29 were implemented, 14 recommendations will be implemented, 12 recommendations require further analysis, and 34 recommendations will not be implemented. The 12 recommendations requiring further analysis and 34 recommendations not implemented are related. The number of homeless and needs for each community within the county vary. No one solution fits the needs of all of the cities. There is insufficient funding. All agree there is a need and are willing to work on a county-wide solution.

Deaths in Custody 2019

The 2019-20 Santa Barbara County Grand Jury concluded the Santa Barbara County Sheriff's Department needs to upgrade training and review policies and procedures to avoid errors with serious consequences. ([Read Full Report](#))

Responses - Santa Barbara County Sheriff-Coroner

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
17	0	0	1	18

Of the 18 recommendations, 17 were implemented, and 1 recommendation will not be implemented as it is unnecessary.

Juvenile Gangs in Santa Barbara County

As a result of gang-related violence in Santa Barbara County, the 2019-20 Santa Barbara County Grand Jury (Jury) initiated a study of gang incidents and how various agencies are addressing them. The Jury found an evolving response to gangs, and gangs themselves have shifted tactics. The County Probation Department and County and municipal law enforcement agencies have had to adapt to a changing legal landscape that allows more leniency in dealing with crime, and in particular juvenile crime. Transformation of juveniles before they become criminal gang members is the ultimate goal, but it just might be the coordinated intelligence and watchfulness of law enforcement that allow the first steps toward that goal. ([Read Full Report](#))

Responses - Santa Barbara County Sheriff's Department

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	4	4

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
1	0	0	4	5

Responses - Santa Barbara County District Attorney

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	3	3

Responses - Santa Barbara City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	3	3

Responses - Santa Maria City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	3	3

Responses - Lompoc City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	4	4

Responses - Guadalupe City Council

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	0	0	3	3

Responses - Santa Barbara County Superintendent of Education

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
1	0	0	0	1

Of the 26 recommendations, 2 recommendations were implemented, and 24 recommendations will not be implemented. Budgetary constraints, pandemic constraints, California Penal Code restrictions and the existence of already established County programs were cited for not implementing the recommendations.

Cannabis

The Santa Barbara County Grand Jury investigation was initiated by the concerns of residents over the influence of the cannabis industry on the process used in the creation of the cannabis ordinances. ([Read Full Report](#))

Responses - Santa Barbara County Board of Supervisors

Already Implemented	Will Be Implemented	Requires Further Analysis	Will Not Be Implemented	Total Number of Responses
0	1	0	18	19

The Board of Supervisors did not agree with the majority of findings. Subsequently, the recommendations were deemed unwarranted and unreasonable and would not be implemented.

SUMMARY

The mandate of the Santa Barbara County Grand Jury is to shine a light on governmental operations within Santa Barbara County. The Jury's objective is to increase transparency and operating efficiency.

The 2019-20 Grand Jury issued ten reports. The reports contained 250 findings. In their responses, the responding agencies agreed with 174 of the findings, partially disagreed with 30 findings, and wholly disagreed with 46 findings. The reports also included 335 recommendations. In 226 instances, the responding agencies have either implemented the desired change, plan to do so in the future, or required further analysis before deciding on a course of action. Finally, 109 recommendations will not be implemented.

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GRAND JURY
SANTA BARBARA COUNTY

REMOTE LEARNING DURING COVID-19

What Are the Effects on K-8 Students?

Publication of the

2021 Santa Barbara County Grand Jury

November 12, 2021

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REMOTE LEARNING DURING COVID-19

What Are the Effects on K-8 Students?

SUMMARY

The COVID-19 pandemic impacted all aspects of life, including education. The 2021 Santa Barbara County Grand Jury (Jury) investigated how Santa Barbara County's public school districts reacted during the yearlong shutdown beginning in April 2020, how remote learning¹ affected the academic performance and social-emotional well-being of students in grades K-8, and how the districts plan to mitigate the negative effects of remote learning in future years.

The Jury has found that all districts, in concert with guidance from the Santa Barbara County Education Office, did a noteworthy job to make remote learning as effective as possible. This effort led to some positive outcomes which will need to be continued going forward. Overall, however, remote learning, specifically in math and English language arts (ELA) was not as effective as in-person instruction and resulted in learning deficits for many students.

Academically, the most severely affected students were those already underperforming prior to the pandemic. As a result, this learning gap between students has widened. In addition, many social-emotional issues emerged during remote learning. For some students, an even greater toll resulted when problems within the home went undetected due to teachers not seeing students in person.

With these issues in mind, the districts have outlined programs they will implement to mitigate the learning and social-emotional losses, beginning with the 2021-22 school year. An immediate focus for all districts at the start of this school year will be on the emotional status of students. Schools will be using counselors, psychologists, and special programs to address issues that may present themselves. Regarding learning loss, the Jury notes that it will be a few years before academic performance can be fully evaluated. One standard county-wide assessment is needed at the end of the 2021-22 school year to give a solid benchmark upon which to measure yearly performance. All students, but especially those who are underperforming, require county-wide initiatives such as smaller class sizes, more one-on-one instruction, and targeted testing to improve results in math and ELA. The Jury recognizes that all these initiatives have costs associated with them, which will need to be addressed in future budgets once COVID relief funds have ended.

Santa Barbara County school districts and the Santa Barbara County Education Office know there is much work to be done to repair the academic and social-emotional losses resulting from remote learning. As a result, they will need to apply the important lessons learned to improve student outcomes during the 2021-22 school year and beyond.

¹ Remote Learning (aka "Distance Learning") is the process of teaching and learning performed at a distance. Rather than having students and teachers coming together in person, remote learning means that students are receiving instruction from their teacher online.

INTRODUCTION

In the 2020-21 school year, there were 42,734 students enrolled in kindergarten through 8th grade in Santa Barbara County public schools (68 percent of the total K-12 enrollment). Of that total, the largest sub-groups are Hispanic at 74.5 percent and socio-economically disadvantaged at 68.5 percent. The following two tables show the detailed demographic data for Grades K-8 for the 2020-21 school year. This does not include 56 students enrolled in Santa Barbara County Education Office (SBCEO) schools.

Demographics	
Hispanic or Latino	74.50%
White	18.40%
Asian	1.30%
Filipino	1.00%
African American	0.60%
American Indian or Alaska Native	0.30%
Pacific Islander	0.10%
Two or More Races	2.80%
Not Reported	1.00%

Demographics by Student Group²	
Socio-Economically Disadvantaged	68.50%
English Learners	29.00%
Homeless	11.00%
Disabilities	7.10%
Migrant	3.60%
Foster	0.40%

•
Santa Barbara County schools handled remote learning differently, depending upon the district.

Starting in April 2020, some districts transitioned to 100% remote learning, others implemented a hybrid model (a few days in school, the remainder remotely) and a few districts applied for and received a waiver from the State to return to in-person instruction as early as October 2020. Most districts, except for those whose communities were heavily impacted by the virus, were back to in-person instruction by April 2021. Presently, all districts are conducting in-person learning for the 2021-22 school year.

The Jury focused on the actions taken by the districts at the onset of school closures and the academic and social-emotional effects of remote learning on students in grades K-8. As to academic effects, the Jury reviewed two main subject areas: math and English language arts (ELA.) These are the two most important areas of study for students, especially in grades 3-4. Math and English are the foundation for all other learning. Students who struggle in these subjects will continue to struggle throughout their lives. The Jury also looked at students' social-emotional loss, which has a direct impact on learning, and recommends that this be a top priority in the new school year.

² Socially economically disadvantaged: Students who are eligible for free or reduced priced meals; or, have parents/guardians who did not receive a high school diploma.

English Learners: A child who does not speak English or whose native language is not English and who is not currently able to perform ordinary classwork in English.

Homeless: Individuals who lack a fixed, regular, and adequate nighttime residence.

Disability: A disorder in one or more of the basic psychological processes involved in understanding, or using language, spoken or written, that may manifest itself in the imperfect ability to listen, think, speak, read, or write.

Migrant children: A child whose parent or guardian is a migratory worker in the agriculture, dairy, lumber or fishing industries and whose family has moved during the past 3 years.

Foster children: A child who has been removed from his/her home pursuant to Welfare and Institution Code 309, which pertains solely to temporary custody of dependent children.

METHODOLOGY

This report was written at the start of the 2021-22 school year and is based on findings in each district's 2021 Local Control and Accountability Plan (LCAP), which was presented to and approved by each school board, and on 2021 end-of-year testing results, where available.

The Jury interviewed representatives and/or reviewed end-of-year reports from the Santa Barbara County Education Office (SBCEO) and from each of the school districts within Santa Barbara County: Ballard, Blochman, Buellton, Carpinteria, Cold Spring, College, Cuyama, Goleta, Guadalupe, Hope, Lompoc, Los Olivos, Montecito, Orcutt, Santa Barbara, Santa Maria-Bonita, Solvang, and Vista del Mar.

The Jury also interviewed representatives from two major community organizations which provide help to students in Santa Barbara County: United Way of Santa Barbara County and United Boys and Girls Club of Santa Barbara County.

Lastly, the Jury reviewed current research studies from various educational consulting organizations and articles about the subject from national, state, and local perspectives. A list of those articles relied upon for this report is included in the References section.

OBSERVATIONS

Actions Taken by County School Districts When Schools Closed Due to COVID-19

Beginning in March 2020, the pandemic took hold nationwide and Santa Barbara County districts were forced to close schools in April 2020 and reformat learning for the remainder of the school year. Their primary objectives were to: 1) add health measures and safety protocols, 2) set up a remote learning program, and 3) engage community resources to augment learning. These efforts required funds which were unanticipated and were not included in school budgets. Federal and State COVID relief funds came to the rescue. Additional Federal and State funding cannot be relied upon in the future. Santa Barbara County schools received over \$173 million from four different Federal and State bills (see Appendix A). Title 1 schools (those with the greatest percentage of socially-economically disadvantaged students) received the greatest share since students from these households need the most help to meet state academic standards. Using these funds, the LCAPs outlined the following efforts undertaken by the districts:

1 - Health Measures and Safety Protocols:

The Federal Center for Disease Control, California Department of Public Health and the Santa Barbara County Public Health Department all had requirements which the schools had to meet prior to students re-entering schools, as follows:

- Purchase Personal Protective Equipment (PPE), including face masks, face shields and plexiglass between seating areas.
- Implement cleaning procedures: custodial staff to clean surfaces, workstations, restrooms, buses, and cafeterias on a routine basis and according to guidelines.
- Implement sanitation/health procedures with handwashing stations, personal school supplies/office materials, thermometers, daily health assessment apps, and contact tracing.
- Improve ventilation, including Heating, Ventilating and Air Conditioning filters and update antiquated filtration systems.

- Create outdoor learning spaces.
- Reduce seating capacity in all classrooms to ensure social distancing.

2 - Set up a Remote Learning Program:

Setting up a remote learning program required a variety of new tasks: purchasing equipment and the learning program software which provided the appropriate grade/subject matter and lessons. It also necessitated connectivity requirements for all County students: computers, internet connections and/or WiFi hotspots. Each district chose its own software and its own video conferencing platform to deliver the programs. The goal was to ensure that any student who wanted/needed a computer would have one. This goal was met. As to internet connectivity, this was more difficult to accomplish as some students lacked internet connections, despite the use of WiFi hotspots. However, many students without internet access were able to come to their local school or to community centers to study in small groups.

Remote learning also necessitated teacher and parent training. Teaching online required that teachers learn new programs and skills to adequately connect with students, both emotionally and academically. Principals and administrators were especially helpful and cognizant of teachers' needs. As a result, teacher workshops, ongoing training, coaches, and specialists were provided to train teachers in the most effective methods for remote learning. Additionally, since remote learning is very taxing on teachers, counselors were provided to enable teachers to air their frustrations and learn effective coping skills. And, as remote learning was new to parents, they were guided through an open hotline where questions could be answered. Video tutorials were provided and for most districts, intervention specialists came to the home to assist with basic setup and instruction of software programs.

As a result of these efforts, teachers improved their teaching techniques, parents became more comfortable with the technology and students improved their computer skills.

3 - Engage Community Resources:

Santa Barbara County is fortunate to have strong community organizations, such as The United Way, Boys and Girls Club, and Girls Inc. They have always been important partners with the districts to improve learning and social skills, but during the pandemic, demand for their help increased dramatically. These organizations expanded their after-school and Saturday programs and began study programs during the school day at various locations throughout the County for students who either lacked internet connectivity at home or needed supervision and help to complete their online assignments.

Effects of Remote Learning

By the end of the 2020-21 school year, two primary effects became evident:

1 - Learning Loss:

“Learning loss” or “learning gap” were terms that were coined to describe the effects of remote learning during the pandemic. They mean that students are not learning content and mastering skills at the same rate that they typically would in a non-pandemic, in-person learning year. One district wrote in its LCAP: “Given that school closures that took place in March 2020 and the altered school operations plans that resulted from the COVID-19 pandemic, it is highly likely that students have or will experience learning loss.” Another district stated in its LCAP: “CAASPP testing (California Assessment of Student Performance and Progress) indicates that not all students are meeting expectations. Local data also indicates that not all students are meeting grade level benchmarks.” This

recognition is also highlighted in various state research studies.³

Remote learning is not as effective as in-person instruction because it is harder for students (especially younger children) to pay attention and be engaged. Although they are logged in, students are far less attentive than they are in person. Some students were in a crowded, noisy environment with lack of supervision to keep them on track and on task, making online learning especially difficult for these students. Furthermore, teachers have a much harder time communicating with and having command of their class during remote learning. This shift was also difficult for parents, many of whom quit their jobs to stay at home and all of whom, along with their children, were learning how to use these programs for the first time. According to one district report, “The issue has not been lack of a device to connect to the internet, but rather barriers in the homes that prevent students from joining Zoom sessions, completing asynchronous work, density in housing which prevents multiple students’ connection to Zoom simultaneously and parent work schedules that prevent assisting student with schoolwork and connectivity.”

In addition, although students were constantly being tested throughout the year to make sure they were meeting grade level benchmarks, teachers report it was more difficult to administer testing online. Despite this, diagnostic testing was critical to target the appropriate learning plans to combat learning loss. It was reported: “Another lesson was the effect of learning loss on students due to remote learning. While all stakeholders did an amazing job under the circumstances, remote learning methods are not ideal for most students and many students suffered learning loss because of it. One of the ways the district plans to combat learning loss was through frequent use of diagnostic and formative assessments in conjunction with targeted learning plans for students with learning loss.”

End-of-year summative testing has always been critical in determining a student’s progress from one year to the next. However, the end-of-year testing was altered statewide for the 2019-20 and the 2020-21 school years as follows:

- Schools were given a waiver to omit end-of-year state-mandated California Assessment of Student Performance and Progress (CAASPP) testing for the 2019-20 school year.
- End-of-year testing was mandated for the 2020-21 school year. However, the State permitted each district to choose among a list of approved tests. They could choose the CAASPP Smarter Balanced test or any of the locally chosen approved tests: STAR 360 by Renaissance (STAR) or the Northwest Evaluation Association (NWEA). The State allowed the Smarter Balanced tests to be shorter and allowed a longer timeframe (until July 2021) in which to administer them.
- The use of different tests per district prohibits the County and the State, via the California School Dashboard, from measuring and posting the consolidated results.
- All schools within each district are mandated to report their results on the School Accountability Report Card (SARC), which will be published by February 1, 2022.

³ PACE, an independent non-partisan research center focused on issues relating to California education, produced two studies: “COVID-19 and the Educational Equity Crisis/Evidence on Learning Loss from the CORE Data Collaborative,” dated January 25, 2021, and “COVID-19 Impacts on Student Learning/Evidence from Interim Assessments in California,” dated June 2021. Both studies used interim assessments to analyze the situation. Two key findings from both studies are: 1) Significant learning loss in both English language arts (ELA) and Math, with students in earlier grades most affected. 2) Certain student groups, especially low-income students, English language learners (ELLs) and Latinos are falling behind more compared to others.

In the current LCAPs, most districts have started setting performance targets for future testing, using either 2019 or current year local tests as a baseline.

At the time of this report, only a portion of Santa Barbara County districts had compiled their end-of-year testing results for the 2020-21 school year. The test results reviewed by the Jury show a learning loss in math and ELA, with the losses more striking in math. A medium-sized district indicated losses across its schools with a 7 percent drop in ELA and an 11 percent drop in math performance from 2019-20 to 2020-21. And, in one of the larger districts, compared to the 2019-20 school year, each grade in grades 2-6 shows an overall decrease of 4 percent to 8 percent in reading and a 10 to 20 percent decrease in math performance. Furthermore, this district reports that the greatest losses occurred among these subgroups, as defined in their LCAP: African American/Black, Hispanic, Emergent Multilingual Learners, students from low-income households, homeless, and students with disabilities. These subgroups had already been underperforming in previous years, and remote learning exacerbated the losses.

It should be noted that those districts which started in-person school earlier because of obtaining waivers showed better performance among their students.

2 - Social-Emotional Well-Being:

Remote learning is hard on children socially and emotionally. Face-to-face interaction with teachers and other students gives children an anchor and helps them to develop socially and emotionally. As reported by a local school district: “The challenges during the 2020-21 school year mainly centered around the discomfort students felt with teletherapy or a counseling appointment by Zoom. Other students felt disconnected entirely because of the platform and without the face-to-face contact, it was hard to keep them engaged, despite attempts at home visits, contacts with parents, and classroom activities.” Districts found ways to administer ongoing emotional health testing and found programs that provided ways to structure and measure social-emotional well-being. Some of these curricula were Character Counts, Positive Behavior Intervention and Supports, Care Solace and Second Step. Some districts added counselors and psychiatrists, whom students could visit online or in person. A few districts added a social worker or an outreach worker to their staff. Other districts partnered with community agencies such as Child Abuse Listening Mediation (CALM), Family Service Agency, or People Helping People. Social-emotional health has far-reaching effects. One district wrote: “As we reflect upon the strengths and challenges of the 2020-21 school year, we are reminded of the importance relationships have on not just student achievement but staff connectedness and morale. We have seen the research indicating the relationship a student has with his/her teacher as well as their sense of connectedness as having the greatest influence on student achievement.”

A more serious effect is that, in some instances, children were subject to a home situation where family members, also feeling the effects of the pandemic, exhibited unhealthy behaviors. When in the classroom, teachers are the first line of defense and are able to spot and report problems. Without personal interaction, some children experienced issues that went untreated. One district summarizes it best: “We experienced a world-wide pandemic. Students’ lives were disrupted because of an invisible danger. The totality of trauma experienced by students and staff is yet unknown.”

Teachers understand this and know that these social emotional issues will need to be addressed in the new school year.⁴

⁴ February 2021, EdSource presented a study by the Inverness Institute which surveyed the California Teacher Consultant Response Network members (K-12) to ask them about their experiences as they adapted to serve their students during the pandemic. One hundred twenty-one teachers completed the initial survey. A summary of their responses is chilling. Almost half (46%) of teachers report that distance learning is not effective in meeting students’ social and emotional needs. The

District plans to mitigate the negative effects:

Districts have thought long and hard about the best ways to mitigate learning and social-emotional losses due to remote learning during the pandemic. A summary of the planned strategies is as follows:

1 - Learning Loss:

The available year-end testing indicates that students have experienced learning loss, particularly in math and ELA. The loss, especially among underperforming students, requires greater intervention and should be a focus for the coming years. It is clear that the districts realize the importance of the task ahead. To address learning loss, most districts have started the Multi-Tiered System of Support (MTSS) which was described by a district as follows:

Due to COVID-19 and the challenges of student engagement, a three-tiered support system was created to support unengaged students. Tier 1 is the teacher level. Teachers were to contact families and attempt to engage students. If unsuccessful, students were referred to Tier 2 school level. School principals, leadership teams, office personnel, bilingual liaisons, and counselors worked to engage students. If needed, students were referred to Tier 3 district level. Additional communication, home visits, etc. were attempted. Students in Tier 3 were also offered in-school small group cohort admission. Priority for small group cohort admission was given to homeless/foster youth.

As described by a mid-sized district: “If we know where the breakdown in learning occurs, we will be able to target interventions, increasing the likelihood of meeting or exceeding state standards.”

Based on a thorough review of each district’s LCAPs, the following actions to improve academic performance are being implemented throughout the County for the 2021-22 school year:

- Reduce class sizes. This is one of the most important keys to narrowing the learning gap.
- Provide individual and small group instruction to students who experienced the greatest losses.
- Provide instructional coaches for groups and teachers.
- Increase teacher training programs. Teachers will meet in Professional Learning Groups (PLG) utilizing multiple measures to monitor student success.
- Measure back-to-school achievement through tests that are measured against a set baseline from the 2020-21 school year.
- Keep students engaged through software programs that have proven to be successful.
- Provide parent education programs and continue communication with and outreach to parents.

report stated that 65% of their students are in danger of suffering long-term mental health issues. Nearly all teachers reported these barriers to effective learning: social isolation of students, the emotional trauma of students and families and the upheaval caused by economic and social distress. <https://edsources.org/2021/spotlight-2-students-social-and-emotional-wellbeing/649021>

- Plan yearly summer school and after-school programs at school and/or through community resources. Expand relationships with community resources to work with students in math and ELA.

2 - Social-Emotional Loss:

With the start of the 2021-22 school year, student engagement has been a focus of professional development for teachers and counselors. The following steps are being taken by districts to bolster the social-emotional health of students:

- Hire more counselors, school psychologists and nurses to work with individual students.
- Continue using programs used during shutdown and partner with outside organizations for outreach to relieve stress on students, faculty, and staff.
- Add emotional health training on how to apply this learning to academics as top priority for each teacher.
- Administer ongoing social-emotional health testing to determine which students require more intervention.

CONCLUSION

The 2021 Santa Barbara County Grand Jury found there is a consensus among educators, administrators, consulting and testing firms that remote learning during the COVID-19 pandemic had a profound effect on schools, teachers, parents, and most of all students. The full extent of the losses will not be known for years to come. However, Santa Barbara County school districts responded proactively to this unexpected challenge and, going forward, can make use of the positive lessons learned.

The 2021-22 school year will require that the remaining COVID relief funds used to offset the effects of remote learning must be carefully allocated to address the academic and social-emotional losses in the future. Extra thought and planning will be necessary to come up with the best strategies to mitigate these losses. When these funds are no longer available, upcoming budgets will need to focus on and include the elements critical to improve the academic performance and social-emotional health for all students.

With the arrival of various COVID-19 variants, there is always the possibility of a need for a return, to some extent, to distance learning. So far this year, many students have been sent home due to either students or teachers testing positive for COVID-19, causing further disruptions in learning. During these temporary disruptions, the County districts can implement the changes they have learned during the previous school year to make any future distance learning more effective. However, districts should do everything in their power to keep schools open to enable students to make up for the losses suffered during the COVID shutdown.

The 2021 Grand Jury commends the support and guidance from the Santa Barbara County Education Office and the Santa Barbara County school districts' teachers and staff for adapting to the challenges brought on by the pandemic and for continuing the education of students under these demanding circumstances.

FINDINGS AND RECOMMENDATIONS

Finding 1

In-person learning is more effective than remote learning both academically and emotionally.

Finding 2

For student achievement, especially for low performing students, in-person learning in small classes or small groups is preferable to larger classrooms.

Finding 3

Remote learning exposed the importance of outreach efforts to provide coaching to parents on creating a positive home learning environment.

Finding 4

Santa Barbara County school districts did not use one common test throughout Santa Barbara County, making it impossible to compare countywide testing results.

Recommendation 4

That the Santa Barbara County school districts and the Santa Barbara County Education Office work together to develop a common summative testing program to be adopted for all Santa Barbara County school districts for the 2022-23 school year.

Finding 5

Students with the greatest learning loss will require a concentrated effort to bring them up to Federal and State grade level standards.

Recommendation 5

That Santa Barbara County Schools outline their plans to attain Federal and State grade level standards for math and English language arts.

Finding 6

As the 2020-21 school year wore on, remote learning and teaching techniques and students' computer skills improved.

Finding 7

Federal and State COVID relief funds cannot be counted on indefinitely.

Recommendation 7

That the Santa Barbara County Education Office schedule a series of meetings prior to the 2022-23 school year with Santa Barbara County school districts to establish spending guidelines and review budgets' post-COVID relief funds to ensure that mitigation efforts continue.

Finding 8

Community organizations provided critical assistance to the Santa Barbara County school districts by expanding their efforts to bridge the learning gap between the home environment and school.

Recommendation 8

That each Santa Barbara County school district develop plans by the start of the 2022-23 school year to encourage community organizations to continue to provide critical academic and emotional support.

Finding 9

Internet services were critical to remote learning and, in most cases, Santa Barbara County school districts filled the gap for homes that did not have them.

Recommendation 9

That each Santa Barbara County school district maintain adequate internet services for all students if distance learning or an emergency should again require remote learning.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the publication of the report
- Will not be implemented, with an explanation of why

Ballard Elementary School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Blochman Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Buellton Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Carpinteria Unified School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Cold Spring School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

College School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Cuyama Joint Unified School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Goleta Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Guadalupe Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Hope Elementary School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Lompoc Unified School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Los Olivos Elementary School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Montecito Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Orcutt Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Santa Barbara Unified School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Santa Maria-Bonita School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Solvang School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Vista del Mar Union School District

Findings 1, 2, 3, 4, 5, 6, 7, 8 and 9

Recommendations 4, 5, 8, 9

Santa Barbara County Education Office

Findings 4, 5, 7

Recommendations 4, 5, 7

APPENDIX A

Santa Barbara County COVID Relief Allocation Dollars by School District all Grades (K-12)						
District	CARES – Federal 3/27/2020	CARES – State 3/27/2020	\$900B COVID Relief 12/27/2020	Rescue Plan – Federal 3/11/2021	Relief Per Student	Total of all Relief Funds all Grades
SM - Bonita	\$4,104,856	\$18,905,077	\$14,187,147	\$31,543,693	\$4,154	\$68,740,773
Lompoc	\$2,428,018	\$7,746,601	\$8,391,682	\$18,658,061	\$3,971	\$37,224,363
Santa Barbara	\$2,244,243	\$7,761,110	\$7,756,522	\$17,245,846	\$2,722	\$35,007,720
Orcutt	\$483,668	\$2,233,042	\$1,671,647	\$3,716,738	\$1,933	\$8,105,094
Goleta	\$360,511	\$1,731,099	\$1,245,993	\$2,770,340	\$1,729	\$6,107,944
Carpinteria	\$341,934	\$1,749,260	\$1,181,788	\$2,627,586	\$2,810	\$5,900,567
Guadalupe	\$255,089	\$1,364,641	\$881,635	\$1,960,227	\$3,543	\$4,461,592
Solvang	\$232,743	\$319,240	\$581,261	\$1,292,376	\$3,930	\$2,425,621
Hope	\$111,680	\$414,334	\$385,987	\$858,203	\$1,949	\$1,770,204
Cuyama	\$68,640	\$211,116	\$237,233	\$527,463	\$5,259	\$1,044,451
Montecito	\$67,886	\$132,970	\$211,857	\$471,043	\$2,471	\$883,757
Buellton	\$38,196	\$340,772	\$132,012	\$293,516	\$1,274	\$804,497
College	\$37,787	\$144,319	\$130,599	\$290,374	\$3,033	\$603,078
Los Olivos	\$11,827	\$57,279	\$40,876	\$90,884	\$1,421	\$200,867
Cold Springs	\$12,596	\$46,823	\$43,534	\$96,794	\$1,199	\$199,747
Blochman	\$0	\$118,719	\$0	\$0	\$571	\$118,719
Vista del Mar	\$1,383	\$14,878	\$4,780	\$10,628	\$1,343	\$31,669
Ballard	\$0	\$31,218	\$0	\$0	\$218	\$31,218
Total	\$10,801,057	\$43,322,498	\$37,084,553	\$82,453,772		\$173,661,881

EdSource.Org/2021

Link: [Find out how much California school districts and charter schools will get in COVID relief | Database | EdSource](#)

K-8 Enrollment by School 2020-21	
Ballard	128
Blochman	173
Buellton	553
Carpinteria	1,418
Cold Spring	178
College	192
Cuyama	133
Goleta	3,378
Guadalupe	1,270
Hope	775
Lompoc	6,294
Los Olivos	155
Montecito	374
Orcutt	3,971
Santa Barbara	6,445
Santa Maria-Bonita	16,665
Solvang	607
Vista del Mar	25
Total # of Students	42,734

Note: Does not include 56 students enrolled in Santa Barbara County Education Office (SBCEO) schools.

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- Note: All hyperlinks last checked on October 12, 2021

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GRAND JURY
SANTA BARBARA COUNTY

THE KEYS TO HOUSING THE HOMELESS

TWO STATE PROGRAMS OFFER ROOMS AND HOMES

Publication of the

2021 Santa Barbara County Grand Jury

November 23, 2021

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THE KEYS TO HOUSING THE HOMELESS

Two State Programs Offer Rooms and Homes

SUMMARY

In 2020, the State of California (State) proposed two programs to help communities manage their homeless populations: Project Roomkey and Project Homekey. Both programs were also an urgent response to the COVID-19 pandemic to prevent disastrous effects on the homeless. Roomkey secured short-term hotel rooms for chronically ill elderly homeless who were at risk of catching and spreading the virus. Homekey was intended to house some of that same population through conversion of available buildings to permanent housing. The State offered one-time funding for the communities able to meet specific time sensitive requirements. Santa Barbara County (County) took advantage of the State's offers to provide temporary and permanent housing to some of the County's homeless.

The 2021 Santa Barbara County Grand Jury (Jury) studied the two new Projects as they were implemented in Santa Barbara County. The Roomkey funding ended September 30, 2021; the Homekey funding allocation ended December 31, 2020. These time constraints motivated Santa Barbara County agencies to work together quickly to accomplish the housing goals.

The County has found it difficult to duplicate its successes with Projects Roomkey and Homekey. There is a discouraging lack of available property in the County, and property owners are reluctant to turn over what they have for the purpose of housing the homeless. Nor are there identified local funds to sustain the two programs without additional State and Federal grant allocations. The 2021 Santa Barbara County Grand Jury looked into the barriers that limit the success of the two homeless programs.

INTRODUCTION

The COVID-19 virus increased the need for homeless services, highlighting the dire conditions for a subset of the unhoused population who were especially at risk of contracting the virus – the elderly and those with underlying medical conditions. In the spring of 2020, hospitals were filling up at a time when people were exposed to the virus. At the same time, homeless shelters were required to implement social distancing, which forced them to reduce their population (at one shelter by more than 60 percent and at another by 13 percent) because of COVID and send some individuals back into the streets. The County needed to determine the best way to protect the homeless.

Confronting this challenge, the State of California initiated a plan with generous funding for the counties struggling with how to protect the homeless from the virus. Using Federal Emergency Management Agency (FEMA) and Coronavirus Aid, Relief, and Economic Security Act (CARES) funding, the State offered two programs, Project Roomkey and Project Homekey, to stimulate community participation in these innovative housing programs for the homeless.

In April 2020, Governor Newsom announced Project Roomkey, which would get people experiencing homelessness and at risk of getting COVID into participating hotels or motels on an emergency basis. Roomkey was intended to open underused hotel or motel rooms for the homeless who needed to isolate or quarantine from exposure to COVID-19. The State's goal was to find up to 15,000 rooms to temporarily shelter these homeless in supervised programs with case management. Jurisdictions who participated also agreed to then re-house them into permanent housing, supported by services.

As a first response to the pandemic, Roomkey was considered an interim response to a public health crisis that had already strained the health care system. The original program termination date was June 30, 2021; it was later extended to September 30, 2021. Statewide, a total of \$150 million was dedicated to the initial Project Roomkey in June 2020. The Governor added another \$62 million in November 2020 in order to avoid evictions of those homeless in rooms when the program was set to end in December 2020.

Project Homekey was intended to be the next step in the longer term crisis of homelessness by converting hotels and other similar buildings to permanent housing. On June 30, 2020, the State introduced Homekey for homeless housing using \$600 million of coronavirus relief funds for the program statewide, and \$300 million to help efforts to reduce homelessness. Similar to Roomkey, Homekey was conceived as a State partnership with cities and counties applying for grants, this time to purchase hotels, motels and other appropriate but underused buildings for conversion. The rehabilitated units would provide permanent housing for the homeless. By the end of 2020, more than \$846 million had been awarded to 48 jurisdictions for 94 projects across the State.

In the process of tackling homeless vulnerability during the pandemic, Santa Barbara County and its cities made promising steps to address homelessness with the one-time State funding. The County leased rooms in a hotel in South County for Project Roomkey for a limited time and converted an office building in North County for permanent housing using Project Homekey funding. A great deal of collaboration among County agencies went into the accomplishment of these two projects, establishing important groundwork for any future homeless projects. Yet even with outside funding either ending or being time-restricted, the long-term future of Projects Roomkey and Homekey, including property acquisition and conversion, in Santa Barbara County is uncertain.

METHODOLOGY

The 2021 Santa Barbara County Grand Jury interviewed representatives from homeless assistance programs across the County, Santa Barbara County Housing and Community Development Division, and the City of Santa Barbara Community Development Department. The Jury also interviewed representatives from the Santa Barbara County Public Health and Santa Barbara County Behavioral Wellness Departments, as well as the Santa Barbara City and County Housing Authorities. The Jury met with an affordable housing contractor, a homeless shelter case manager, and a homeless shelter executive director. Additionally, numerous news articles, local city and County agenda letters, and State public information posts were reviewed.

OBSERVATIONS

Project Roomkey

In February 2020, the Santa Barbara County Housing and Community Development Division reported a total of 1,897 homeless county wide, of which 1,223 were unsheltered, 674 in emergency shelters or transitional housing. One month later, the Board of Supervisors declared a local emergency for the pandemic. County officials quickly formed a COVID-19 Homeless Task Force Response Team and devised emergency solutions to strategic problems hitting the homeless population. With shelters needing to minimize occupancy and various agencies closing down, the homeless lost access to beds and to such services as showers and meals. The Santa Barbara County Task Force devised alternative sites for beds and services. One first step was the opening of the gym at Santa Maria High School; it was converted to a shelter for 71 homeless individuals for two months. Concurrently, the Public Health

Department began by securing a limited number of rooms as emergency shelters in hotels in North and South County in order to protect those at risk of contracting COVID-19.

The Task Force also initiated steps that led to participation with the State in Project Roomkey. By the end of April 2020, the County was able to open rooms at a hotel in South County. The City of Santa Barbara and People Assisting the Homeless (PATH) helped organize this novel response to the pandemic. Roomkey in the County began with 40 homeless individuals. In Santa Barbara County, county officials prioritized individuals over age 65 with a serious health condition, then those under 65 with a serious health condition, and lastly those over 65. The age qualification was later lowered to 55. FEMA later made these criteria for Roomkey housing official for all the chronically homeless in the State.

Santa Barbara County Public Health did a medical review to establish adherence to Center for Disease Control guidelines for those who were invited to join the program. The homeless came from the hospital emergency rooms and shelters, but mostly from the streets. Originally, they were invited to stay 90 days, but extensions were allowed. At its peak, there were 70 occupants participating in Project Roomkey. By October 2021, the Project had sheltered over 190 individuals.

While not all seniors with chronic illnesses chose to take advantage of the Roomkey housing continuum due to program restrictions (curfew, and no noise, smoking, visitors, alcohol, or drugs, etc.), the Jury learned the target population is more likely to move into a hotel room rather than into congregate shelters.

Locally, it was difficult to find hotels to participate in Project Roomkey. Hotel owners were hesitant to house a high-risk population. The County was unable to find a willing participant in North County, and only one hotel in South County agreed to rent one wing for a limited period of time. Even the drop in hotel occupancy during the pandemic was not enough to entice hotel owners to turn over their rooms to a county-run program for the homeless. The original Roomkey hotel returned to tourism at the beginning of 2021. Fortunately, the County was able to lease another hotel in South County with rooms for 80 individuals and rent as many as ten hotel rooms in Santa Maria.

One intention of the Roomkey program was to house individuals until they could transition into permanent housing, a process estimated to take 90 days. Successfully staying in a hotel room was considered a stepping-stone to independent living. By the end of September 2021, eighty-eight individuals were able to make the transition. The most vulnerable were the first to be rehoused with services.⁵ With the fortunate timing of units becoming available in newly opened apartment complexes with the Housing Authority of the City of Santa Barbara, nine formerly homeless moved into existing available units. Others “voluntarily or involuntarily exited” the program, according to the County. At the one-year mark, program administrators within the County reported to the Jury that 56 percent of Roomkey participants had left the streets and moved into housing. The rate dropped slightly by the program’s end in September due to a lack of available units, reducing the ability to re-house clients.⁶

It has been estimated that the cost of housing one person in a hotel room with provided services is \$180 per night. Services include security, staff, meals, transportation, and supplies. FEMA will reimburse the County only up to \$90 per night, and the County must make up the difference. FEMA reimbursement is expected to end in December 2021. Behavioral Wellness and Public Health continue

⁵ This follows the National Alliance to End Homelessness, Housing First protocol of housing the most vulnerable first.

⁶ The Housing Authorities of Santa Barbara County and the City of Santa Barbara have several affordable housing projects in progress now. Each development includes some units for formerly homeless clients. There should be a greater movement through the housing continuum again once the Housing Authority units are available, which will increase the re-housing rate percentage again.

to provide wraparound services, which include case management and medical and mental health care. To date, the County has been able to tap into CARES funds and homeless program funds from the Department of Social Services to pay the extra room and service costs. With Roomkey, local hospitals, County, and municipal public services were spared some heavy recurring costs and services related to caring for this dependent population.

The first Project Roomkey in Santa Barbara County received more than \$1 million in State funding. Project Roomkey is dependent on funding from the State and Federal government, and the program cannot continue unless the County identifies another revenue source. The 2021-22 California State budget is maintaining \$150 million in funding for a modified Project Roomkey and Rehousing Strategy, with the intention of allowing residents of Roomkey to stay until they can find permanent housing. From that, Santa Barbara County will receive a baseline allocation of \$772,384 for the work of transitioning the formerly homeless. That money will be used to re-house at least 40 of those remaining in the Roomkey motel.

Project Roomkey has been a model for other programs in the County. City Net in the City of Santa Barbara has been inviting homeless individuals to stay in 15 different motels located around the city for six months. City Net's program, known as the scattered model, is being considered for future hotel/motel leasing in the County because of its reduced impact on surrounding businesses and neighborhoods. City Net also established a temporary Roomkey-type program in Santa Barbara. After the Loma Fire within city limits in May 2021, the Santa Barbara City Council voted to pay for a program to shelter those living in encampments through the four-month fire season. Full-service motel rooms are expensive,⁷ but the City of Santa Barbara felt it had to do something to reduce the threat of fires from homeless encampments in fire-prone areas.

Roomkey has served as a stimulus for thinking creatively about homeless issues and for opening doors to homeless housing. Overall, Project Roomkey motivated the County to find a quick and easily accomplished solution for the most vulnerable homeless at a critical time.

Project Homekey

Project Homekey is California's evolutionary next step after Project Roomkey. The State hoped that some of the Roomkey hotels would become part of Homekey's permanent housing program. While none of the hotels were willing to sell to the County, the Housing Authority of the County of Santa Barbara (HASBARCO) applied for and received one grant award of \$3.12 million to acquire an office building in Lompoc and repurpose it to permanent housing with supportive services for its residents. The County added \$1.5 million. The building had originally been an apartment building and then was converted to an office building used by the County's Behavioral Wellness Department. Some remodeling was needed to create apartments again.

The State not only challenged jurisdictions to find buildings to rehabilitate for the homeless, but it also imposed tight time restrictions in the application process. Project Homekey was announced June 30, 2020. Local governments had to identify properties, have remodeling plans, partners, and a proposal in place by August 13, five weeks after the announcement of funding. They then needed to purchase the properties, revitalize them, and, finally, occupy them by the end of the year. In Lompoc, 14 residents and one manager moved into their new homes just before and just after the deadline of December 31, 2020. All in all, this was a five-and-a-half-month process.

⁷ The daily cost of the room was estimated at \$109/day, plus \$157/day for services. (Nick Welsh. "Upper State Street Motel May Rent All Rooms to Homeless." *Santa Barbara Independent*. June 26, 2021.)

With news of the Homekey grant program, the director of HASBARCO called emergency meetings with the County and its agencies. The County assembled a task force from all involved agencies to break down bureaucratic walls and speed up the process.⁸ One advantage that the County had was that the office building to be converted was already owned by the County. The Planning and Development Department was able to self-permit and do its own inspections, and regulations such as land use, zoning, and building codes could be streamlined. HASBARCO engaged a developer who was familiar with the most efficient ways to get things done and who worked up to seven days a week. The City of Lompoc contributed to the teamwork. The State also cooperated in easing certain deadlines, understanding the imposition of the short timeline. Construction projects in this County typically take three to four years. The spirit of collaboration moved this project forward in less than six months, an unparalleled accomplishment in recent Santa Barbara County building history.

The Homekey Project is meant to be an economical way to house the homeless. State officials have estimated that the state average for the cost of purchase and rehabilitation of existing buildings in Project Homekey came to \$147,974 per unit (including an average local match of \$23,987), while the cost of building from the ground up comes to \$400,000 per unit.⁹ In an expensive county such as Santa Barbara, the Jury was told the per unit cost is considered to be around \$200,000-\$250,000 to convert and a minimum of \$450,000 per unit to build from the ground up.

Clients moving in to the Homekey units were vetted by the County's Coordinated Entry System (CES), which assesses clients and matches them with services. Still being a time of a pandemic, clients were selected with the first criteria of protecting them from COVID-19. They also had to be able to live responsibly and independently. Homeless officials have told the Jury that many homeless no longer want to live in a congregate setting; they want their own space, and this often helps their stability. All supportive housing includes services (e.g., health care, mental health, and case management), which are considered essential for their success in independent living.

As permanent residents, the clients have to pay rent. Typically, the formerly homeless are issued a Section 8 voucher.¹⁰ This Federal program allows clients to pay only 30 percent of their income (often Social Security or Disability Benefits) toward rent. The Federal government pays the rest. VA Supportive Housing (VASH) is available to take care of rent payments for veterans.

While the COVID-19 pandemic depressed hotel demand from tourism, no owners were willing to sell their properties for the purpose of being transformed to homeless housing. Acquiring hotels will only be more difficult when tourism is flourishing again. The Jury was told that local officials have "scoured the universe" looking for available properties that were willing to sell to the County, yet could find only one pre-owned possibility in North or South County for the Homekey project. In the end, the site selected for Homekey was offered by a County department, Behavioral Wellness.

For Project Homekey, there are local impediments inherent in buying hotels in local communities: limited available real estate, high property values, expensive rents, a steady and recovering tourism business for hotels, and neighborhood resistance. Often in planning housing for the homeless, there is a need for negotiations with neighborhoods. The Jury heard that the onset of the pandemic temporarily fostered a more tolerant view of housing the homeless. There were no protests against the Homekey

⁸ Expediency minimizes costs during construction. That way, more money can be spent on the purchase of buildings.

⁹ Office of Governor Gavin Newsom. "Governor Newsom Announces Major Homekey Milestone: All 94 Sites Closing Escrow Ahead of Deadline." December 29, 2020. In another estimate made on April 5, 2021, Lou Hirsh of *Co-Star News* quoted the conversion estimate to be \$138,513, and the building average was \$400,000 per unit.

¹⁰ The County estimates 80% of those transitioning into permanent housing require a subsidy. The County's Phase II Community Action Plan to Address Homelessness calculated a need for a total of 531 long-term subsidies and 835 permanent supportive housing units for the County.

project. HASBARCO's goal is to be a good neighbor. In addition to hosting neighborhood forums, both Housing Authorities address community concerns in all its housing projects. Their housing developments are landscaped, maintained well, and have onsite supervision for the security of neighbors, as well as its clients. Moreover, the Department of Behavioral Wellness provides case management services for every resident.

The County hopes to create Memorandums of Understanding (MOUs) with cities, which could consolidate funding and foster regional cooperation. Santa Barbara City and County Housing Authorities have worked with corporations and banks to gain their investment in community housing, mostly through tax credits. Local leaders have approached church organizations and school districts for support. More housing alliances could be forged with hospitals and service organizations to apply for Homekey funds, for example. County departments such as Behavioral Wellness, Public Health, and Social Services could band together to apply for funding for projects. While these concepts can help, funding for housing for the homeless continues to be dependent upon State and Federal money.

Homekey funding comes at a time when the State is contributing extraordinary amounts of money to solve homelessness. The 2021-22 State budget earmarked \$1.45 billion for Homekey, Round 2, and an additional \$1.3 billion the following year. The State is allowing more flexibility in the criteria in the types of buildings to convert and the amount of time to convert them. Jurisdictions have between the end of September 2021 and the beginning of May 2022 (or until all funds are exhausted) to submit an application. Once funding is awarded, jurisdictions have eight months to expend the funding and 12 months to complete construction. The building must be fully occupied within 90 days after completion. However, there is no guarantee of receiving an award from the State. Santa Barbara County must apply and compete with other California counties and jurisdictions for these limited-time funds.

As of September 2021, no sites had been identified for homeless projects. There is no line item in the budget for acquisition of property to house the homeless at the County level or within city jurisdictions. To qualify for more state Homekey funding, the County must be ready with a site, partners, and its own complementary funding.¹¹ Given the temporary nature of the State funding, agencies need to apply the lessons from the first Homekey success in terms of quick acquisition of a site, ready funding, and inter-departmental cooperation. The County has created a "strike team," but other jurisdictions could also help prepare plans to take advantage of funding opportunities. Identifying possible sites and opening negotiations with the owners ahead of funding announcements remains a critical component to success. Above all, to secure the legacy of the Homekey program, the County and its cities and agencies need to work together to put plans in place.

CONCLUSION

The confluence of a pandemic and a State budget surplus created an exceptional opportunity for those that work with the homeless population. The cost and magnitude of the homeless issues must be addressed with the cooperation of the Federal, State, and local governments. For 2021-22, there is \$150 million in State funding available for Roomkey and \$1.45 billion for Homekey. The County and cities would not be able to consider leasing or purchasing buildings for these homeless programs and providing services without this funding.

¹¹ In the meantime, County, state, and Federal funds are being allocated to other forms of homeless housing: \$1,935,000 over three years for an encampment response program, and \$4,935,560 over three years for a new shelter, pallet homes, and a tiny home project. The County hopes to add 100 available beds with these three programs. It also hopes that Project Homekey will add the same number of beds for the homeless. Only the first year is considered for funding now. Without state funding and Federal grants, these programs would have to be curtailed also.

The 2021 Santa Barbara County Grand Jury concluded that the County, cities, and Housing Authorities would do well to make every effort to secure more housing for the homeless at this time when State and Federal money is available. Incentives that the County offers community partners now could produce more positive outcomes than at any other time. In the long run, extra funds spent on homeless housing now can reduce the millions of dollars being absorbed as collateral homeless expenses by county or city agencies such as fire, police, ambulance, public and environmental health, hospitals, jails, parks, libraries, mental health clinics, public works, street maintenance, and more. In the future, savings from these respective departments could be combined for homeless projects.

While Roomkey and Homekey have only helped a fraction of the total homeless in the County, the two projects have set a precedent and illuminated the way for similar projects to house the homeless. County agencies can work together to accomplish rapid results. It took a global emergency to bring community partners to the table with a true sense of collaboration. Now that those alliances are established, these agencies can more effectively coordinate the work to purchase and convert buildings for formerly homeless residents. Santa Barbara County and its cities must continue to work together and devise incentives and methods of funding to further the successes of Projects Roomkey and Homekey.

FINDINGS AND RECOMMENDATIONS

Finding 1

During the COVID-19 pandemic Project Roomkey demonstrated the value of providing rooms, with appropriate services, for the vulnerable elderly homeless with underlying health conditions.

Recommendation 1

That the Santa Barbara County Board of Supervisors and all city councils within the County establish programs similar to Roomkey in both North and South County to continue to provide rooms, with appropriate services, for vulnerable elderly homeless with underlying health conditions.

Finding 2

Few hotels and motels throughout Santa Barbara County were willing to participate in Project Roomkey.

Recommendation 2

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Community Services Department to form an alliance with all city councils within the County to develop a roster of hotels and motels willing to participate in a Roomkey-type program.

Finding 3

Buildings for Homekey conversion have been difficult to locate and acquire.

Recommendation 3

That the Santa Barbara County Board of Supervisors and all city councils within the County identify possible Homekey sites including government owned properties in each jurisdiction.

Finding 4

Project Homekey called upon various Santa Barbara County departments to work together creatively, quickly, and economically to transform a County owned office building into housing for the homeless.

Recommendation 4

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Community Services Department to solidify a team to replicate the successful efforts in converting buildings efficiently into housing for the homeless.

Finding 5

Both Project Roomkey and Project Homekey are reliant on short-term or one-time funding from the State and Federal governments.

Recommendation 5

That the Santa Barbara County Board of Supervisors and all city councils within the County develop and implement a plan for funding Roomkey and Homekey-type programs.

Finding 6

The Roomkey and Homekey programs require funding to provide wraparound services for the homeless.

Recommendation 6

That the Santa Barbara County Board of Supervisors direct the Santa Barbara County Public Health, Behavioral Wellness, and Social Services Departments, along with the Santa Barbara County Community Services Department, to explore options for funding for wraparound services.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 Days

Findings 1, 2, 3, 4, 5, 6

Recommendation 1, 2, 3, 4, 5, 6

City of Buellton – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Carpinteria – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Goleta – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Guadalupe – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Lompoc – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Santa Barbara – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Santa Maria – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

City of Solvang – 90 Days

Findings 1, 2, 3, 5

Recommendation 1, 2, 3, 5

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GRAND JURY
SANTA BARBARA COUNTY

CYBERSECURITY FOR SPECIAL DISTRICTS AND COUNTY SERVICE AREAS IN SANTA BARBARA COUNTY

Publication of the

2021 Santa Barbara County Grand Jury

December 10, 2021

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CYBERSECURITY FOR SPECIAL DISTRICTS AND COUNTY SERVICE AREAS IN SANTA BARBARA COUNTY

SUMMARY

The 2021 Santa Barbara County Grand Jury (Jury) has prepared a report on the subject of cybersecurity for special districts and county service areas following the 2019-20 Santa Barbara County Grand Jury report titled “Cyber-Attacks Threaten Santa Barbara County,” which focused on the broader County issues. This report encourages the 53 special districts in Santa Barbara County (County) to review their cyber-systems in order to identify cybersecurity threats. This Jury urges the special districts and service areas to take all necessary measures to protect their operational data and computer systems. This Jury has proposed a list of best practices for Santa Barbara County special districts to consider identifying, protecting, and, if necessary, upgrading their cybersecurity activities to advance the best interests of their consumers.

INTRODUCTION

"With but a few lines of well-crafted code, a mobile phone or laptop computer can be convinced to betray its owner's most closely guarded secrets - and continue betraying them for months and even years. The machines are perfect spies. They do not require money or validation or love. Their motives are beyond question, for they have none of their own. They are reliable, dependable, and willing to work extraordinarily long hours. They do not become depressed or drink too much. They do not have spouses who berate them or children who disappoint them. They do not become lonely or frightened. They do not burn out. Obsolescence is their only weakness. More often than not they are discarded merely because something better comes along." Daniel Silva, *The Rembrandt Affair*

There are three types of special districts within Santa Barbara County. One is an Independent Special District, another is a Dependent Special District, and the third is a County Service Area. An Independent Special District has its own board of directors, either elected directly or appointed; they make their decisions on activities and budgets independent of any city or county oversight. A Dependent Special District is actually run by its respective city council or county board of supervisors. County Service Areas (CSA) are different from “Special Districts” in that they are also governed by the County Service Area Law (Cal. Govt. Code §§ 25210 et seq)¹² in addition to Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.¹³ There are currently 39 Independent Special Districts, eight Dependent Special Districts, and six Community Service Areas within the County. (See Appendix I, II & III)

Recent press accounts report cybersecurity breaches across the United States.¹⁴ Restoration of these services often requires the payment of ransom and reconstruction costs. The two-day shutdown of a part of Colonial Pipeline’s oil distribution system on the East Coast in early 2021, which reportedly

¹² [California Government Code Section 25210.3 \(2016\)](#)

¹³ www.sbcounty.gov/uploads/LAFCO/Publications/CKH_2018.pdf

¹⁴ <https://thehill.com/policy/cybersecurity/576835-agencies-warn-of-cyber-threats-to-water-wastewater-systems>

cost the company more than \$2 million dollars in ransom payments, is one example. Costly or potentially even deadly cyber-attacks also impacted, among many other business and government entities, police departments, water distribution systems, a major national meatpacking company, and hospital systems. Health care systems are particularly targeted. California had the highest percentage of attempted health-care system hacks, with 21 percent of the nationwide total.¹⁵

These intrusions can be very expensive to correct. Even when ransoms are paid, the breached or maliciously encrypted systems must be reconfigured or even rebuilt entirely. Moreover, there remain potential financial liabilities for critical infrastructure businesses like utilities, as well as financial institutions, to their customers. For example, Ally Bank (formerly known as GMAC) presently is the defendant in a class-action lawsuit in Federal Court in New York for its alleged negligence in allowing hackers to breach several of its customer accounts and steal names and passwords.¹⁶

Unfortunately, as the special district officials and consultants whom the Jury interviewed candidly admitted, no system is foolproof and precautions may vary greatly from district to district. It, therefore, is incumbent upon the special districts to take whatever proactive steps possible to reduce the threats and thereby mitigate the damaging consequences of the intrusions which inevitably will occur despite diligent efforts to prevent them.

METHODOLOGY

In an effort to assess the readiness of special districts in Santa Barbara County, the Jury interviewed a representative sampling of Santa Barbara County special districts and municipal officials, as well as private industry internet technology and cybersecurity experts. The Jury also reviewed many informative articles, reports, and official publications dealing with the subject of cybersecurity.

There are at least three U.S. agencies that address cybersecurity crime. Special districts are encouraged to access these and strengthen their own websites:

1. U.S. Department of Homeland Security, Cybersecurity and Infrastructure Security Agency (CISA) <https://www.cisa.gov/>
2. U.S. Department of Commerce, National Institute of Standards and Technology (NIST) <https://www.nist.gov/cyberframework>
3. U.S. Department of Justice, Federal Bureau of Investigation, Internet Crime Complaint Center (IC3) <https://www.ic3.gov>

OBSERVATIONS

While there appear to have been no known successful cyberattacks of special districts within Santa Barbara County, the Jury learned that an extensive number of cyber incursions have been attempted in the United States, often with success. These intrusions severely disrupted governmental and private company operations, costing billions of dollars in ransom payments, system repairs, and additional defensive measures. Following a 2021 White House meeting¹⁷ on the problem and in an effort to meet the challenge, Microsoft announced it is allocating \$150 million for cybersecurity technical services to assist Federal, State, and local government agencies. In addition, it has committed to invest \$20 billion

¹⁵ <https://www.comparitech.com/blog/information-security/ransomware-attacks-hospitals-data/>

¹⁶ *Medicis v. Ally Bank*, Case No.7:27-CV-06799 (U.S.D.C., So. Dist. N.Y., 2021

¹⁷ "Biden Presses CEO'S to Boost Cyber Security," *Wall Street Journal*, August 28, 2021, p.4A.

over a period of five years to develop improved cybersecurity programs. Google has committed to spend \$10 billion for that same purpose, and major corporations like Amazon and IBM will be greatly increasing their investment in employee training programs.

How Can Special Districts Protect Themselves?

The Jury has neither the staff nor the technical expertise to analyze the cyber-readiness of the special districts or to suggest specific defenses to cyberattacks. That work should be done by expert consultants and security firms devoted to such activities. The Jury offers a list of “Best Practices” based upon the sources consulted:

BEST PRACTICES

- Create "strong" passwords and change them often, or at least periodically
- Install and regularly update "encryption" software
- Install and regularly update "firewall" software (intrusion detection systems)
- Update computer systems as necessary
- Install and regularly update virus protection software
- Secure data by limiting access
- Safely dispose of all unwanted documents
- Limit remote internet access to the extent possible
- Limit physical access to system equipment (access cards, ID cards, etc.)
- Wipe data from equipment to be disposed of
- Monitor employee use of all systems
- Periodically test security measures and immediately remediate weaknesses
- Report to the appropriate internal security all malfunctions, anomalies or any other “out-of-ordinary” events no matter how insignificant they may appear to be
- Conduct training for all employees periodically on security policies and procedures, certify attendance, and teach staff how to prevent, detect, contain, and eliminate breaches
- Hire an outside security consulting firm to conduct a "risk analysis" at least annually and consider the possibility of pooling resources with other special districts to hire such expertise
- Consider adequate cybersecurity insurance and the possibility of creating or joining an existing insurance pool to reduce premium cost
- Create and securely maintain back-up data separate from the “live” system
- Create a comprehensive Security Policy Manual to centralize information in one place and make it accessible to all staff
- Classify and prioritize all district hardware, software, devices, data, etc. in accordance with their critical nature
- Adopt easy to follow protocols for detecting and reporting known or suspected incursions and explain the exact duties and responsibilities of different staff levels in case an incident occurs.

Create and maintain a current incident log designed to immediately document, analyze, and catalog incursions and explain how best to respond

- Immediately eliminate all access to data systems and emails upon an employee's departure

CONCLUSION

The Jury determined that it is important to keep this critical issue before the public; it now addresses this concern in more general terms to the County's many special districts and service areas. It is the Jury's hope that these agencies will become more fully aware of cyber-threats and will take all necessary measures to protect their confidential data.

Like all other government and business entities, special districts and service areas are vulnerable to cyber-attacks. Given its concern over the unfortunate increase in serious intrusions by criminal groups or individuals into data systems maintained by these governmental agencies and major publicly owned companies, the 2021 Santa Barbara County Grand Jury reminds all special districts in the County that they too potentially are targets for such criminal activity.

The Jury has suggested several "Best Practices" that those agencies should consider incorporating into their cyber-security programs. This would help protect them from unwanted intrusions, possible public disclosure of personal information, and having to pay ransoms. Although the Jury assumes that many districts have implemented many of these and other cyber-measures, some may not have done so, or have failed to test in a timely manner and upgrade existing protections to counter the increasingly sophisticated techniques employed by hackers.

Although the Jury did not interview representatives from all special districts, it is hoped they will review and adopt, as appropriate, the "Best Practices" listed in the report for their respective special districts. It is suggested that the districts take such remedial action as may be needed to safeguard their confidential personal, financial, and operational data against cyber-attacks to the greatest extent possible within their ability to do so.

FINDINGS and RECOMMENDATIONS

Finding 1

The Santa Barbara County Board of Supervisors has oversight over all dependent special districts and community service areas and their respective cybersecurity operations.

Recommendation 1

That the Santa Barbara County Board of Supervisors review and adopt, as appropriate, the “Best Practices” listed in the report for its dependent special districts and community service areas.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
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Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
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- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 days

Findings: 1

Recommendation: 1

Note: A courtesy copy of this Report is being sent to all special districts within Santa Barbara County.

APPENDIX I

Independent Special Districts Within Santa Barbara County

- Cachuma Resource Conservation District
- Carpinteria Cemetery District
- Carpinteria Sanitary District
- Carpinteria/Summerland Fire Protection District
- Carpinteria Valley Water District
- Casmalia Community Services District
- Cuyama Basin Water District
- Cuyama Community Services District
- Cuyama Valley Recreation and Park District
- Embarcadero Municipal Improvement District
- Goleta Cemetery District
- Goleta Sanitary District
- Goleta Water District
- Goleta West Sanitary District
- Guadalupe Cemetery District
- Isla Vista Recreation and Park District
- Isla Vista Community Services District
- Lompoc Cemetery District
- Lompoc Valley Medical Center (Health Care District)
- Los Alamos Cemetery District
- Los Alamos Community Services District
- Los Olivos Community Services District
- Mission Hills Community Services District
- Montecito Fire Protection District
- Montecito Sanitary District
- Montecito Water District
- Oak Hill Cemetery District
- Mosquito and Vector Management District of Santa Barbara County
- San Antonio Basin Water District
- Santa Barbara County Fire Protection District

- Santa Maria Public Airport District
- Santa Maria Cemetery District
- Santa Maria Valley Water Conservation District
- Santa Rita Hills Community Services District
- Santa Ynez Community Services District
- Santa Ynez River Water Conservation District
- Santa Ynez River Water Conservation District, Improvement District #1
- Summerland Sanitary District
- Vandenberg Village Community Services District

APPENDIX II

Dependent Special Districts Within Santa Barbara County

- Guadalupe Lighting District
- Laguna County Sanitation District
- Mission Canyon Lighting District
- North County Lighting District Santa Barbara County Flood Control & Water Conservation District
- Santa Barbara County Water Agency
- Santa Barbara Metropolitan Transit District

APPENDIX III

County Service Areas Within Santa Barbara County

- County Service Area No. 3 (Goleta Valley)
- County Service Area No. 4 (North Lompoc)
- County Service Area No. 5 (Orcutt)
- County Service Area No. 11 (Carpinteria Valley)
- County Service Area No. 12 (Mission Canyon)
- County Service Area No. 31 (Isla Vista)
- County Service Area No. 32 (Unincorporated police services)
- County Service Area No. 41 (Rancho Santa Rita)

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GRAND JURY
SANTA BARBARA COUNTY

PENSIONS IN SANTA BARBARA COUNTY REQUIRE VIGILANCE

Balancing Promises and Maintaining Services

Publication of the

2021 Santa Barbara County Grand Jury

December 17, 2021

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PENSIONS IN SANTA BARBARA COUNTY REQUIRE VIGILANCE

Balancing Promises and Maintaining Services

SUMMARY

The 2021 Santa Barbara County Grand Jury (Jury) conducted a follow-up investigation to the 2017-18 Grand Jury “Pensions in Santa Barbara County” report to determine how the eight cities and the County have progressed.

In 2017-18, the Santa Barbara County Grand Jury issued an investigative report that looked at the pension plans of Santa Barbara County (County) and the eight incorporated cities within the County. That report found there were substantial liquidity and solvency risks to the sustainability of many of the public defined benefit pension plans in the County and that if there are additional fiscal shocks, such as a fall in tax revenues or a period of low returns on pension assets held by the California Public Employee Retirement System (CalPERS) and County of Santa Barbara Employee Retirement System (SBCERS), then other actions may be required.

Salaries and benefits, including pension costs, are the largest annual operating expenditures of the County and its eight cities. The unfunded pension liabilities for future payments to current and former staff are also a significant portion of each of their balance sheets, totaling \$1.8 billion. Pensions and the related liabilities are a significant part of the operating costs of all local governments. The Jury was told that governments often cannot provide the same level of wages and benefits to attract and retain talented and capable staff as “for profit” organizations because of the need to balance providing required services to its residents against the burden of taxation or fees charged to those residents. Pensions, the Jury learned, provide a way for local governments to attract capable staff while deferring some of the costs to the taxpayers to the future. Pensions are an attractive benefit for many as they assure staff of income streams after retirement.

The County and cities need to make sure they are prepared to fund future pension obligations when due, without disrupting critical services or over-burdening their residents with extra fees and taxes.

The Jury discovered that, while risks continue to exist, especially for those cities that are suffering financial challenges, there are no immediate threats and that, with proper attention, all cities and the County should be able to deliver the necessary services to its residents and meet its pension obligations as they become due.

INTRODUCTION

The County of Santa Barbara and the eight incorporated cities within the County had unfunded pension liabilities of \$1.8 billion as of June 30, 2020. These obligations are the calculated net present value of payments due over an extended period of years and like most U.S. cities represent the largest liability on the County’s and the eight cities’ General Fund Balance Sheets. Financial markets are not always predictable. For example, in early 2020, the United States was experiencing a record-breaking economy and stock markets were at all-time highs until the COVID-19 pandemic struck, and the financial markets contracted and drastically decreased in value. That decline was short-lived but underscores the reality that volatility in the markets can occur without warning and that the County and the eight cities need to be prepared for future significant negative impacts to the markets.

The 2017-18 Santa Barbara County Jury issued a report about the nine principal public pension systems in Santa Barbara County (County.) Those pension systems include the County of Santa Barbara Employee Retirement System, and those managed by the California Public Employee

Retirement System for the eight cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Maria, the City of Santa Barbara and Solvang. The 2017-18 Jury found the highest risks in the plans of Lompoc, the City of Santa Barbara, and Santa Maria, which are the largest in the County. It found moderate risks in Guadalupe and Solvang. It found minimal to moderate risks in Buellton, Carpinteria and Goleta. Risks in SBCERS were moderate and well managed.

California is one of the most expensive states to live in, and Santa Barbara County is one the most expensive counties. Across the board, the cost of living in cities in the County is significantly higher than the national average.¹⁸ The County and its cities must compete for qualified employees. To attract an appropriate workforce, the County and its cities cannot always pay salaries comparable to other employment opportunities candidates may be considering. As a result, they have followed a practice that most governmental organizations use to augment current compensation - a Defined Benefit Pension Plan. In a Defined Benefit Pension Plan the employer promises a specified pension payment upon retirement that is predetermined by a formula based on the employee's earnings history, tenure of service, and age.

Counties and cities have the option to administer their pension plans, but the costs and risks associated with doing so make using an outside administrator more attractive. In California, most counties and cities that have decided not to administer their own pension plans use CalPERS.¹⁹

The eight cities of Santa Barbara County are members of CalPERS. In addition to the eight cities, close to 2,900 California public employers participate in CalPERS.²⁰ As of June 30, 2020, CalPERS managed \$392.5 billion in assets,²¹ making it the largest public pension fund in the nation.³ These assets are used to help cover the cost of future payments due current and former employers for services previously rendered. As of June 30, 2020, the assets under management represented 70.6 percent of the Accrued Liability due members of the pension fund.²² Accrued Liability is net present value of the total dollars needed as of the valuation date to fund all benefits earned in the past.

In addition to using investment returns, CalPERS uses contributions from employers and members to fund payments of member benefits. Per CalPERS, as of June 30, 2020, funding for retirement benefits was broken down as follows: investment returns (55 percent), employer contributions (32 percent) and employee contributions (13 percent).²³

Each year, employers within the CalPERS pension fund are required to make contributions to the fund. These contributions are made up of two components, the Employer Normal Cost and a payment that represents amortization of the Unfunded Accrued Liability (UAL.) The Employer Normal Cost represents the pension amount earned by active employees for services expected to be provided for the upcoming fiscal year and is paid at 100 percent. The UAL is total Actuarial Accrued Liabilities minus assets available to pay benefits earned. Rather than requiring employers to pay the entire amount of the UAL, the annual payment is an amortized amount needed to fund the liability over an extended period for past service credit earned by members. In addition to these required payments, employers also have the option to make additional payments to pay down the UAL early.

¹⁸ Salary.com <https://www.salary.com/research/cost-of-living/ca> (last reviewed September 21, 2021)

¹⁹ <https://www.calpers.ca.gov/page/about/organization/calpers-story> (last reviewed September 21, 2021)

²⁰ <https://www.calpers.ca.gov/docs/forms-publications/facts-about.pdf> (last reviewed September 21, 2021)

²¹ <https://www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf> (last reviewed September 21, 2021)

²² <https://www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf> (last reviewed September 21, 2021)

²³ <https://www.calpers.ca.gov/page/newsroom/calpers-news/2021/calpers-strong-preliminary-fiscal-year-investment-return-trigger-discount-rate-reduction>

CalPERS had net investment returns of 8.5 percent for the ten-year period ending June 30, 2020. Managed assets grew from \$237 billion to \$392.5 billion. During that period, the annual net investment returns ranged from a low of .01 percent to a high of 21.7 percent.

Discount Rate is the rate of return used to discount future cash flows back to their present value. Prior to 2008, CalPERS was using a Discount Rate of 7.75 percent. Using too high a Discount Rate can understate the amount currently due for future payments. This can occur if the actual return on invested assets is less than the Discount Rate used and did occur in 2008 and 2009. Using the 7.75 percent Discount Rate, managed assets were shown to exceed the Actuarial Liability as of June 30, 2007. In 2008, the Great Recession began and, while the Actuarial Liability continued to grow, managed assets lost significant value. Just two years later, as of June 30, 2009, managed assets were only 61 percent of the Actuarial Liability.

In 2012, the State of California passed AB 340 and AB 197, which enacted the California Public Employees' Pension Reform Act of 2013 (PEPRA) and were intended to help blunt the rise of pension debt counties and cities were facing due to the recession. PEPRA went into effect on January 1, 2013, and made several significant positive changes in California pension systems. Employees hired prior to PEPRA are members of plans which are referred to as Classic plans. Those employees retain the benefits promised under their existing plans. For employees hired after PEPRA went into effect, the plans typically set a new maximum benefit, increased the retirement age at which members became eligible, set a cap on the amount used to calculate an employee's benefit base, and forbade the practice of "Employer Paid Member Contributions" for new PEPRA members. Since its enactment, the PEPRA law has succeeded in reducing future liabilities in pension plans.

Actuarial valuations reports are prepared for all members of the CalPERS pension fund each year. These actuarial reports, which are typically released 14 months after the end of the reporting period, are based on several assumptions, including expected investment return and payroll growth, eligibility for the types of benefits provided, and mortality rates of retirees. Based upon actuarial valuation, the annual employer contribution rates are adjusted, as needed. Since 2016 these valuations are based on an investment return assumption of 7.0 percent. For 2021, and subsequent periods, the Discount Rate used to calculate employer contributions will be dropped to 6.8 percent,⁶ which will have the effect of raising the estimated future liabilities under the pension fund.

Unlike the eight cities, the County of Santa Barbara and its employees are not members of CalPERS. Instead, the County administers its own retirement funds through SBCERS, which was established on January 1, 1944. It provides service retirement, disability, death, and survivor benefits for employees of the County of Santa Barbara, the Santa Barbara County Superior Court, and ten special districts.²⁴

As of June 30, 2020, SBCERS managed nearly \$3.2 billion in assets. This amount represents approximately 74 percent of the Accrued Liability due current and former employees who are members of SBCERS, which covers 10,777 current and former employees, including 4,322 who are currently receiving benefits.²⁵ Like CalPERS, SBCERS funds payments of member benefits through a combination of member and employer contributions and investment income.

The Board of SBCERS sets the assumptions to be used to determine the funding requirements of the pension fund each year. One key assumption is the Discount Rate. To be more in line with actual results, the SBCERS Board has lowered the Discount Rate used to determine the Actuarial Accrued Liability several times. In 2007 it was lowered to 7.75 percent, and after several interim adjustments, it

²⁴ <https://www.sbcers.org/about-us/>

²⁵ <https://www.sbcers.org/wp-content/uploads/2020-Annual-Report-Web-Version.pdf>

now sits at 7 percent.²⁶ Like plans within the CalPERS pension fund, the SBCERS pension fund is subject to PEPPRA.

Unfunded pension liabilities, as calculated by CalPERS and SBCERS, are paid by the employer over an extended period, much like a mortgage would be. The amount of Unfunded Accrued Actuarial Liability to be paid in future periods is listed as a liability on each of the cities' and the County's financial statements. That liability is shown at the estimated net present value of the expected future payments, based upon an assumed rate of return on investment assets managed by CalPERS or SBCERS. Like all estimates, the amounts shown are only as good as the assumptions used to calculate them. One important assumption is the Discount Rate used to calculate the liability. If future CalPERS or SBCERS investment earnings consistently fall short of the Discount Rate used to calculate the UAL, the amount owed by the cities or County could be significantly higher. If CalPERS or SBCERS actual investment returns are higher than the Discount Rate used to calculate the UAL, as they have been for most years the past decade, the amounts to be funded by the cities or County would be less.

While CalPERS and SBCERS have, to date, adequately managed the assets under management for the cities and the County, there are no guarantees that investment returns will be sufficient to cover all obligations, or that other factors might occur that would negatively impact the cities or the County and their ability to meet all obligations on a timely basis. There are mechanisms available to protect the cities and the County from significant increases in future amounts to be paid, or from reductions in revenues, which could impair the ability of the cities or the County to make the future payments timely, without cutting services provided to residents. These mechanisms include:

Section 115 Pension Trusts - A Section 115 Pension Trust, which derives its name from the code section within the United States Internal Revenue Code, may be used to segregate funds from an entity's general fund for the purpose of funding future obligations, and recently has been used more frequently to set aside funds to meet future pension contributions or liabilities that would otherwise create strains on current operational budgets. Monies in a Section 115 Trust can be invested and can potentially earn a higher rate of return than the growth of future pension obligations. One limitation on Section 115 funds is that they are irrevocably committed for the purpose stated in the trust and may not be retrieved or used for other purposes.

Pension Obligation Bonds – A Pension Obligation Bond (POB) is a bond issued by a city or county that is repaid from future returns on the investments made using the proceeds of the bond, or from future revenues of the issuing entity. The basic principle of POBs relies on the expectation that the rate to borrow the money is less than the assumed expected return from an investment portfolio. The expected benefits to the entity are that the annual costs of funding the pension liability are offset in some part by the net proceeds of the investments. This takes pressure off the entity to completely fund the pension obligations from annual revenues. A risk does exist in that the investments created with the borrowed funds may not perform well and the revenues are not sufficient to cover the bond costs. In that case the entity would be required to use funds from other sources, which could impact the level of services provided by the entity. It is imperative that the entity get the lowest possible interest rate to mitigate risk, and with interest rates at record lows, many entities are looking to POBs to protect them from future fluctuations in pension costs.

Pension Reserve Fund - One other option used by some entities is to create a Pension Reserve Fund within their budget that is funded in years when excess monies are available. This concept has the benefit in that should there arise a need to use the funds for other purposes, they could be redirected to the alternative use.

²⁶ <https://www.sbcers.org/wp-content/uploads/Preliminary-Investment-Return-6-30-2021.pdf>

METHODOLOGY

To carry out its analysis, the Jury:

- Reviewed the 2019 and 2020 CalPERS valuation reports for the 32 plans²⁷ within the eight cities, plus related data in the public domain and as provided by the cities' plan administrators²⁸;
- Reviewed 2020 SBCERS Annual Reports and data provided by SBCERS¹⁰;
- Reviewed "The California State Auditor's Fiscal Health Analysis of the State's Over 470 Cities,"²⁹ which showed California cities that could be facing fiscal challenges by assessing their levels of risk using various financial indicators;
- Reviewed audited financial reports of the County and of the eight cities for various years plus related data in the public domain and as provided by the County and the eight cities; and
- Interviewed individuals with administrative responsibilities for the pension plans from the County and the eight cities and representatives from SBCERS and CalPERS.

Based on the information in the documents reviewed and from the interviews with various officials of the eight cities, the County, SBCERS and CalPERS, the Jury constructed a model to assist it in analyzing the current financial position of each of the 32 plans. The Jury also reviewed the relationship of the pension liabilities to their respective General Funds and annual operating revenues, the current and future burden to the residents of the County and the eight cities, and the years the unfunded liabilities are expected to be paid off.

OBSERVATIONS

In Santa Barbara County, PEPRAs have been effective in that pension plans created as a result of the pension reform are funded at a much higher percentage. While PEPRAs have helped, that does not mean there are not some significant issues to be aware of. The largest component of the Unfunded Accrued Liability in the 32 pension plans of the cities within the county are in Classic plans. Even though PEPRAs began in 2013, as of June 30, 2020, the total UAL for the 32 plans was over \$631 million, of which only \$1 million was within PEPRAs. So, while the 12 PEPRAs are funded at an average of over 90 percent, the 20 Classic plans are only funded to an average of 68.7 percent. In future years PEPRAs will play an increasing part in controlling pension costs of the cities and the County.

Table 1 (below) highlights the overall pension liabilities for each city and the County, as well their respective populations, estimated annual employer pension contributions, and analytics of how each city's and the County's obligations compare to various metrics. These analyses helped the jury classify the pension solvency risk for each of the cities and the County. For example, Lompoc, the City of Santa Barbara, Santa Maria and the County have higher per capita UALs than the remaining cities, suggesting there could be a higher strain on those communities than on those with lesser per capita UALs. Also, the cities of Lompoc, Santa Barbara and Santa Maria have significantly higher Estimated Total Employer Contributions than the other cities. These factors alone may not be a warning sign, but when compared to their Projected Payrolls and to their Total General Fund Revenues, they also represent higher percentages of those amounts and suggest higher risk.

²⁷ See Appendix B

²⁸ <https://www.calpers.ca.gov/page/employers/actuarial-services/employer-contributions/public-agency-actuarial-valuation-reports>

²⁹ https://www.auditor.ca.gov/bsa/cities_risk_index

Table 1³⁰

Public Pension Status, Santa Barbara County and 8 Cities, 2020

2020								
	Population	Normal Accrued Liability	Unfunded Actuarial Liability	Unfunded Actuarial Liability Per Capita	% Funded (Discount Rate - 7%)	Estimated Total Employer Contribution	Estimated Total Employer Contribution as % of Projected Payroll	Estimated Total Employer Contribution as % of Proj Payroll to Total General Fund Revs
Buellton	5,102	\$ 10,618,762	\$ 2,678,957	\$525.08	74.8%	\$ 384,784	22.0%	4.27%
Carpinteria	13,385	\$ 30,911,978	\$ 9,432,389	\$704.70	69.5%	\$ 1,086,135	37.4%	9.37%
Goleta	30,911	\$ 21,985,402	\$ 4,241,195	\$305.15	80.7%	\$ 1,105,343	13.5%	3.34%
Guadalupe	7,783	\$ 16,925,088	\$ 4,224,747	\$542.82	75.0%	\$ 627,352	23.2%	10.38%
Lompoc	42,853	\$ 321,949,822	\$ 102,974,795	\$2,402.98	68.0%	\$ 12,649,654	51.4%	27.65%
Santa Barbara	91,686	\$ 1,180,029,261	\$ 386,111,684	\$1,123.12	67.3%	\$ 47,970,234	51.0%	32.08%
Santa Maria	107,263	\$ 507,742,152	\$ 160,165,144	\$3,599.67	68.5%	\$ 20,753,973	40.1%	23.46%
Solvang	5,839	\$ 19,743,790	\$ 5,201,465	\$890.81	73.7%	\$ 599,751	35.6%	6.41%
County of Santa Barbara	446,499	\$ 4,297,727,000	\$ 1,103,795,000	\$1,984.57	74.3%	-	-	-
Totals		\$ 6,407,633,255	\$ 1,778,825,376		72.2%			

Based on the Jury's investigation, interviews, and reviews of each plan's actuarial valuation report and the most recent audited financials for each city and the County, the Jury classified the cities' and the County's pension solvency risk into two categories: those that the Jury believes are at less risk to have problems with meeting their pension obligations and those that continue to have higher potential risk.

Cities and the County the Jury considers at less potential pension plan solvency risk include:

- Buellton
- Carpinteria
- Goleta
- Guadalupe
- Solvang
- County of Santa Barbara

Cities the Jury considers at higher potential pension plan solvency risk include:

- Lompoc
- Santa Barbara
- Santa Maria

The Jury does not think that any of the cities or the County are in imminent danger of insolvency related to their pension obligations. That said, the cities and the County can always take additional steps to further reduce the risk that pension obligations would impair their ability to provide all intended services on a timely basis.

³⁰ Except for the County information, all information within the table was obtained from the eight cities' Actuarial Valuation Reports as of June 30, 2020, prepared by CalPERS, which are available online at: <https://www.calpers.ca.gov/page/employers/actuarial-resources/public-agency-actuarial-valuation-reports>. The County information was obtained from SBCERS Actuarial Valuation Report as of June 30, 2020, available online at https://www.sbcers.org/wp-content/uploads/2020-SBCERS-AVR-Revised_20210224s.pdf.

And some cities are taking those additional steps. While no city, or the County, has used a Pension Obligation Bond, the cities of Guadalupe, Lompoc and Santa Barbara have indicated that they have either investigated the idea or are planning to. A Pension Obligation Bond is not without risk, so it is important that each city that considers using this tool takes a careful look at its cost of borrowing, the interest rate they can obtain, and the market outlook for debt over the life of the bond.

Several cities have either created Section 115 Trusts (Goleta), or have told the Jury they are investigating the possibility (Guadalupe, Santa Barbara, Santa Maria and Solvang). A Section 115 Trust would allow the cities to set aside funds when times are good to be used to offset pension costs when the need to use general funds would negatively impact the timely delivery of essential services. The downside to using a Section 115 Trust is that the funds may only be used for the specific purpose for which the trust was created.

A less restrictive way than a Section 115 Trust for cities to set aside funds for pension needs in the future would be to create a Pension Reserve Fund. This type of reserve fund allows the cities to set aside funds for specific later needs, but allows the flexibility to divert the funds to other uses, should the need arise. None of the cities are currently using this mechanism, and instead are relying on their general reserve funds to be available if needed. The reserve funds for the cities of Guadalupe and Lompoc are currently underfunded based upon their stated policies, but both feel recent events will help them replenish their reserves within a couple of years at the most. The Jury learned that in Guadalupe there has been significant new housing built within the city and more is under construction, and in Lompoc, the recent approval of Measure Q, which increases the tax on cannabis manufacturing and distribution, is expected to create between and \$5 and \$8 million dollars in new revenues for the next fiscal year.

The Jury learned that all the cities and the County take their pension obligations seriously and understand the need to fulfill those obligations without impacting the delivery of essential and promised services to their residents. The Jury also learned that while these issues are analyzed and discussed annually, none of the cities or the County have a written plan addressing the risks of pension plan insolvency. A written plan would allow the residents to better understand how the cities and the County are addressing these issues and would serve as a guide to those implementing new policies.

CONCLUSION

The 2021 Santa Barbara County Grand Jury determined that while no current problems or undue risks exist and that none of the cities or the County are in imminent danger of being unable to meet their pension obligations, there still exists a need to remain vigilant and to prepare for unforeseen changes that could affect their future ability to fund their pension obligations in a timely manner.

FINDINGS AND RECOMMENDATIONS

Finding 1a

The cities of Buellton, Carpinteria, Goleta, Guadalupe, Solvang and the County of Santa Barbara are at less potential pension plan solvency risk.

Finding 1b

The cities of Lompoc, Santa Barbara and Santa Maria are at higher potential pension plan solvency risk.

Finding 1c

Unfunded Accrued Liabilities have risen for all cities since 2016, and with the announced change in the Discount Rate, are expected to rise further, which could impact the cities' ability to deliver expected services to residents.

Recommendation 1

That each city council and the Santa Barbara County Board of Supervisors develop and publish a comprehensive plan by June 30, 2022, addressing their pension plans and how they intend to properly assure future obligations are paid when due, without impacting the timely delivery of essential and promised services to residents.

Finding 2

Section 115 Trusts, Pension Obligation Bonds, and Pension Reserve Funds can be effective mechanisms to protect cities from dramatic impacts to the financial markets or declines in General Fund revenues.

Recommendation 2

That each city council and the Santa Barbara County Board of Supervisors study and determine by June 30, 2022, whether a Section 115 Trust, Pension Obligation Bond, or Pension Reserve Fund would be an effective hedge against risks to their pension plans for their city.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the publication of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 Days

Findings 1a, 2

Recommendation 1, 2

City of Buellton – 90 Days

Findings 1a, 1c, 2

Recommendation 1, 2

City of Carpinteria – 90 Days

Findings 1a, 1c, 2

Recommendation 1, 2

City of Goleta – 90 Days

Findings 1a, 1c, 2

Recommendation 1, 2

City of Guadalupe – 90 Days

Findings 1a, 1c, 2

Recommendation 1, 2

City of Lompoc – 90 Days

Findings 1b, 1c, 2

Recommendation 1, 2

City of Santa Barbara – 90 Days

Findings 1b, 1c, 2

Recommendation 1, 2

City of Santa Maria – 90 Days

Findings 1b, 1c, 2

Recommendation 1, 2

City of Solvang – 90 Days

Findings 1a, 1c, 2

Recommendation

1,

2

APPENDIX A

GLOSSARY

Accrued Liability (also called **Actuarial Accrued Liability** or **Entry Age Normal Accrued Liability**) The total dollars needed as of the valuation date to fund all benefits earned in the past for current members.

Actuarial Valuation The determination, as of a valuation date, of the Normal Cost, Accrued Liability, and related actuarial present values for a pension plan. These valuations are performed annually or when an employer is contemplating a change to their plan provisions.

Classic Member (under PEPRA) A classic member is a member who joined CalPERS or SBCERS prior to January 1, 2013, and who is not defined as a new member under PEPRA. (See definition of New Member below).

Discount Rate Assumption The actuarial assumption that was called “investment return” in earlier CalPERS reports or “actuarial interest rate” in section 20014 of the California Public Employees’ Retirement Law (PERL) (California Government Code section 20014).

Funded Status A measure of how well-funded, or how "on track," a plan or risk pool is with respect to assets versus accrued liabilities. A ratio greater than 100 percent means the plan or risk pool has more assets than liabilities and a ratio less than 100 percent means liabilities are greater than assets.

New Member (under PEPRA) A new member includes an individual who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was not a member of another public retirement system prior to that date, and who is not subject to reciprocity with another public retirement system.

Normal Cost The annual cost of service accrual for the upcoming fiscal year for active employees. The normal cost should be viewed as the long-term contribution rate.

PEPRA The California Public Employees’ Pension Reform Act of 2013.

Present Value of Benefits (PVB) The total dollars needed as of the valuation date to fund all benefits earned in the past or expected to be earned in the future for current members.

Unfunded Accrued Liability (UAL) When a plan’s or pension fund’s value of assets is less than its accrued liability, the difference is the plan’s or pension fund’s UAL (or unfunded liability). If the unfunded liability is positive, the plan or pension fund will have to pay contributions exceeding the Normal Cost.

OTHER TERMS

Benefit Factor. The percentage of pay to which employee members are entitled for each year of service.

Complementary Risk Analysis. Additional risk analysis beyond what is presented in the CalPERS Valuation Reports.

Employer Paid Member Contributions refers to the practice of pension plan employers paying some portion of an employee’s contributions in some instances.

Pension plan. In this report, a pension plan is a given package of retirement contributions and benefits, for example, the Miscellaneous Plan of the City of Goleta.

Pension system. In this report, a pension system is a set of pension plans under one management; for example, the pension system of the City of Goleta consists of the Miscellaneous Plan of the City of Goleta and the PEPRM Miscellaneous Plan of the City of Goleta.

APPENDIX B

2017			
City/Plan	Normal Accrued Liability	Unfunded Actuarial Liability	% Funded (Discount Rate - 7%)
Buellton			
Misc	\$10,117,235	\$2,647,138	73.8%
PepMisc.	501,527	31,819	93.7%
	\$10,618,762	\$2,678,957	74.8%
Carpinteria			
MISC.	\$21,023,417	\$5,766,390	72.6%
Safety	9,410,150	3,620,593	61.5%
PepMisc	478,411	45,406	90.5%
	\$30,911,978	\$9,432,389	69.5%
Goleta			
MISC.	\$19,992,856	\$4,063,881	79.7%
PepMisc.	1,992,546	177,314	91.1%
	\$21,985,402	\$4,241,195	80.7%
Guadalupe			
Misc.	\$8,870,433	\$2,377,584	73.2%
Safety	7,275,900	1,762,414	75.8%
PepMisc.	294,000	25,168	91.4%
PepSafety/POL	430,146	53,130	87.6%
PepSafety/Fire	54,609	6,451	88.2%
	\$16,925,088	\$4,224,747	75.0%
Lompoc			
MISC.	\$214,274,197	\$65,964,956	69.2%
Safety	102,425,444	36,482,292	64.4%
PepSafety/Pol	1,200,382	134,523	88.8%
PepSafety/Fire	1,560,305	163,511	89.5%
Police Tier 2	1,625,259	132,930	91.8%
Fire Tier 2	864,235	96,583	88.8%
	\$321,949,822	\$102,974,795	68.0%
Santa Barbara			
Misc.	\$664,902,988	\$198,210,264	70.2%
Safety Police	304,630,107	106,270,049	65.1%
SAFETY Fire	208,650,909	81,458,677	61.0%
PepSAfety Fire	1,845,257	172,694	90.6%
	\$1,180,029,261	\$386,111,684	67.3%
Santa Maria			
Misc.	\$271,492,921	\$89,892,591	66.9%
Safety Police	148,339,270	47,427,464	68.0%
Safety Fire	75,810,291	21,628,065	71.5%
PepSafety Police	5,858,997	668,451	88.6%
PepSafety Fire	1,700,068	178,390	89.5%
Safety Fire Tier 2	2,104,052	187,001	91.1%
Safe Police Tier 2	2,436,553	183,182	92.5%
	\$507,742,152	\$160,165,144	68.5%
Solvang			
Misc.	\$18,646,595	\$5,082,035	72.7%
Safety	611,526	85,659	86.0%
PepMisc.	485,669	33,771	93.0%
	\$19,743,790	\$5,201,465	73.7%
County of Santa Barbara			
County of Santa Barbara	\$4,297,727,000	\$1,103,795,000	74.3%

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GRAND JURY
SANTA BARBARA COUNTY

LOMPOC POLICE DEPARTMENT

Moving Toward a Safe and Proud Community

Publication of the

2021 Santa Barbara County Grand Jury

December 20, 2021

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LOMPOC POLICE DEPARTMENT

Moving Toward a Safe and Proud Community

SUMMARY

Citizens of Lompoc (City) have rated public safety as their number one concern in surveys and community forums. There has been good reason for that. The Lompoc Police Department has struggled to answer calls at a time when the City has seen an “unrelenting upward trend in violent crime,” as stated in the City’s 2021-22 budget. Citizens felt their Police Department was not protecting them. In fact, the Sheriff’s Office at times filled gaps in service during high crime periods. The 2021 Santa Barbara County Grand Jury investigated how the shortfalls in City finances impacted the Lompoc Police Department and how remediation is being implemented.

The budgetary limitations have greatly handicapped the police force. Over the last six years, it has lost a third of its officers, and equipment failures have hindered immediate response. The Police Department has been underfunded for over half a decade, and there were concerns that the City balanced the budget at the cost of public safety.

A change in local political attitudes took shape in 2018. The City Council wanted to restore the Police Department to its former strength as part of a movement to get out of the financial doldrums it had fallen into. Not only was there political will to help the police force, but there was motivation to provide the means to do so with a sales tax initiative in 2020 and new cannabis taxes in 2021. The American Rescue Plan Act also brought a source of new money to help with the revenue losses during the COVID-19 years. The City Council and the Police Department are working together now toward recovery from the issues that have faced the City. Both are looking forward to a safer and prouder future.

The 2021 Santa Barbara County Grand Jury commends the Lompoc City Council, City, and Police administrations for their concerted efforts to fund and rebuild the Lompoc Police Department, recognizing that a safe environment and future growth of the City depend upon the excellence of law enforcement.

INTRODUCTION

Lompoc’s population has remained steady over the last 10 years, but not because it has meant to keep the populace around 42,000. It has not been able to grow. About 13,500 people drive out of town for work every day. The City’s budget started to shrink to the point that in 2020 the City had almost zero financial reserves.

The budget of the Lompoc Police Department (LPD) was hit hard by the downward trend in funding. It went from \$23 million for 2015-2017 to \$11 million for 2021. The number of police officers fell from 51 to 31. One by one, the special units were disbanded as the officers had to cover regular patrol. Some officers even had to fill in for dispatch. Sometimes dispatch has called the Sheriff’s deputies because the LPD was so short-staffed. In its budget presentation to City Council, the LPD sadly named as one of its accomplishments, “For the fourth consecutive year, we remained within the Council authorized budget, despite extensive staffing shortages and additional costs due to COVID-19 PPE requirements.” Radio equipment became so old that there were no replacement parts. Vehicles were in the shop as often as not. There was little left to trim in the Department’s budget.

The LPD was handicapped at a time when crime was not only increasing but also becoming more violent. Over the past 10 years, Lompoc has experienced more car thefts, gang incidents, and multiple shootings every year. By October 2021, there were four murders, equaling the four in 2020 but down from the seven murders in 2019. In 2020 the police dealt with 753 assaults, of which 183 were aggravated. The first half of 2021 experienced a 50 percent increase in shootings over the same period in 2020. By October 2021, there had been over 60 shootings. LPD reports that 90 percent of the shootings were gang related. Twenty-five juvenile gang members were arrested and released by the juvenile hall. These fearful statistics reflect the greater availability and use of firearms. Gang members used to fight with bats and sticks; now they use guns. The LPD reports 90-100 gang incidents each year nowadays. There are three major gangs in the city – ten overall – with up to 600 gang members or associates of all ages, and gang members from nearby cities often migrate in.

In the last three years, a change in leadership on the City Council and in City Hall brought a new resolve to remedy the City's finances. After years of discouragement, the City Council proposed a tax measure to raise the sales tax by one percent over the next 15 years. Although the primary reason was to pay the debt to its pension fund, the City promoted the new tax rate as a deterrent to cutting additional police and fire services, street repairs, and park upkeep. City residents responded by passing the tax measure by almost 70 percent in 2020. The next year, residents approved a new tax schedule on cannabis manufacturers and distributors in the city limits by an even higher 77 percent.

When the American Rescue Plan Act announced at the beginning of 2021 that Lompoc qualified for \$13.19 million in community improvement funds, the City Council conducted a public survey concerning spending preferences. About 800 people responded, with a fully staffed and equipped police force being among the highest priorities. The Lompoc community reinforced the political will to bring the LPD back to a fully staffed and equipped public safety department.

METHODOLOGY

The 2021 Santa Barbara County Grand Jury conducted its investigation of the Lompoc Police Department by interviewing a spectrum of police officers and staff members. The Jury also interviewed a Lompoc City administrator and a City Council member, followed budget hearings, and read published documents from City Hall. For a broader perspective, the Jury interviewed a member of the Board of Supervisors and a Deputy in the Sheriff's Office. A good number of local newspaper articles and opinion pieces were read. Lastly, members researched police and crime information online.

OBSERVATIONS

Police Officers

The number of officers in the Lompoc Police Department has been reduced because of budget cuts over the last decade, which created a number of unfilled vacancies. The remaining officers have had to work longer hours with few breaks. It was reported that 30 officers were doing the work of 50 or 60. While the necessitated overtime has brought higher income for the officers, they were drained of energy.

Over the last few years, LPD has lost 24 officers to the Santa Maria Police Department, where police officers work fewer hours for more pay. In fact, it lost half of the 32 officers and dispatchers hired in the last five years. Lompoc's salary and benefit package, at 20-30 percent lower than other police departments in the region, was not competitive to keep or recruit officers. As the LPD loses trained

and experienced officers, it must fill the ranks with “rookies,” who are unable to work independently and must partner with an experienced officer for at least the first year. There are currently two new hires in field training. In addition, the new officers need time to become familiar with residents and neighborhoods. LPD considers hiring and training new officers a two-year process.

The reduced police force has also had a lack of upward mobility. There were few steps up the career ladder after the rank of Sergeant. This contributed to the high turnover in the force. Top management commends those officers who stay in the force, saying they are from Lompoc, know the neighborhoods, and love the City.

Improvements have been made in the past year. As of November 2021, there are 45 LPD Officers, of which 35 are deployable; the Department is budgeted for 47.³¹ The LPD has begun to recruit new officers before they enter the Police Academy. The LPD has acquired three trainees this way in the past year. Moreover, the Department created a Lieutenant position, giving one more step up the career ladder and a more viable succession plan.

In 2020, the City made a one-year agreement with the LPD for a retroactive two percent salary increase and augmented medical contributions. After the one-year agreement expired, the Lompoc City Council voted for a permanent three percent salary increase effective in July 2021. While improved, the salary and benefit package is still behind the other police departments within Santa Barbara County and the region. The Jury learned that the current disparity between compensation (salary and benefits) for officers in Lompoc compared to other regional cities ranges from \$8,000 to \$30,000 a year, and represents an 8 percent to 28 percent difference.

Being short-staffed, LPD has called out to other partnering agencies in order to maintain safety standards. Surrounding city police departments, and in particular the Sheriff’s Office, assist with crime sweeps and in times of crisis for an enhanced level of law enforcement presence. A contract with the Santa Barbara County Sheriff’s Office has, in fact, been considered over the years. It has been suggested that a limited contract could address targeted needs on a priority basis during an interim period while the LPD builds up its experienced police force.

Specialized Units

High on the list of priorities within the LPD is the restoration of specialized units. These units engage more in proactive police work rather than reactive. For example, they improve relations in the community, they provide a dampening effect for some violations, or they get to know a neighborhood and gather intelligence. Working in concert with the community, these specialized units have been successful in reducing crime. As it is now, the Department depends on the community to provide information. Unfortunately, as budgets were cut and officer numbers reduced, the specialized units were suspended and their officers put back on patrol. However, with additional 2021 budget funding, one unit has been reinstated and others will continue to be added as funds and staff become available.

The first specialized unit to disband due to budgeting limitations was the Gangs Narcotics Enforcement Team in 2015. It was comprised of five officers and a supervisor. The aforementioned statistics (100 gang-related calls per year, 60 shootings in the first 10 months of 2021) demonstrate the need for an insider unit in Lompoc. Gang arrests are particularly complex because many of the

³¹ The 10 officers not deployed are those in training, on temporary disability, or administrative leave.

crimes are committed by youths. Of the 25 arrested and released juvenile gang members mentioned above, 11 were rearrested. Currently, only the more serious felonies lead to full incarceration.

School Resource Officers (SRO) are one way to stay on top of knowledge about gang activities. Between 2005 and 2016 there was one officer at the high school and another at the middle school. The middle school SRO was eliminated in 2016 because of budget constraints, and the high school SRO left because of COVID in 2019.

The Traffic Unit was also dissolved because of staffing limitations, and the two full-time traffic officers and Sergeant were moved to patrol. While patrol officers support traffic enforcement now, having designated traffic officers in the field can proactively discourage reckless driving. A traffic unit can also provide DUI enforcement, take care of traffic violations, and increase awareness for traffic safety for vehicles, bicycles, and pedestrians. Furthermore, traffic stops can uncover criminals and illegal firearms.

LPD also lost its Community Outreach team. There had been two officers and one Sergeant, going back to the 1970s. Community Outreach held neighborhood meetings, where they found volunteers for over 3,000 hours of service (until the pandemic); oversaw programs such as Police Activities League, Junior Giants, and the Explorers; formed Neighborhood Watch groups; and, held community events. This team was disbanded in 2019.

Similarly, a liaison officer for the homeless was pulled from that specialty position and put on patrol. The homeless encampment in the Santa Ynez Riverbed is a source of constant problems, crime being only one of them. Public safety and environmental health were enough of a concern that a major cleanup was scheduled in 2018 with the aid of the County, and a second was requested in 2020 along with two patrol officers. The second cleanup did not occur.

One new team that has become necessary is a Cannabis Compliance Team. The Jury learned that only one officer was available for the first inspections, and not one operation was in compliance. With many cannabis applications waiting to be approved, the City has a need to form a multi-member team with the Police Department to enforce compliance.

LPD has no in-house crisis management team to deal with mental health issues. However, 15 sworn officers and two dispatchers have received Crisis Intervention Training. In addition, the Santa Barbara County Behavioral Science Unit created a Co-Response program with the Sheriff's Office; there is currently only one team for the entire North County. Each team consists of one deputy from the Sheriff's trained Crisis Intervention Team (CIT) and one mental health clinician or case worker from the County's Behavioral Wellness Department. The Jury was repeatedly informed that teams have frequently been slow to respond because of the large distances to cover. Without the ability to write 5150 Welfare and Institutions holds, LPD has its hands tied when dealing with those who are experiencing a mental health crisis. It is widely accepted that LPD is deficient in resources to manage mental health situations.

Especially important to the police force is the Dispatch Unit. The Jury was told that those who work in dispatch earn up to \$8/hour less than neighboring jurisdictions. Per the 2021 budget hearings, total calls into dispatch in 2020-21 reached 83,340, of which more than half were for police and 9-1-1 calls. Of those, 26,918 resulted in a police response. For the past six years, Dispatch has been short-staffed, and at times patrol officers were required to fill in.

The LPD wants to restore all these teams, and the first, a Special Investigations Unit formed in July 2021, has been reinstated. Team members – two officers and a Corporal – will cover gangs, narcotics, and violent crime. Gathering information, the team will account for emerging crime

patterns. The officers will not be in uniform. This approach has already been successful: in the short time between July and October 2021, there were 12 felony arrests, of which nine were gang-related or gang-associated, and nine firearms seized, among which three were ghost guns (a gun without a serial number).

The next position likely to be filled is the School Resource Officer.

At the moment, proactive traffic supervision is taking place through a \$32,500 grant from the Office of Traffic Safety Grants that allows periodic deployment. The grant has covered some enforcement on red lights, speeding, and distracted driving; it has also paid for weekend DUI checks. LPD is still waiting for funding for a dedicated motor officer to be reinstated.

Dispatch has also seen improvement. The nine positions are currently filled, and a dispatch supervisor has been hired. To the credit of the Dispatch Unit, it recently passed a security audit.

Concerns about public safety have brought about a community response. At the beginning of 2021 there were several public forums regarding violence. Church groups and non-profits have offered help in various types of community outreach. Volunteers from these organizations have proposed assisting with non-violent crime or mental health incidents. CAHOOTS (Crisis Assistance Helping Out On The Streets), originating in Oregon, has approached the LPD offering unarmed crisis professionals to respond to diverted calls. Other local organizations have shown willingness to support community involvement. The LPD is willing to work with community groups, but it stated that it cannot assume financial responsibility. As for dealing with mental health calls, Santa Barbara County is hoping to fund one more Co-Response team for North County, with a law enforcement officer and a mental health clinician, and the City of Santa Maria recently added its own team. These teams should be able to respond more quickly to calls for mutual aid assistance.

Lompoc Jail

Although the Lompoc Jail is old, it still has some usefulness. Typically, there would be 1,400-1,500 bookings per year. The new emergency regulation of zero bail and the COVID pandemic have resulted in fewer people staying in the jail, and there were only 810 bookings in 2020. Nonetheless, the Lompoc Jail provides needed booking services and short-term holds for the Sheriff's Office, the California Highway Patrol, Probation, Santa Maria Police Department, Guadalupe Police Department, and Vandenberg Space Force.

There have been vacant positions at the jail for the past few years. It is authorized for four positions, but only two positions are filled. Moreover, there is no female officer. The LPD has trained two female dispatchers to book and search any female arrestees when needed.

Some aspects of the Lompoc Jail are improving. A Jail Supervisor was hired in 2020, and the Jail passed inspection by the Bureau of State Community Corrections. The Jail will stay open. When the Northern Branch Jail opens 24 miles away at the beginning of 2022, however, there might be a shift in the need for the Lompoc Jail in the future.

The Lompoc Jail is part of the Police Department building, which has had numerous problems in the past few years. It does not meet the requirements of the California Essential Services Act in terms of fire, safety, energy, and accessibility, nor does it have enough power for the headquarters of a police department and mobile command. The building may be beyond repair and in need of a complete remodel. The \$10,000,000 budgeted for refurbishment is unfunded.

Looking forward, the idea of one public safety building for three departments has been proposed. The building would hold space for the police department, the fire department, and the Emergency

Operations Center. This step forward by City Hall would require a public vote on a municipal bond or Certificate of Participation, a lease-financing agreement to acquire property. As the City grows, this option may become more viable. Of major consideration is the recommendation that municipal agencies band together for access to American Rescue Plan Act (ARPA) funding, which focuses on helping communities recover from disasters such as the pandemic. Although ARPA funding is not meant to target police departments for their specific needs, certain areas can be funded.

Equipment

A police force depends on certain equipment, without which it cannot function, namely vehicles, radios, and nowadays, body cameras. LPD has been making do with outdated equipment. This has hindered its responsiveness in answering calls from the community.

The radios used by the LPD are over 30 years old and not encrypted. It is said that anyone can listen in on the police radio calls. Now, regulations require new radios be encrypted. They are also required to be two-way for fire and Emergency Medical Services and must adhere to the federal requirement of 700-800 MHz for optimal transmission.

The outdated radio system presents some danger to the Department. Outside the city limits, there are dead spots for the car radios. To remedy this, LPD will need towers and repeaters, plus modules for dispatchers. The dispatchers themselves have problems hearing scratchy transmissions. When they have to ask the officers to repeat, it can put the officers and public in danger.

The Department states that they will need 80 new portable digital radios with enhanced infrastructure, 30 vehicle radios, and 5 dispatch consoles. The basic cost as outlined in the current budget would be \$650,000. With the enhanced infrastructure, repeaters, and modules for dispatchers, the cost would be well over \$1.3 million. That amount is unfunded in the budget. The LPD is willing to phase all this equipment in over the next five years because of the high expense, but another possibility comes with the ARPA money. For officer safety, the \$650,000 for radio communications has moved up to #1 on the list of priorities for ARPA funding. Communication systems, especially for emergencies, can access ARPA funding.

The Department is asking for upgrades to the Records Unit in addition to radios. The Records Unit processes all police reports, storing traffic and parking tickets, as well as video evidence. It processed 8,298 crime reports in 2020, and all these are subject to Public Records Act requests. The estimated cost would be \$661,185.

To bring the LPD into the twenty-first century, it also needs body cameras. Body cameras rank #2 in importance in funding priority. In the age of social media, the police need their own videotaped evidence for testimony. Also, video footage can be used to comply with Public Records Act requests. Body cameras require more than the cameras themselves. Videos need to be processed and stored; then a discovery unit of two sworn officers and two technicians needs to manage the system and search for footage. The current ARPA funding request for the cameras is \$521,000, and the additional costs for personnel and software will total over \$1 million. ARPA funding can be used for body cameras if an association can be made with increased violence in the community due to the pandemic. The citizens' survey of how to spend money to reinforce the Police Department supports body cameras as the highest priority.

LPD has 30 vehicles, but the poor state of the fleet has brought forth the comment that the force is struggling to meet its standard patrol duties. Per LPD's budget, 80 percent of the existing fleet has been extended beyond the recommended life cycle. Vehicles are in the shop constantly, and replacement parts have become difficult to find. Vehicles have broken down on the way to

answering calls, resulting in officers having to ride together as a unit to reach the destination. The Department was able to buy four new vehicles with the 2020-21 budget, but their frequent use has aged them prematurely. The requested amount for additional vehicles is \$805,000, and it is the #3 priority in ARPA funding requests. While ARPA funding is not meant to help police departments, it can be used for transportation for emergency response services.

Dispatch has already been allocated \$280,000 from the City's budget for installation and maintenance of a computer phone system. It will include analytics, touch screen monitors, and headsets. For further upgrades, such as the computer-aided dispatch system, Dispatch is #4 in line with an ARPA funding request for \$1 million. It too is an emergency communication system.

The City of Lompoc is committed to fulfilling the requests of the LPD through its budget or through allowable ARPA funds. Allocations of those Federal funds were not finalized at the time of this report.

CONCLUSION

Public safety in Lompoc has been a concern of increasing importance over the past five years. To promote growth, the City needs a safe environment. The Police Department had been stripped of so many resources that it had become difficult to safeguard the community. However, new faces in City government, new money coming in, and new energy are providing a path to recovery.

Under assured leadership, the Lompoc Police Department has been able to effect positive changes including improved staffing and equipment. It is hiring new officers, redeploying specialized units, and replacing outdated cars and radios. The City is doing its best to maintain the strength of the police force by enabling these changes in its budget. Without the working partnership between the Police Department and the City Council, nothing else works. The citizens of Lompoc have understood this and have supported the steps necessary to build a safe and proud community.

FINDINGS AND RECOMMENDATIONS

Finding 1

The Lompoc Police Department needs a Co-Response team dedicated to its geographical area.

Recommendation 1

That the Lompoc City Council negotiate with the Santa Barbara County Sheriff's Office and the Santa Barbara County Board of Supervisors on behalf of the Department of Behavioral Wellness to add a Co-Response team dedicated to the Lompoc Valley.

Finding 2

The Lompoc Police Department is short-staffed and has been for a number of years, causing gaps in service.

Recommendation 2

That the Lompoc City Council explore the option of contracting with the Santa Barbara County Sheriff's Office for targeted support while the Lompoc Police Department returns to full strength.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Lompoc City Council – 90 days

Findings 1, 2

Recommendations 1, 2

Santa Barbara County Board of Supervisors – 90 days

Finding 1

Recommendation 1

Santa Barbara County Sheriff Office – 60 days

Finding 1

Recommendation 1

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GRAND JURY
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SUICIDE IN SANTA BARBARA COUNTY MAIN JAIL

A Challenge for Law Enforcement and Health Professionals

Publication of the

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SUICIDE IN SANTA BARBARA COUNTY MAIN JAIL

A Challenge for Law Enforcement and Health Professionals

SUMMARY

Pursuant to the authority provided by *Penal Code §919(b)*, the Grand Jury (Jury) shall examine the operations of the jails within the County. The Jury regularly considers the facts and circumstances surrounding inmate deaths in custody, including suicide. This term, the 2021 Santa Barbara County Grand Jury investigated the death in custody of Inmate A, an inmate who hanged himself in his cell in early 2021, just 18 hours after he was arrested at his residence on a warrant issued by Ventura County for a misdemeanor offense. Inmate A was the fourth inmate to commit suicide at the Main Jail in less than three years.

In its investigation of the facts and circumstances surrounding the suicide of Inmate A, the Jury determined that the Main Jail intake process requires improvement with respect to recognizing potentially suicidal arrestees, effectively communicating their mental health status to other staff members throughout the process and providing timely mental health services during the nighttime hours. From the time of arrest through housing assignment in the Main Jail, arrestees are processed by a variety of Sheriff's Office deputies and Wellpath medical professionals. Process-driven improvements in training, communications, and staff availability have the potential to improve outcomes for future arrestees with mental health and substance abuse conditions.

Although the requirements of the Sheriff's Office Intake Screening Implementation Plan were not fully met, the Jury was pleased to note that improvements are currently underway at the Main Jail, and the new Northern Branch Jail has incorporated design and operational features that will improve the process and hopefully reduce the incidence of future suicides in custody.

INTRODUCTION

In early 2021, at approximately 2:35 PM, Inmate A, a 30-year-old male, fashioned a bed sheet into a ligature, placed it around his neck, and hung himself. He had been arrested 18 hours earlier and was placed in Inmate Reception Center (IRC) Cell 114 to await transport to Ventura County on a misdemeanor warrant. He was discovered shortly after he hung himself, and emergency assistance was promptly rendered. Inmate A was transported by ambulance to Cottage Hospital and pronounced dead shortly after arrival. The suicide was the fourth such death in custody in the Main Jail in less than three years.

Pursuant to the authority provided by *Penal Code §919(b)* to examine the operations of the County jails, the Santa Barbara County Grand Jury often reviews the circumstances surrounding deaths in custody and issues a report setting forth its findings and recommendations. Following the receipt of information from the Sheriff's Office pertaining to Inmate A's suicide, the Jury investigated the circumstances surrounding his death. In the following sections of this report, the Jury will describe the methodology it used in carrying out its investigation, relate its observations concerning the testimonial and documentary evidence it considered, make findings, and propose recommendations the Jury hopes will prove to be of value when implemented.

Unfortunately, in mid-July 2021, another inmate housed in the Main Jail committed suicide. This was the fifth such death since April 2018. There is a nationwide increase in both mental illness and

substance abuse among inmates. If that trend continues, it will impose ever increasing demands on correctional facilities to develop measures designed to safeguard and better treat the inmates housed there. The Jury hopes the findings and recommendations contained in this Report will assist the Sheriff's Office in that effort and help reduce the number of future deaths by suicide while in custody. In that regard the Jury is pleased to note the new Northern Branch Jail in Santa Maria is purposely designed to achieve that salutary result.

METHODOLOGY

In order to examine the facts and circumstances surrounding the death in custody of Inmate A, the Jury interviewed numerous people who had interfaced directly with him, beginning with the arrest at his residence on an evening early in 2021, until his suicide by hanging at the Main Jail in IRC Cell 114 at approximately 2:30 PM on the following day. Additional Sheriff's Office employees with knowledge of the circumstances were also interviewed. These interviews included Sheriff's patrol and custody deputies and staff and supervisory employees of California Medical Forensic Group (Wellpath), the private contractor engaged to provide medical and mental health services at County jails.

In addition, the Jury reviewed a variety of documents provided by the Sheriff's Office, including several eye witness statements taken during the subsequent internal investigation, Main Jail records pertaining to Inmate A, tapes of telephone calls made to 9-1-1, tapes of two telephone calls he made to his girlfriend from the night he was booked and incarcerated, the Coroner's Office Autopsy Report, Sheriff's Office policies and procedures, and the contract between Santa Barbara County and Wellpath. The Jury confirmed the statements made in these reports with the appropriate interviewed individuals. The Jury also reviewed the July 2020 Stipulated Judgment requirements resulting from the settlement in the *Murray v. County of Santa Barbara*³² case with a focus on the Intake Screening Implementation Plan.

Finally, the Jury examined official government reports relating to suicides in custody in general and reviewed prior Jury reports in which suicides in custody at the Main Jail in 2018 and 2019 were addressed and recommendations made. The Jury was given a tour of both the Main Jail and the Northern Branch Jail.

OBSERVATIONS

The following are the essential facts surrounding the death by hanging of Inmate A in early 2021, in IRC Cell 114 of the Santa Barbara County Main Jail.

Chronology

Based on a 9-1-1 call two days prior to the suicide, a welfare check was made to the home of Inmate A by Santa Barbara County Sheriff's Office patrol deputies. The situation was resolved and the deputies left. A warrant check had identified an outstanding warrant from Ventura County, but no arrest was made at that time because misdemeanor warrants may not be served in private residences between 10:00 PM and 6:00 AM. No record of this visit was entered into a database.

The following day at 8:22 PM, Inmate A called 9-1-1, and the dispatcher initially reported he was not making sense. Inmate A reported he was being chased, that when he went to check his mail he

³² *Murray v. County of Santa Barbara*, Case Number 2:17-cv-08805-GW-JPR, U.S. District Court (C.D. Cal.).

saw people running to his back gate and that they might have firearms. He then told the dispatcher he was not under the influence, that he was detoxing from the previous use of meth, and that he might be suffering from the effects of withdrawal.

Seven minutes later a Santa Barbara County Sheriff's Office patrol unit arrived for a welfare check. At this point, the deputies had no knowledge of the 9-1-1 calls made the night before. The dispatcher then reported to the deputies that the subject was frantic and stuttering. The deputies checked the area but found no one there, despite his fears. Patrol deputies noted that Inmate A was fidgety, speaking rapidly, and sweating, all signs indicative of substance abuse. Inmate A reported to the deputy that he had been "clean" for a while but had relapsed and taken meth within the last 24 hours.

At 8:35 PM, a deputy determined there was a bookable warrant for Inmate A's arrest from Ventura County and that Ventura wanted to enforce it. Emergency personnel from American Medical Response (AMR) and the Santa Barbara County Fire Department arrived at 8:38 PM and were told by a deputy that Inmate A was detoxing. Inmate A allowed emergency personnel to check his vitals, insisted he did not need any treatment, did not need anyone to call a family member, and wanted to take an Uber to the Los Angeles area where his girlfriend was staying. The medical personnel found insufficient justification to hold him for medical reasons, and since Inmate A refused to go to the hospital, the arresting deputy felt Inmate A could safely detox in jail. Inmate A was arrested at 8:53 PM based upon the Ventura warrant.

Inmate A was then transported to the Santa Barbara County Main Jail by the arresting deputy via patrol car. He expressed relief at being removed from the location that frightened him, and the Jury concluded he was under the mistaken impression he could be booked and released later the same night. The arresting deputy reported that the conversation in the patrol car was "lighthearted." However, the deputy reported that Inmate A at times was delusional, and that the jail would be a safe place for him to detox.

Wellpath is the for-profit company under contract with Santa Barbara County to provide all in-jail medical care, including mental health services. The on-duty Registered Nurse (RN), a Wellpath employee, performed Inmate A's receiving screening upon his arrival. The RN reported that his behavior was appropriate, speech coherent, and mood unremarkable. The RN asserted that Inmate A stated he did not use drugs and was not in withdrawal. There was no prior information in the database regarding Inmate A, and his answers were taken at face value. Despite the arresting deputy's assertion that during the evaluation the RN was told Inmate A had been displaying paranoid behavior, the RN said they were not made aware of his behavior and the screening did not trigger a mental health alert or appointment.

Inmate A was booked on the Ventura misdemeanor warrant at 9:48 PM. The warrant listed two previous arrests, a bench warrant and driving with a suspended license, and bail was set at \$5,000. The first time the classification deputy attempted to interview him, the deputy found Inmate A to be uncommunicative and paranoid. On his second interview attempt, Inmate A was able to answer all the classification questions, and the deputy reported that Inmate A told him he had past suicidal ideations but was not currently suicidal. Inmate A also told the deputy that he is withdrawing from meth. The classification deputy housed Inmate A alone in IRC Cell 114 per COVID-19 isolation protocol, with 30-minute security checks.

Inmate A made his first call to his girlfriend at 11:08 PM. He insisted he was not using, told her the deputies had done him a favor by bringing him in because of the strangers videotaping his house, and that he would be able to leave as soon as he was processed through the system. He also said he was scared and that he did not trust anyone, and they planned for her to pick him up when he was

released.

At 1:05 AM, two hours later, the Santa Barbara County Main Jail notified Ventura County that Inmate A had been booked on their warrant with bail set at \$5,000, was ready for immediate pick-up, and that the last day for pick-up was four days later. At 2:06 AM, Inmate A made his second and final call to his girlfriend, telling her that he had just learned he would need bail money, and asking for her help in getting it. He said he was scared and just could not stay there in the jail. When his girlfriend said she could not help, he said he had to go and hung up abruptly. Inmate A appeared to become increasingly agitated when he realized he would not be going home soon. The Jury concluded that up until this point, Inmate A had thought that he would be processed and released on the same day.

By contract, Wellpath is not required to provide a mental health professional on site between the hours of 11:00 PM and 7:00 AM. The classification deputy reported speaking with an RN at 4:00 AM and left a Wellpath Mental Health Evaluation Form in the box for the Wellpath Licensed Marriage and Family Therapist (LMFT) scheduled to report for work at 7:00 AM. The deputy checked off "Signs of Psychosis" on the form, stated Inmate A was found to be paranoid and uncommunicative, and recommended he have a mental health evaluation. This was the first documented reference at the jail that Inmate A might be experiencing a mental health crisis. Although there was an on-call psychiatrist available during the night, no immediate action was taken to assist Inmate A and the form was placed in the Mental Health Box for the LMFT that would report for duty at 7:00 AM.

The IRC control room deputy is located in an enclosed booth on the second floor of the jail, conducts camera surveillance of the IRC halls and cells, and responds to intercom calls from inmates in the cells. The deputy on duty that night was only able to see a small corner of Inmate A's cell because of an intervening staircase, and never actually saw him. Inmate A called the deputy from his intercom on three separate occasions during the night. Because of a technical issue with the equipment, the deputy could not quite understand what Inmate A was saying, other than he did not want to be there. The deputy reported making reassuring comments to him, and sent another deputy to check on him.

At 7:26 AM, the LMFT picked up the form left by the classification deputy the night before. The LMFT interviewed Inmate A about two hours later and filed a Mental Health Structural Progress note at 10:05 AM that indicated Inmate A was disheveled, expressive, loud, angry, irritable, hostile, delusional, agitated and impulsive. The LMFT did not observe any indication of suicidal ideation, but recommended Mental Health Follow-up as needed or through a sick call. Inmate A had signed an Authorization and Consent to Medical Examination and/or Treatment form, but again no immediate action was taken to treat or assist him in his apparent distress.

At 2:30 PM, about five hours later, Inmate A was found hanging from a bed sheet in his cell by a custody deputy during a security check, who then reported a "Man Down in Cell 114." Within minutes life saving measures were initiated by the deputies and continued with the arrival of AMR and the Fire Department.

Inmate A remained unresponsive and was transported to Santa Barbara Cottage Hospital by AMR at 2:49 PM with life saving measures continued during transport by an AMR EMT and a member of the Fire Department. He arrived at the hospital at 2:57 PM, and life saving measures were assumed by the nursing staff there.

Inmate A was pronounced deceased at 3:32 PM by the attending physician. The Coroner's Office

took possession of Inmate A's body and an autopsy was performed. The report stated that Inmate A's cause of death was hanging, other significant conditions, and methamphetamine intoxication.

Analysis

The Jury reviewed the circumstances of Inmate A's suicide in the context of the July 2020 Stipulated Judgment in the *Murray* case. That case concerned a class action lawsuit filed in 2017 against Santa Barbara County by an inmate advocacy group decrying the poor conditions in the County's jails. Specifically addressed were inmate health care and measures required to address those conditions. As part of that settlement, a Remedial Plan was created which, among many other subjects, provided an Intake Screening Implementation Plan designed to ensure that arriving prisoners are promptly screened for urgent health care needs. Specifically included as part of that screening process were a psychological evaluation of persons who present with signs of mental illness, a clinical evaluation of persons in need of detoxification, and use of a suicide risk assessment tool, all to be performed by a trained RN.

The RN who screened Inmate A using the Wellpath screening tool in a ten-minute interview upon his arrival at the intake found no evidence of mental illness or past or present drug use and no need for any special accommodation for mental health reasons. The RN stated that the only mental health issue observed at Inmate M's intake was a complaint that he suffered from insomnia. The RN concluded from the intake evaluation interview with Inmate A that there was nothing out of the ordinary from any other medical screenings the RN had performed in the past.

On the other hand, the three arresting patrol deputies, one of whom also transported Inmate A to the Main Jail from his residence, all observed that when he was interviewed and then arrested, Inmate A was highly agitated and clearly displayed signs of paranoia (hallucinating, feared people were watching his residence and were armed and trying to enter, etc.). He freely admitted to them that he had recently used drugs. The arresting/transporting deputy reported a belief, based upon training, that Inmate A was still high on drug use and not yet in withdrawal during the interview at his home. When Inmate A declined to go to the hospital for treatment, the deputies saw an immediate need to keep him safe while he detoxified and transported him to the Main Jail for intake processing.

In assessing for suicide risk, the Intake Screening Implementation Plan mandates that among the suicide risk factors to be considered, the RN's intake screening should take into account the "transporting officer's impressions about risk."³³ In Inmate A's case, it is disputed whether this information was shared as required. The transporting deputy said they informed the RN of Inmate A's paranoid behavior, but the RN denied being told of Inmate A's statements and did not observe any of the behaviors described by the patrol deputies. The evidence points to the fact that a significant breakdown in communication occurred at that point. As a result, the process from intake through housing failed to protect Inmate A.

As stated above, the classification deputy that night and the LMFT the next morning did note Inmate A's distress and agitation. However, urgent mental health/substance abuse care was not initiated as specified in the Intake Screening Implementation Plan. Inmate A denied he had any current suicidal ideation, and despite his behavior, as documented by the Custody Deputy and LMFT above, his denial was accepted at face value. Less than 18 hours after he arrived at the Main Jail, Inmate A was dead by his own hand.

³³ "See *Murray v. County of Santa Barbara*, supra, Stipulated Judgment, Remedial Plan, "Suicide Prevention," Section IV B.(e), p. 24

Challenges

The Santa Barbara County Sheriff's Office faces an increasing challenge in keeping inmates with mental health and/or substance abuse problems safe while in custody. Part of a nationwide trend, the percentage of such inmates in the Main Jail population is significant. The Prison Policy Initiative website reports that 41 percent of persons incarcerated in locally run jails have been diagnosed with mental illness, and that suicides account for almost 30 percent of in-custody deaths.³⁴ The Santa Barbara County Department of Behavioral Wellness has reported that every year approximately 60 percent of inmates in the Main Jail had past contact with Behavioral Wellness, compared to the national average of 33 percent. It is often difficult to interpret problematic behavior as suicidal ideation if there is nothing already in the database system or stated outright by the inmate. It is also possible for communications to be incomplete in the rush to interview, book, and house detainees, as they move through the process changing hands among a variety of deputies and health professionals.

The best defense against errors in judgment affecting inmate safety are targeted processes and procedures, in-depth training, specified communication requirements, and application of lessons learned from any failures that occur. The Jury's investigation revealed that process improvements were needed in the areas of communication between deputies and medical professionals, training in the identification of potential suicidal ideation when it's not openly stated, the application of "urgent need for medical care" as defined in the Intake Screening Implementation Plan, and the availability of appropriate mental health professionals on a 24/7 basis.

Work has already begun in several areas that could help reduce future suicides within the Santa Barbara County jail system. After the death of Inmate A, the Main Jail received accreditation from the National Commission on Correctional Health Care, assuring it was in compliance with the NCCHC's Standards for Health Services in Jails. The Santa Barbara County Sheriff attributed the success to the collaborative efforts of the Sheriff's Office and its health care partner, Wellpath. A Sheriff's Office-Wellpath Risk Mitigation Committee has been established. Physical changes have been made to existing cells to inhibit suicide attempts. When inmates let the staff know that isolation and quarantine rules, driven by the COVID-19 pandemic, were contributing to the recent increase in suicide attempts, daily yard times were increased, computer tablets were made accessible, and journals and other art supplies were made available. The new Northern Branch Jail, scheduled to begin receiving inmates in the near future, will have a specialized unit of 32 beds designed to meet mental as well as medical health requirements. Among the most significant steps being taken to improve the delivery of mental health services at the County's jails are the on-going monitoring activities mandated by the settlement in the *Murray* case whose terms were set forth in paragraph 15 of the Stipulated Judgment.³⁵

CONCLUSION

While significant progress has been made, the 2021 Santa Barbara County Grand Jury believes that further changes and improvements are needed. The agreement between Wellpath and the County is due for renewal in April 2022, and that would be an appropriate time for assuring continuous process improvement. The Jury is hopeful that negotiations will include discussion of around-the-clock

³⁴ https://www.prisonpolicy.org/research/mental_health/ and https://www.prisonpolicy.org/blog/2021/06/23/jail_mortality/

³⁵ See *Murray v. County of Santa Barbara*, supra, Santa Barbara County Second Remedial Plan Status Report Compliance Matrix, 12/2/21, Section IV, "Suicide Prevention", pp. 103-123

coverage by on-site mental health professionals, reduced lapse time between identifying and initiating medical and mental health protocols, improvement in communication processes between deputies and mental health professionals, and improved training in identification of substance abuse and suicide prevention. The monitor for the Intake Screening Implementation Plan reported in August 2021 that “the county has experienced serious suicide incidents and attempts in the last year and implementation of the suicide prevention policies should continue to be a targeted priority.” The Jury agrees.

FINDINGS AND RECOMMENDATIONS

Finding 1

During this early 2021 incident there was a failure in communication between the observations of the Santa Barbara County Sheriff’s Office transporting patrol deputy and the Wellpath intake Registered Nurse regarding Inmate A’s behavior, substance abuse, and mental health issues, as required by the Intake Screening Implementation Plan, which prevented Inmate A from receiving appropriate and timely mental health care.

Recommendation 1a

That the Santa Barbara County Sheriff’s Office initiate joint training with all deputies and Wellpath health professionals to foster more efficient sharing of medical information at all major points of contact with the arrestee, including arrest, transport, intake, booking, classification, housing, and follow-up processes.

Recommendation 1b

That the Santa Barbara County Sheriff’s Office develop a real-time, commonly accessible database that includes all information at all major points of contact with the arrestee, including arrest, transport, intake, booking, classification, housing, and follow-up processes.

Finding 2

The initial intake screening process failed to identify and record observations of Inmate A’s substance use, which prevented Inmate A from receiving appropriate and timely “urgent substance abuse/mental health care” as required by the Intake Screening Implementation Plan.

Recommendation 2

That the Santa Barbara County Sheriff work with the on-site Wellpath Health Services Administrator to develop, implement and train its health professional staff in the application of “urgent care” for inmates with substance abuse and/or mental health issues.

Finding 3

The contract between the County of Santa Barbara and Wellpath allows a significant time lag between the identification of potential medical or mental issues and the initiation of treatment protocols, delaying the initiation of necessary care.

Recommendation 3

That the Santa Barbara County Board of Supervisors propose shorter required response times to initiate medical and mental health protocols during the upcoming contract negotiation process.

Finding 4

There is no on-site coverage by a Wellpath mental health professional from 11:00 PM to 7:00 AM daily, which can allow for urgent medical needs to go untreated in a timely manner.

Recommendation 4

That the Santa Barbara County Board of Supervisors propose that on-site mental health professionals be employed at County jails from 11:00 PM to 7:00 AM daily during the upcoming contract negotiation process.

Disclaimer: This report was prepared by the Santa Barbara County Grand Jury except for a Grand Juror who wanted to avoid the perception of a conflict of interest. That Grand Juror was excluded from all parts of this investigation, including interviews, deliberations, writing, and approval of this report.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 days

Findings 3, 4

Recommendations 3, 4

Santa Barbara County Sheriff's Office – 60 days

Findings 1, 2

Recommendations 1a, 1b, 2

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GRAND JURY
SANTA BARBARA COUNTY

IDLE OIL WELLS IN SANTA BARBARA COUNTY

Publication of the

2021 Santa Barbara County Grand Jury

December 20, 2021

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IDLE OIL WELLS IN SANTA BARBARA COUNTY

SUMMARY

Seepage from active oil wells is common in Santa Barbara County. Seepage may also occur from the 1,374 “idle” wells that are no longer in production in the County. Such idle wells pose special health and environmental hazards because their seepage can go undetected without monitoring by trained professionals. Some idle wells have been permanently capped, so they pose a smaller threat to health and the environment. Other idle wells have not yet been capped, posing a greater risk to health and the environment. A few idle wells have been abandoned and left unplugged by their owners and are now defined as “orphaned.” Should there be seepage, causing toxic emissions or pollution from an idle well, the clean-up, remediation, and lost income costs could fall on Santa Barbara County.

The 2021 Santa Barbara County Grand Jury (Jury) investigated the regulatory roles of County agencies in managing and mitigating oil seepage as they pertain to onshore idle wells. The Jury’s findings are: (1) the health and environmental risks of idle wells do not appear to be adequately addressed; (2) the County may have some fiscal liabilities resulting from inadequate monitoring of idle wells; (3) active County staff at present appear at times to be too few to adequately monitor idle wells in the County; and, (4) the Santa Barbara County Code provisions regarding removal of drilling equipment and derricks from idle wells are not fully enforced.

INTRODUCTION

A request was made to the 2021 Santa Barbara County Grand Jury (Jury) to investigate idle oil wells in the County, the mechanisms for clean-up of idle wells, and requirements for the decommissioning of idle production facilities. The Jury’s report in response to this request covers:

- Risks from idle oil wells
- Extent of idle wells in the County
- State laws governing regulation of idle oil wells
- County responsibilities for regulation of idle oil wells

The Jury’s investigation covers only onshore idle wells.

METHODOLOGY

The Jury interviewed County Planning and Development Department (P&D) staff whose job is to have knowledge and/or responsibility for oversight of wells. The Jury tried unsuccessfully to interview staff of the Petroleum Unit of P&D’s Energy, Minerals and Compliance Division. The Jury also interviewed staff at California Geologic Energy Management Division (CalGEM) and in private environmental groups. CalGEM reports on oil wells were consulted, as were press articles about inactive wells.

OBSERVATIONS

Types of Idle Oil Wells

There are four types of idle wells:

- **Inactive:** wells which have been out of operation for at least two years but fewer than eight years
- **Long-term idle wells (LTIW):** wells which have been inactive for at least eight years
- **Abandoned:** wells which have been out of production for two years or more and whose owners or operators have applied for a permit and followed proper abandonment procedures, including sealing the wells permanently with a cement plug to isolate hydrocarbon-bearing formations from water sources and to prevent leakage of hydrocarbons and other contaminants into the surrounding land or to the surface.
- **Orphaned:** wells which have no direct owners to hold responsible for health and environmental liabilities.³⁶ When left idle by the operator without taking any of the legal or physical steps to seal them safely, the wells are at risk for leaking into water and soil. If an operator declares bankruptcy, becomes insolvent, or deserts a well, the responsibility for permanently sealing the well falls to the State. Since 1977, CalGEM has plugged about 1,400 orphaned wells throughout California at a cost of \$29.5 million.

Risks from Idle Oil Wells

Seepage from active and idle wells can contaminate groundwater, and methane gas emitted from wells can pollute the air, while harming animal and plant biodiversity. Idle wells, because they are usually unattended, can generate substantial seepage before leaks are detected. Another risk is visual blight from oil rigs, which can have an adverse effect on housing prices.³⁷ State and county monitoring and regulation of idle wells is therefore justified and is a well-established part of California law (<https://www.conservation.ca.gov/calgem/Pages/Oil,-Gas,-and-Geothermal-Rulemaking-and-Laws.aspx>).

State Regulation of Idle Oil Wells

CalGEM is the state agency responsible for monitoring and regulating active and idle oil wells in California (<https://www.conservation.ca.gov/calgem>). CalGEM states that its staff checks all idle wells once a year for leakage or gas buildup. CalGEM must also protect water sources from oil seepage by checking the cement casings around plugged wells and is required to report any problems to the Regional Water Authority. If groundwater contamination is detected, the County is responsible for remediation.

CalGEM revised its [idle well regulations](#) in April 2019 to create more stringent testing requirements that better protect public safety and the environment from the potential threats posed by idle wells. The regulations require idle wells to be tested and, if necessary, repaired or permanently sealed at the expense of the owner. A 2019 CalGEM report found 37,095 idle wells in California, of which

³⁶ The Santa Barbara County Code (Section 25-4) uses the term “Desertion” for “the cessation of petroleum operations at a drill site without compliance with the provisions of this [chapter 25](#), relating to suspended operations or abandonment.” (https://library.municode.com/ca/santa_barbara_county/codes/code_of_ordinances.)

³⁷ A study of Colorado found that visible shale oil wells had a negative effect on housing prices. <https://wvutoday.wvu.edu/stories/2019/11/12/rocky-mountain-not-so-high-oil-gas-wells-drive-down-colorado-home-values-reveals-wvu-research>

17,576 had been idle for eight or more years.³⁸ According to CalGEM, 1,927 idle wells were plugged and formally abandoned during 2019 in all of California, of which nine were in Santa Barbara County; another 690 idle wells were returned to active use in all of California during 2019, of which 29 were in Santa Barbara County.

The California Council on Science and Technology commissioned (2018) an independent review of scientific information (<https://ccst.us/wp-content/uploads/CCST-Orphan-Wells-in-California-An-Initial-Assessment.pdf>) on orphaned oil wells in California. Though the review found that the number of orphaned wells was unknown, it estimated that 5,540 idle wells were “likely” to be orphaned or were at “high risk of becoming orphaned” in a total of 228,648 wells. The map at page 20 of the review shows that some of the “likely to become orphaned” or at “high risk of becoming orphaned” wells are in Santa Barbara County.

To reduce the number of idle wells for which the State may become responsible, legislative and regulatory changes have been made to create incentives for operators to manage their idle wells by entering into Idle Well Management Plans (IWMPs) with CalGEM. If an operator does not have an IWMP, the annual idle well fees the operator must pay for each of the operator’s idle wells have been increased to reflect the potential costs associated with those wells. The fees are deposited into the Hazardous and Idle-Deserted Well Abatement Fund to finance the permanent sealing and closure of deserted wells. For the year 2019, operators paid \$4.2 million to CalGEM in idle well fees.

In September 2021, two bills, written by legislators from Santa Barbara and Ventura Counties to strengthen cost recovery by the State, passed in the California legislature. AB 896 authorizes CalGEM to file a lien with priority for repayment on an idle well, which would help to recover State costs after plugging the well. CalGEM can impose such a lien if the well is identified as unsafe, if the owner has not paid the idle well fees, or if the owner declares bankruptcy. This bill provides another mechanism to address the growing number of unpaid fees and would also establish a unit to collect unpaid idle well fees. Unpaid fees could indicate an orphaned well.

SB 47 provides for an increase in the spending cap for plugging and decommissioning abandoned wells from \$1 million to \$5 million. It also allows money to be spent on remediating hazardous or idle/deserted well sites.

These bills provide CalGEM with the tools to protect the environment, public health, and taxpayers by managing the decline in oil and gas and the associated decommissioning of wells. In addition, the California budget revision in May 2021 proposed \$200 million to plug wells from the Abatement Fund.

Santa Barbara County Oversight of Idle Oil Wells

The most recent CalGEM inventory of wells in Santa Barbara County as of December 31, 2019 shows:

- Total Wells: 6,618
- Active Wells: 1,028
- Idle Wells: 5,590 (plugged and abandoned: 4,215; LTIW: 926; inactive less than 8 years: 448)

³⁸

https://www.conservation.ca.gov/calgem/idle_well/Documents/AB%202729%20Idle%20Well%20Program%20Report%202019.pdf is the most recent idle wells report for California.

During 2019, only a single well was moved from idle to orphaned status in Santa Barbara County.³⁹

The Santa Barbara County Code provides for regulation of onshore oil wells in the County. Section 25-2 of that Code defines the purpose of the Petroleum Code to be “to protect the health, safety, public welfare, physical environment and natural resources of the county by the reasonable regulation of onshore petroleum facilities and operations....” A County official, known as the “petroleum administrator,” is “authorized and directed to enforce the provisions of [Chapter 25]....” The petroleum administrator “shall inspect annually and at such other times as necessary each lease site, each tank site, producing well site, idle well site and lease tank site, (including headers and associated pipelines)” (Santa Barbara County Code, § 25-7, subd. (a).)

County Regulatory Capacity

The County Planning and Development Department, Energy, Minerals and Compliance Division, Petroleum Unit has two employees who do inspections and one supervisor. One of the two inspectors has recently been on leave, leaving only one inspector to cover the County’s oil wells. It is a challenge to inspect all oil wells in the field,⁴⁰ and the Jury believes that the number of staff is currently insufficient to complete inspections of all idle wells. The budget of the County Petroleum Unit is in large part funded by fees from the oil operators, shown as service charges in Table 1.

Operators are required to declare any incident - such as a leak, fire, work accident, or structure collapse - at a well to County, State, and Federal authorities. Part of this declaration is submission of a form to the California State Governor’s Office of Emergency Services, which acts as a clearing house for emergency reporting. Responses to such incidents are coordinated among County, State, and Federal agencies. County inspectors only make reports if there has been a reported incident, and they are not posted on the P&D website. Though incidents are rare – there was an average of six annual incidents – the potential for leaks from idle wells, especially the 926 LTIW, can be serious.

Leaks of gas can occur around active and idle wells. Four different agencies (the County Petroleum Unit, the Air Pollution Control District [APCD], County Fire, and CalGEM) are in charge of gas leaks. The County has no capacity to detect gas leaks from oil wells, though operators must report such leaks immediately to the petroleum administrator. The APCD checks for vapors, and it has found some fugitive emissions from idle wells, which CalGEM could not verify. County Fire takes care of confirmed leaks.

³⁹ https://newspress.com/oil-well-getting-capped/?utm_source=rss&utm_medium=rss&utm_campaign=oil-well-getting-capped reports as many as 200 orphaned oil and gas wells on and off-shore in Santa Barbara County.

⁴⁰ The County does not use consultants for such inspections.

Table 1⁴¹**County of Santa Barbara – Petroleum Fund Budget (thousands of US\$)**

	2019/2020 Actual	2020/2021 Actual	2021/2022 Adopted
Sources of funds			
Licenses & permits	4.2	5.5	10.6
Fines & penalties	43.8	18.3	10.0
Service charges	712.4	596.2	603.0
Increase restricted	3.2	3.7	51.0
Other	8.9	(0.7)	1.5
<i>Total of sources</i>	<i>772.4</i>	<i>622.9</i>	<i>676.1</i>
Use of funds			
Salaries & benefits	417.7	355.2	475.8
Services & supplies	50.4	43.8	171.1
Decrease restricted	277.9	199.6	-
Other	26.4	24.3	29.2
<i>Total of uses</i>	<i>772.4</i>	<i>622.9</i>	<i>676.1</i>

Increases or decreases to restricted funds are transactions occurring at the end of each fiscal year. Such transactions balance accounts and reflect the net effect of revenues and expenditures that have been restricted for use by the Petroleum Fund, pursuant to Chapter 25 – “the Petroleum Code” – of the Santa Barbara County Code. Petroleum Fund revenues exceeded costs in County fiscal years 2019-20 and 2020-21, as shown in Table 1. The small decrease in restricted funds from all sources from 2019-20 to 2020-21 is attributed to a decline in inspection revenue associated with the HVI Cat Canyon bankruptcy filing.

Effects of Oil Leaks in Santa Barbara County

An example of the effects of seepage can be seen in the Santa Maria Valley, where there were thousands of active oil wells in the past. Some homes in Santa Maria had to be demolished because the area’s soil had been contaminated by seepage from old wells that had not been properly abandoned and plugged. There appears to have been no County remedial action on a number of the old wells around Orcutt, and no action by the owner to abandon them. Abandonment under the required legal procedures would have led to capping (permanently sealing). In the absence of capping, the health and safety of the area are not secure.

⁴¹ Information in Table 1 provided by County of Santa Barbara, Department of Planning and Development.

The frequency of seepage and other spills is currently low, as can be seen in a County P&D “Petroleum Spills Report” for the period September 15, 2018, through September 15, 2021.⁴² County officials observed 28 incidents, of which 8 involved oil spilled outside the containment, 19 involved oil spilled inside the containment, and 4 involved spills of water, but not oil. The volumes of spills were relatively small, with only 264 barrels (a barrel equals 42 U.S. gallons) of oil spilled inside containments and 25 barrels spilled outside containments.

An example of potential fiscal costs to County taxpayers is from some former holdings of the Greka oil services company around Santa Maria, in Cat Canyon, and on Rincon Island in northern Ventura County. Greka orphaned some of its wells by declaring bankruptcy before incurring clean-up costs. It first declared bankruptcy for the Rincon Island site in 2018. Of the \$47 million to pay for the clean-up of Rincon Island alone, \$27 million was paid by taxpayers.⁴³ In 2019, Greka also filed for bankruptcy for its operations in HVI Cat Canyon. Among the initially unpaid creditors from the HVI Cat Canyon bankruptcy were the Santa Barbara County Treasurer-Tax Collector; Santa Barbara County Air Pollution Control District; and Santa Barbara County Planning & Development Department.

Another example of fiscal costs to the County and State is related to the recent leaks from two abandoned oil pipelines. The two companies responsible did not have the money to shut the pipelines down in a proper way, and the County was then liable for the costs of repair. Fortunately, the State eventually funded the \$1 million clean-up operation.

Visual Blight and Idle Oil Structures

The Santa Barbara County Code (Section 25-32) states, “All drilling equipment and the derrick [and service equipment] shall be removed [by the operator] from the drill site and leased premises within sixty days following the completion or abandonment of any well ...” unless the petroleum administrator allows temporary storage on the drill site. Based on inspection of the CalGEM maps showing land south of Orcutt-Garey Road and west of Foxen Canyon Road and areas southeast and northwest of the City of Lompoc, there are many LTIW whose derricks and equipment remain, causing substantial visual blight for local residents.

CONCLUSION

In Santa Barbara County many idle wells await completion of the legal and engineering procedures to be defined as safely “abandoned.” The 2021 Santa Barbara County Grand Jury found limited County government oversight of idle wells. Failure to enforce Santa Barbara County Code provisions requiring removal of drilling equipment after well abandonment continues to cause visual blight in some parts of the County. Lack of regular inspections of idle wells could eventually endanger human health and the environment, and potentially cost millions of dollars in capping, remediation, and legal expenses.

⁴² Information provided by County of Santa Barbara, Department of Planning and Development.

⁴³ Scully, Janene. "Santa Maria Oil Company Files for Bankruptcy As Attorneys Urge the Judge to Rule in Federal Cases." Noozhawk. August 11, 2019.

FINDINGS AND RECOMMENDATIONS

Finding 1

Petroleum regulatory agencies within the County of Santa Barbara do not adequately identify and monitor idle oil wells in Santa Barbara County, leaving residents exposed to health and environmental risks.

Recommendation 1

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Planning and Development Department to identify the health and environmental risks of idle oil wells in the County through an annual report to the Santa Barbara County Board of Supervisors.

Finding 2

The potential fiscal liabilities associated with idle oil wells in Santa Barbara County are not adequately quantified.

Recommendation 2

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Planning and Development Department to determine all actual and potential fiscal liabilities related to idle oil wells through an annual report to the Santa Barbara County Board of Supervisors.

Finding 3

Active Santa Barbara County Planning and Development Department, Energy, Minerals and Compliance Division, Petroleum Unit staff are currently too few in number to monitor idle oil wells in the County.

Recommendation 3

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Planning and Development Department to maintain an adequate number of trained personnel to staff the Petroleum Unit of its Energy, Minerals and Compliance Division.

Finding 4

Santa Barbara County Code provisions regarding removal of drilling equipment and derricks from idle wells within a specified time are not always followed, causing visual blight to some local residents.

Recommendation 4

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Planning and Development Department to enforce compliance with the Santa Barbara County Code Chapter 25 (the “Petroleum Code”) provisions governing removal of oil equipment from idle wells.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 Days

- Findings 1, 2, 3, and 4
- Recommendations 1, 2, 3, and 4

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GRAND JURY
SANTA BARBARA COUNTY

ASPECTS OF GOVERNANCE AT ALLAN HANCOCK COLLEGE

**Publication of the
2021 Santa Barbara County Grand Jury**

December 20, 2021

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ASPECTS OF GOVERNANCE AT ALLAN HANCOCK COLLEGE

SUMMARY

The 2021 Santa Barbara County Grand Jury investigated a broad complaint about the governance of Allan Hancock College. The complaint covered seven years and alleged: (i) financial mismanagement at the College; (ii) grade manipulation at the College; and, (iii) a generally difficult work environment at the College, involving inappropriate hiring, promotion, and personnel evaluation practices. The Jury did not find systemic support for those allegations. The Jury recommends new evaluation and reporting measures to improve overall transparency in the management of Allan Hancock College.

INTRODUCTION

The 2021 Santa Barbara County Grand Jury (Jury) received a detailed complaint about some aspects of governance at Allan Hancock College (AHC or College). The alleged abuses were supposed to have been occurring over the past 5-7 years. The College's efforts and its internal dispute resolution system have not eliminated such complaints. The complaint alleged: (i) financial mismanagement; (ii) grade manipulation, notably in the K-12 partnership program; and, (iii) a difficult work environment at the College, involving personnel management and other aspects, notably in the College's mission to assist disadvantaged students in reaching their career and educational goals. The complainants, in presenting their Request For Investigation (RFI), sought assistance from the Jury in the form of a full and fair investigation.

METHODOLOGY

The Jury interviewed complainants, staff, administrators and a member of the Board of Trustees (Board). It reviewed financial and other AHC documents in the public domain.

OBSERVATIONS

Allegations of Financial Mismanagement

The College has a program of providing emergency loans to disadvantaged students. Such emergency loans are infrequent, and there is usually only one emergency loan per semester per student. These loans do not go directly to the student, but are paid to the supplier for such expenses as rent, food, fuel, and childcare. These loans are audited by the College's external auditors.

The complainants stated that there was corruption and mismanagement of funds lent or granted to disadvantaged students. The complainants cited two instances, one in which a student was said to have been given a petty cash loan above the maximum amount allowed. The Jury examined this allegation and found it to result from a misunderstanding of the loan program; the student received the loan and because of an administrative error received funds from another source which was used to repay the initial loan.

The second instance was one in which a student received a substantial loan from the College, and the repayment of the loan was forgiven. The Jury found that loan forgiveness resulted from an

appropriate exercise of administrative discretion.

The Jury observed that the individual transactions questioned in both instances in this RFI were not questioned by the College's external auditors, were within the discretionary management authority of College administrators, and were quite small. The Jury observed that the total amounts of petty cash loans made annually were also small compared to what the College spends annually on tutoring for students and on hiring student workers.

The Jury reviewed the audited financial statements of the College for 2018, 2019, and 2020. In each year the external auditors stated, "in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of the [Allan Hancock Joint Community College] District." The audits found no "material weaknesses" or "significant deficiencies" in the internal controls over the financial reporting of the College. The Jury was informed that the College respects the provision of the California Education Code requiring rotation of auditors.

As noted in the achievements section on "Management's discussion and analysis of the 2018-19 Allan Hancock College Financial Statements," the College implemented the "Finance, Human Resources, and Payroll modules of the ERP software, Banner." The 2018-19 and 2019-20 audits of the College noted no significant implementation problems with Banner, and the Jury's interviews with users of Banner did not reveal any problems. Based upon these interviews with College officials, the Jury noted that the version of Banner in use at the College does not allow real time flagging of exceptions, which could pose risks to the integrity of the College's records and its financial position.

Allegations of Grade Manipulation

Allegations of grade manipulation were made concerning the College's concurrent enrollment program. Concurrent enrollment (the College Now program) has been available to high school students since 2015, which is part of the K-12 partnership. There have been more than 3,000 high school students enrolled to date in over 200 classes in College Now.

Discrepancies occur when the grade that a student received from the AHC class was different from that on their high school record. The College has no control over high school records.

Another allegation stated that some students were getting more credit for contact hours and counseling than they actually completed. The Jury was unable to confirm this.

The complainants alleged in the RFI documents that high-school students taking classes at AHC under the College Now program had had grades changed, on a wide scale and in a systematic manner, outside the normal grade changing procedures at AHC. The normal grade changing procedures at AHC involve a request from the student using a College form; receipt of the request by the professor; justification of the request by the student such as illness, family emergency, or childcare problems; approval and recording of the change by the professor and by the AHC Director of Records and Admissions.

The Jury interviewed the complainants and the College officials charged with managing grades and with managing the K-12 partnership. The complainants repeated their written allegations. The Jury could not substantiate their allegations, in writing or in the interviews. Examples of a misunderstanding, which does not rise to the level of manipulation, in the College Now grading system did occur in the first year of the program, when some students were unaware of the pass/no pass option that they had to request early in the term. Students' lack of awareness of this option

caused some to get a failing grade in the first year of the program, and there were many requests for a change from an F to a NP (no pass).

College officials involved in managing its records and with managing the K-12 partnership explained grade management and security to Jury members. The records management system was secure against illegal intrusion – which is the allegation. Moreover, the College records are audited annually by the external auditors in order to ensure that student transcripts are faithfully recorded and reported. Administrators of the K-12 partnership program told the Jury that grades of high school students for classes taken at AHC are recorded as College grades and are subject to the same strict system of grade recording and reporting.⁴⁴

Students may invoke the “Student Grievance Procedure,” as defined in Allan Hancock College Board Policy 5530, regarding course grades if they believe that their grades have been affected by “mistake, fraud, bad faith, or incompetency,” as permitted in the California Education Code. Upon request by a student for a grade change, an instructor may approve the request. The instructor then submits a request form to the Director of Admissions and Records and to the Vice-President of Student Services, who must jointly accept the professor’s decision to change the grade or jointly overrule it and leave the student's grade unchanged. Given the strict procedures limiting grade changes, and the narrow scope for challenges to grades given by course instructors, the Jury found the allegation of wholesale grade changes improbable.

Allegations of a Difficult Work Environment

The Jury uses the expression “difficult work environment” in place of complainant’s use of the phrase “hostile work environment” because “hostile work environment” is a legal term that is outside the mandate and competence of this Jury.⁴⁵ The complaint declared such aspects of a difficult work environment to be “fear tactics,” “intimidation and reprisal,” and “gaslighting subordinates.” The complaint continued to assert that complaints within the College’s dispute resolution system had been answered without “full, unbiased investigations,” as had appeals to the College’s Board of Trustees.

To claim a hostile environment, one has to be a member of a legally defined protected class, and there has to be unlawful behavior. Investigation of a claim goes through a third party. The College has not had a substantiated case in recent years. If the complaint does not meet legal requirements, it is referred to the Human Resources Department, and there may be an investigation within that office.

When there is a complaint, a College Human Resources staff member will explain legal rights to the complainant. Faculty may appear before the Board to speak or to ask for an issue to be put on the Board agenda. There also is an online complaint process. HR complaints unresolved by the Administration can go before the Board for a fuller examination.

Reclassification of staff does not solve everything as there are few positions that lead toward upward mobility or for a career ladder at the College. Some staff are working at a classification level that is below their qualifications. Other staff have occasionally assumed more responsibility without a promotion until another support position is created.

The Jury reviewed the College’s dispute resolution procedures. First, the College has established principles of governance.⁴⁶ Policies of the College Board, including a Code of Ethics, are posted

⁴⁴ AHC officials have no access to high-school transcripts.

⁴⁵ California Fair Employment and Housing Act. See Cal. Govt. Code, §§ 12940 et seq.; 2 C.C.R., §§ 11000 et seq

⁴⁶ <https://www.hancockcollege.edu/governance/index.php>

online, and members of the Board are “responsible for upholding the principles in the Code of Ethics.”⁴⁷ The College has an elaborate system of decision making⁴⁸ based, *inter alia*, on the principle that “[a]ll employees should have opportunities to participate meaningfully in college governance.” The collective bargaining processes at the College include “procedures for processing grievances” within the terms and conditions of employment. The College, moreover, negotiates collective bargaining agreements with all categories of staff except Management and “Supervisory/Confidential” employees, indicating that the coverage of agreed grievance resolution mechanisms is wide.

The Jury was made aware of at least one grievance for harassment and abusive conduct at the College. The complainant had sought to resolve the matter using the informal channels without success. This case indicates that there are established informal and formal channels of dispute resolution.

Another allegation under the rubric of a “difficult work environment” was “corrupt hiring and promotion practices.” The College’s employment practices⁴⁹ are governed by Title 5 of the California Code of Regulations which regulates community colleges such as AHC. Under Title 5, a job analysis is required for each position; open recruitment is mandated “for all new full-time and part-time positions” and must be conducted “actively within and outside” the College. There is an exhaustive grievance procedure for allegations regarding hiring and other employment practices. Grievances about employment practices must follow the procedures in Title 5, including the provision of a report.

The Jury was made aware of two civil cases concerning personnel matters in 2019. These cases were brought by staff of AHC against the College in the Superior Court of the County of Santa Barbara. One is still before the Court; the other was “vacated” in 2021. The Jury does not investigate cases that are before the Courts.

The Jury’s investigation did not reveal substantial evidence of corruption or unfair manipulation of personnel questions. The instances presented to the Jury in the RFI and in the various interviews conducted by the Jury were resolved by exercises of legitimate managerial discretion. The Jury saw no evidence of corruption or unfair manipulation in personnel management practices at the College. The Jury noted that the working climate at the College does not seem particularly difficult. Only two personnel grievances have been filed in the past three years at the College. Moreover, staff turnover is low – resignations occur at annual rates of 5 percent among classified staff, 2.8 percent among management, and less than 1 percent among full-time faculty.

Other aspects of a difficult work environment included lack of opportunities for professional development through promotion and training, and a perceived failure of management to engage staff to deliver better services. Promotion practices are more difficult to evaluate. One reason is that promotions are rare. A second is that internal promotions sometimes cause conflict – internal candidates are naturally unhappy when they lose a competitive promotion. That said, one promotion that was referred to in the RFI was, in the Jury’s opinion, based on merit and awarded competitively. The College has used various staff evaluation methodologies, which are valuable tools, though the Jury feels that their application at AHC could be more transparent.

⁴⁷ <https://www.hancockcollege.edu/board/policies/doclib/Code%20of%20Ethics-Standards%20of%20Practice%202715.pdf>

⁴⁸ <https://www.hancockcollege.edu/president/documents/CCPD%20Councils%20and%20Committees%20Manual.pdf>

⁴⁹ <https://www.hancockcollege.edu/board/policies/doclib/Equal%20Employment%20Opportunity%20and%20Staff%20Diversity%203420.pdf>

Information gained from a recent survey⁵⁰ of faculty and staff sheds light on problems of staff engagement. The survey was done from March 26th to April 16, 2018, and sampled 217 members of faculty and staff; response rates were 81 percent among administrators, 47 percent among classified staff, and 41 percent among faculty. The survey identified several areas in which respondents found that the College's working environment was more favorable than the norm in comparable educational institutions:

- “The people in my work group are committed to delivering high quality education and services” (4% > education norm);
- “Allan Hancock College provides high quality education and services” (8% > norm);
- “I understand how my job contributes to Allan Hancock College's strategic priorities and goals” (6% > norm); and
- “Allan Hancock College provides a high-quality student experience” (8 % > norm).

The survey identified several areas in which respondents found that the College's working environment was less favorable than the norm in comparable educational institutions. There were two general areas in which staff opinions were less favorable:

- “authority and empowerment” (13% < education norm); and
- “employee enablement” (8% < norm).

There were four specific statements with the least favorable staff opinions; the Jury determined these may have contributed to the negative perception of the work environment among complainants:

- “There are no significant barriers to doing my job well” (21% < education norm);
- “Allan Hancock College is open and honest in communications with employees” (25% < norm);
- “Allan Hancock College provides training so that I can perform my job well” (26% < norm); and
- “There is effective sharing of ideas and resources across Allan Hancock College” (24% < norm).

CONCLUSION

The 2021 Santa Barbara County Grand Jury investigated the Request For Investigation of several aspects of governance at Allan Hancock College. It concludes that the legal and administrative structure of governance at the College is solid, based as it is on the comprehensive California Education Code; that formal and informal dispute resolution mechanisms are used appropriately; that those mechanisms seem fair (even if the outcomes do not always please everyone) and conform to California state laws and practices, notably with respect to personnel matters and accusations of any form of harassment; and, that the College seems financially well managed.

The Jury observed that aspects – such as disagreements about budget or staffing– of the alleged difficult work environment did not seem to be out of the ordinary in an institution that employs between 500-1,000 depending on the numbers of part-time faculty at any given time. The Jury did

⁵⁰ <https://www.hancockcollege.edu/ie/surveys.php>

conclude, however, based upon the interviews conducted and written materials consulted, that the Board of Trustees and senior administration of the College could improve communication and staff training in the interests of making the work environment more conducive to staff effort and performance.

FINDINGS AND RECOMMENDATIONS

Finding 1

The Santa Barbara County Grand Jury did not substantiate the specific allegations of financial mismanagement, as stated in the complaint.

Finding 2

The Santa Barbara County Grand Jury's reading of the financial audits of Allan Hancock College is that the College's financial management practices meet the standards for public education institutions and do not pose significant risks to the College's funds, but improvements could be made.

Recommendation 2

That the Board of Trustees of Allan Hancock College direct the administration of Allan Hancock College to upgrade its financial management software (Banner) to flag exceptions to procedures in real time to the attention of supervisors and managers, permitting greater oversight of such exceptions.

Finding 3

The Santa Barbara County Grand Jury did not substantiate the allegations of grade manipulation in the K-12 partnership program of Allan Hancock College, as stated in the complaint.

Recommendation 3

That the Board of Trustees of Allan Hancock College commission an external performance review of the K-12 partnership program over the past five years and the results of the review be made public.

Finding 4

The Santa Barbara County Grand Jury found that adequate human and electronic safeguards exist against systemic manipulation of grades at the College.

Recommendation 4

That the Board of Trustees of Allan Hancock College direct the Director of Admissions and Records to submit an annual report on grades – levels, rates and frequencies of grade changes, documented exceptions to procedures, patterns by academic department and discipline – to the Board of Trustees and post that report on the College website, in the interests of transparency and of maintaining public confidence.

Finding 5

The Santa Barbara County Grand Jury did not find systemic evidence of corrupt hiring, evaluation, and personnel management practices at the College, as alleged in the complaint.

Finding 6

The Santa Barbara County Grand Jury finds that staff opinions on the work environment are sometimes below the norms of comparable educational institutions in the areas of incentives for good performance, training, and open communications.

Recommendation 6a

That the Board of Trustees of Allan Hancock College direct the administration to make more effective use of peer-review evaluation practices.

Recommendation 6b

That the Board of Trustees of Allan Hancock College commission a new survey of faculty and staff engagement, to be done by an independent external firm, focusing on questions of staff incentives, training, and internal communications with the results of the survey to be discussed in a public forum.

Finding 7

The Santa Barbara County Grand Jury did not find systemic evidence of a difficult work environment at Allan Hancock College, as alleged in the complaint.

Finding 8

The Santa Barbara County Grand Jury finds that the College's internal dispute resolution procedures meet the standards for public education institutions in California.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

The Board of Trustees of Allan Hancock College – 90 days

Findings 1, 2, 3, 4, 5, 6, 7 and 8

Recommendations 2, 3, 4, 6a, and 6b

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GRAND JURY
SANTA BARBARA COUNTY

JAIL DIVERSION IN SANTA BARBARA COUNTY

Criminal Justice Partners Are Finding Common Ground

Publication of the

2021 Santa Barbara County Grand Jury

December 27, 2021

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JAIL DIVERSION IN SANTA BARBARA COUNTY

Criminal Justice Partners Are Finding Common Ground

SUMMARY

Over the past decade, changes in criminal justice have moved toward rehabilitation and reform and away from punishment. Concomitantly, the Santa Barbara County Main Jail population has been trending downward in the last five years. Then, through response protocols to the COVID-19 pandemic, the average daily population dropped another 37 percent by June 2020. However, reducing jail population in a steady and consistent manner relies on diversion and release of inmates through a variety of practices.

The 2021 Santa Barbara County Grand Jury studied the developments in justice reform in Santa Barbara County and determined that by working together the five agencies in the criminal justice system – the Santa Barbara County offices of the Sheriff, District Attorney, Public Defender, and the departments of Probation and Behavioral Wellness – are learning to manage the transition to greater jail diversion practices for low-level offenders. For this, the criminal justice partners have increased methods such as cite and release tickets, zero bail, referral to specialized courts, utilizing alternative facilities including Stabilization Centers, greater use of Co-Response teams, alternative sentencing, pre-trial supervision, and discharge planning. There are still some barriers to resolving issues such as inadequate technological support and lack of resources in and out of jail, as well as an ongoing need to evaluate the effectiveness of practices used.

A multi-agency approach to diversion will more successfully reduce jail population and promote what is best for the individual while assuring a safe community. Working together as criminal justice teams creates a balance among these priorities. The Santa Barbara County Board of Supervisors plays a key role in assisting the operational evolution of the Santa Barbara County criminal justice system.

BACKGROUND

New criminal justice laws and new practices, as well as calls for keeping individuals out of jail or releasing those in jail, are the result of changing societal attitudes toward keeping criminals locked away. Rehabilitation has become key.

Moreover, pressure to reduce overcrowding in state prisons led to the passage of Assembly Bill 109 (AB 109) in 2011. Over 500 crimes that were considered non-serious, non-violent, and non-sex-related were taken off lists of felonies that led to sentencing to state prisons. Those who committed the newly reclassified felony crimes now went to county jails, where only inmates incarcerated for lesser misdemeanors had previously been housed. Furthermore, with AB 109 there was no longer a one-year limit to time spent in the county jails. A great burden has been put on county jails.

Further redirection from state prisons to county jails resulting from Proposition 47, passed in 2014. It reduced felony crimes against property and personal drug offenses to misdemeanors. Possession of heroin in amounts for personal use was no longer a felony, for example, and shoplifting became a misdemeanor as long as the property stolen amounted to less than \$950. As a result, fewer offenders were arrested and sentenced, as their misdemeanors did not rise to the level of incarceration under

the new protocols. This has impacted jail populations. Law enforcement has felt hindered in deterring crime as some misdemeanor offenses carry no consequences.

AB 109 and Prop 47 also offered funds to help those who have been arrested, charged, and convicted of crimes, as well as to mitigate the influx of former prisoners and inmates back into society. AB 109 funds were directed to fund community-based programs, especially in the area of mental health. It also funds programs at the local community colleges in Santa Barbara County, where former prisoners or inmates can pursue higher education.

Programs set up by Prop 47 brought crisis intervention and diversion for those with mental health issues and substance abuse disorders as part of the Safe Neighborhoods and Schools Fund. For example, Prop 47 funding created the CREDO47 Stabilization Center, formerly the Sobering Center in downtown Santa Barbara. In 2019 Santa Barbara County received \$6 million from Prop 47 funding for the Center, part of which was also used for a 20-bed mental health housing facility, a second Co-Response team, and programs for victim services and treatment.

Jail population in Santa Barbara County has hovered around 1,000 since 2000. In 2016 it spiked to approximately 1,100. Since then, the average daily population has declined, with a marked drop in 2020 to 580 inmates during the COVID-19 pandemic and because of other diversion options. One year earlier, the average daily population was 903. The health of the inmates and social distancing justified releasing inmates, but no inmate was released solely because of COVID. The Sheriff's Office, Probation, and the Courts reviewed each inmate's case prior to release. A July 2020 report on the effects of COVID-19 on jail population wrote that the main factors driving down jail population were "1. A significant decrease in the number of physical arrests in the field. 2. A significant increase in the number of people being released under pre-trial supervision...."⁵¹ Jail population reduction resulted from diversion practices as well as from a health emergency.

In early 2019, the Board of Supervisors commissioned reviews of all County departments, and the Sheriff's Office was among the first to be studied. The 2020 KPMG LLC⁵² report for the Sheriff's Office recommended more efforts in diversion and rehabilitation, as well as in other areas such as data systems, classification, discharge, and cooperation with law enforcement partners, including Public Health. Some of the steps outlined in the KPMG report have been implemented, but most initiatives such as diversion and cooperation among criminal justice partners had already begun with the Sheriff's Office.

Between March 18, 2020 and October 5, 2021, over 1,900 inmates in custody were released from the Santa Barbara Main Jail, whether from end of sentence or early release. Estimates of recidivism rates vary widely, and the Sheriff's Office has not determined an overall recidivism rate yet.⁵³ During this time of fewer offenders being incarcerated, the Santa Barbara County crime rate for non-violent crime decreased by 15 percent in 2020. In this category, only DUIs and disorderly conduct rose, according to the February 2021 Sheriff's report on crime in the County jurisdictions. During the same period, violent crime rose by 7 percent.⁵⁴

⁵¹ Bernard Melekian. "The Impact of the COVID Pandemic on the County Jail Population in Santa Barbara County." July 16, 2020.

⁵² KPMG. "Improving Performance to Better Serve Our County Residents: Santa Barbara Sheriff's Office." October 2020.

⁵³ Among the 1,900 released, the recidivism rate was 28 percent. The 2020 COVID report for the Main Jail stated an 11% re-arrest rate. Recidivism rates for the general population at the jail are not available.

⁵⁴ There are no new crime rate statistics for County jurisdictions since the February 2021 report. The Sheriff's jurisdictions cover the unincorporated areas of the County and by contract the Cities of Buellton, Goleta, Carpinteria, and

The Sheriff's Office showed some concern regarding releasing inmates and crime rates:

2020 brought significant challenges and changes to the criminal justice system in Santa Barbara County, including a significantly reduced jail population due to the adoption of emergency zero-dollar bail practices at the state and local level. We are concerned that those changes may have had a negative impact on crime rates, and, in turn, resulted in an increased fear of crime in our communities.... We are closely scrutinizing this crime data and will continue to seek ways to maintain public safety by targeting certain criminals, but also by holding offenders accountable through alternatives to jail. These include working with our criminal justice partners to enhance offender supervision, provide additional mental health and substance abuse-related services, and strengthen education-based recidivism reduction efforts for those who are in custody.

With no new crime rate report for 2021, it is not possible to connect jail diversion or the release of inmates to increasing or even decreasing crime rates. Anticipation of crime increase has been mentioned by multiple Jury interview sources, as well as by national crime statistics, but that is anecdotal for now.

With the hope of finding economies in smaller numbers of inmates in the jail, some members of the Santa Barbara County Board of Supervisors wanted to further commit to the lower jail populations and use the emptied space toward other programs that would offer treatment or rehabilitation. This motivated the Board of Supervisors to hold additional meetings during the public safety budget hearings. Although discussions ensued over withholding funds from the Sheriff's jail budget for inmate rehabilitation and other programs, the Sheriff defended his position of maintaining current space and staff. Lower jail population projections seemed premature to some, as criminal activity is in flux, and the criminal justice partners are still adapting programs to meet the needs of a post-pandemic society. Other disputes over funding occurred with departments and their technology requests. The final results of these disagreements have yet to be determined.

OBSERVATIONS

Pre-Jail Diversion Strategies

Cite and Release

The number of individuals booked into the Santa Barbara County Main Jail has dropped dramatically due to changes in law enforcement on patrol. Rather than bring all low-level misdemeanor offenders to jail for booking, law enforcement has leaned more on the practice of giving a warning or writing a cite and release ticket. The "dramatic decrease in the number of arrests in the field" has been a main contributor to the lower jail population.⁵⁵ Law enforcement officers have been able to use their discretion in arresting or releasing. In the case of cite and release, the individual is given a time to later appear before the court. According to a Main Jail custody supervisor, approximately 60-65 percent of those cited and released have made their scheduled court appearance.

Solvang. The Sheriff's report does not include the cities of Santa Barbara, Santa Maria, Guadalupe and Lompoc. These cities have crime rate indices that are higher than for the County on various rating networks.

⁵⁵ Bernard Melekian. "The Impact of the COVID Pandemic on the County Jail Population in Santa Barbara County." July 16, 2020.

To make sure that a citation with immediate release is possible, the officer or deputy in the field needs to confirm that the offender at hand has not been involved in more serious crimes. Phone calls can determine if warrants are out for the individual. But at this time law enforcement out on patrol does not have immediate access to the criminal history (the “rap sheet”) of the offender.

Data needs to flow more easily, especially when an officer is in the field. In the County public safety departments, technology that integrates pertinent facts from all departments has not yet been fully activated. Criminal justice partners have asked for a real-time external data-sharing system, along with a Master Name Index, to help inform law enforcement’s decision-making.

Zero Bail

Another development that keeps offenders out of jail is zero bail. It is applied only to those who are not a threat to the community. Advocates of jail reform have long signaled the inequities of bail policies. Offenders who do not have enough financial resources, or do not have someone to come to their assistance, are not able to post bail. Others with greater financial means can stay out of jail pending trial. Unfair class and ethnic divisions were often said to be part of this practice. With zero bail, the apparent injustice was nullified.⁵⁶

Bail has been and still is assigned as appropriate by the judge, that is, after an offender has been booked and held awaiting trial. However, with the onset of COVID-19, an additional emergency bail system has been enacted. Zero bail is now part of the cite and release protocol at booking. With many misdemeanors no longer listed for incarceration, the offenders must be cited and released immediately with zero bail. Sheriff’s records show that between March 18, 2020 and October 5, 2021, almost 2,600 individuals were released after booking.

Not all criminal justice partners find zero bail reassuring to public safety.⁵⁷ Some people need to be in jail, according to all Santa Barbara County criminal justice partners. Therefore, the decision to allow zero bail still needs to be based on evidence-based risk factors that include past criminal history. In 2020, the Santa Barbara County Probation Department performed this time-consuming discovery process in its risk assessment for each person who had received zero bail.

Jail Diversion through Specialized Courts

For those who are cited by law enforcement, there are other options, some of which mean they do not stay in jail. This is often called jail avoidance. In some instances, the District Attorney will propose a settlement, in which case both parties meet outside court to settle differences. The offenders have to be willing to accept responsibility for their actions for such a mediated settlement to work. Another proposal by the District Attorney’s Office is a Neighborhood Court in Goleta: This venue will have a jury of peers and other volunteers to adjudicate settlements. Once again, the District Attorney will need to rely on thorough checks of criminal history in the data system and other risk factors so that this avoidance of legal prosecution will end in safe results for all parties – the offender and the victim.⁵⁸

⁵⁶ The California State Supreme Court reinforced this policy with the *In re Humphrey* decision on March 5, 2021. Courts cannot impose a bail with a cost higher than what the offender can afford. This often leads to zero bail.

⁵⁷ Zero bail has been eliminated in some California counties. Santa Barbara County is one of the counties that has retained this practice.

⁵⁸ There are other Sheriff and District Attorney diversion programs not studied in this report. For example, the District Attorney’s Office is working with the Center for Court Innovation for a felony diversion program. Prop 47 enabled a three-year \$31.1 million grant for diversion for those who are incompetent to stand trial. There is also a grant for those

The District Attorney’s Office has had other jail avoidance courts, both pre-plea and post-plea, for many years. These courts are for minor offenses that are still serious enough that the arrestees are not completely diverted from being booked into jail. The individual does go to court but can receive treatment rather than jail time. When the District Attorney gets the case, the attorneys first look at diversion but also the severity of the crime and the person’s record. In these specialized courts, if the individual qualifies for diversion under the District Attorney’s assessments, offenders can be released from serving time if they complete courses. Sometimes this will also allow a reduced charge or an expungement of their record.

These courts include:

Mental Health Diversion	Mental Health Treatment	Veteran’s Treatment
Pre-Plea Substance Abuse	Misdemeanor Diversion	Military Diversion
Dual Diagnosis Treatment	Theft Awareness	CREDO47 ⁵⁹

Positive outcomes of these specialty courts are dependent upon well-informed diagnoses and upon the classes and the programs developed. Every individual’s case is unique, and the treatment needs to be the most suited to that person. Otherwise, specialized courts such as the drug court may not find lasting success, the Jury heard. In general, the more classes available and the more options the individual has, the greater the chances of success.

The Santa Barbara Police Department has a Restorative Court, created for the homeless and the mentally ill with low-level infractions. It also is not a direct form of diversion, as the individuals are cited and go to court. But they do avoid time in jail.

Diversion Strategies to Alternative Facilities or Programs

Another means of pre-jail diversion is referral to another facility, program, or treatment, if those options are available. The intent is to keep those with mental illness or with addictions out of the jail, where intensified stress could exacerbate their problems. Moreover, custody staff at the jail have limited training in dealing with the mentally ill or substance abusers. The Sheriff’s Office is in the process of providing a more involved crisis intervention training for custody staff.

Alternative Facilities

One alternative to incarceration is to take those suffering from mental illness or addictions to alternate facilities rather than to jail. Santa Barbara County has two units that are operated by Behavioral Wellness: a Stabilization Center (Sobering Center) at the County Campus, as well as a Crisis Stabilization Unit (CSU). Since the County Campus is not near the city center, law enforcement often needs to drop off those who would not be able to get there on their own and then take them home. Those who are taken to either center are medically monitored and referred to treatment services. The Sobering Center has twelve beds or reclining chairs, and the CSU has the same. People can stay 24 or more hours, and they can leave at any time. Both centers are supposed to be open 24/7 for anyone who comes voluntarily, but the Jury learned that operation hours are not consistent, and placement procedures are confusing. Behavioral Wellness staffing shortages and the public’s lack of awareness about the Centers have meant that they are underutilized and can even be

who would be accepted into state hospitals. The Stepping Up program hopes to place mental health inmates in other hospitals for mental health.

⁵⁹ This Court is held with Behavioral Wellness.

closed when someone arrives. Occupancy has been low. Because of these uncertain arrangements, law enforcement must determine if the Stabilization Centers are available and appropriate for those exhibiting trauma with drugs or mental breakdown, or decide to take them to the jail, where they are watched and kept off the streets. For now, in many cases, it is often more convenient to take people to the jail.

The two major hospitals in the County can also accept persons in crisis. The two Cottage Hospitals in the Santa Barbara area have 20 short-term beds, and Marian Hospital in North County recently opened a CSU with beds for eight people. Three of these beds are reserved for Santa Barbara County Behavioral Wellness. Here, a person can stay up to 23 hours and avoid jail. Hospitals also offer crisis intervention for mental health and chemical dependency evaluations. It must be noted that these hospitals are not locked facilities, and participation is voluntary.

For people whose symptoms are more acute and need more critical care, they can be taken to the 16-bed Psychiatric Health Facility (PHF) unit in South County. The PHF is a lock-down facility run by the Santa Barbara County Behavioral Wellness Department. There are many mental health resources along with security at the PHF. When it is full, the jail is the only other place these severe cases can go to in this County. By federal law, PHF facilities are limited to 16-beds, so the current one in Santa Barbara cannot expand. The Sheriff reserves two beds in PHF, but this is never enough, the Jury was informed. The County has looked for a second lock-down facility in North County. The Jury learned from a mental health expert that Santa Barbara County should have 40-80 mental crisis beds for the population size of this County, meaning the County needs at least three times the current number of beds it currently has.

The question of “divert to where?” is often echoed in criminal justice meetings. The problem of lack of facilities in the County has been particularly disturbing as it is a disincentive for law enforcement in North County to go to the alternative facilities in South County. Any trip to the more secure County centers on the outskirts of Santa Barbara City takes a North County officer or deputy off the streets for at least three hours while they drive to the Main Jail or Stabilization Centers in South County. While Marian Hospital in North County does have some capacity to take in individuals in crisis, the Jury was told that officers and deputies for a number of reasons are reluctant to impact the hospitals’ emergency rooms. Since December 2020, the Santa Barbara County Department of Behavioral Wellness has reserved 34 beds at the Crestwood (formerly Champion) Center in Lompoc. Crestwood is not a facility for drop-ins, nor is it a lock-down secure facility.⁶⁰ It is a place where only referrals are accepted.

Alternative Interaction with Law Enforcement

With the rising number of people with mental or substance problems, especially among the homeless, diverting them from the jail has become a greater concern among law enforcement officers. Interactions with these individuals can take much more time, keeping them away from patrol duties. Furthermore, the mentally ill and the addicted in the throes of crisis don’t always respond well to an armed officer. Responding to this reality, in 2018, the Sheriff’s Office and Behavioral Wellness created Co-Response teams, with one law enforcement officer trained in crisis intervention and one mental health clinician. These teams are typically summoned by local law enforcement and will approach an individual in crisis in a nonthreatening way. If they cannot calm the person down or connect them with family or friends, they will attempt to take the disturbed person to a sobering center or a treatment center. The team documents every contact, so law

⁶⁰ Crestwood Center focuses on living skills for moderate mental health clients. It hopes to increase capacity to 80 beds.

enforcement has a record of all incidents, even if they do not result in an arrest. The Jury was informed that by June 2021, there were 2,602 mental health calls and the Co-Response teams responded to 1,600. Of those, only 15 individuals were taken to jail.⁶¹

When a law enforcement officer encounters a distressed individual who has not committed an apparent crime, the officer will attempt to reach a Co-Response team to de-escalate and assist the individual. With the small number of Co-Response teams available, however, the result can often be a trip to the jail. There are currently only three daytime Co-Response teams in the County – one in North County, two in South County. The North County team allots two days for Lompoc and two days for Santa Maria. Each of these teams is funded through grant money, meaning funding is not permanent.⁶² The City of Santa Barbara Police Department also has a team, and the Santa Maria Police Department is forming a Co-Response team with a Behavioral Wellness clinician, for a total of five teams in the County.

The process of staffing Co-Response teams has been slow because of a difficulty in providing clinicians from Behavioral Wellness. Staffing shortages in law enforcement can also imperil the teams. All law enforcement entities want to maintain the integrity of the teams, rather than have their officers or deputies pulled off for patrol. The Sheriff’s Office hopes to have enough mobile crisis units to cover the region, with at least two dedicated teams for North County and two for South County. Their presence is not 100 percent reliable now, the Jury was told, as they cover geographically large regions. Moreover, no County Co-Response teams are available at night or on Sunday. Ideally, the County would have eight co-response teams so that another team could respond if the first team were already on a call and so that teams would be available during night hours.

The State of California has a tool under Section 5150 of the Welfare and Institutions Code, where a law enforcement officer has the ability to detain and place individuals under a 72-hour involuntary hold if they are a danger to themselves and/or others, despite no crime being committed. Santa Barbara County is the only county in the State of California, where law enforcement officers do not have the capability to place a 5150 Welfare and Institutions Code hold. This ability now rests only with Behavioral Wellness, whose clinicians need to be summoned by the officer on scene.⁶³ Santa Barbara County criminal justice partners have expressed frustration with the current protocol. Law enforcement could be trained and authorized to make the decision to enact a 5150 hold, as their counterparts do throughout the State.

Regardless of who may be writing the 5150 hold, one criminal justice partner remarked that having the capability to use it has little meaning if there is no place to take the distraught individual. To be able to divert individuals to places with treatment or mental health programs, there needs to be more secure facilities in the County, such as another 16-bed PHF unit. The Santa Barbara County Sheriff has publicly referred to the Main Jail as “the de facto mental institution for the County.” Often, the jail is the last resort for a person experiencing a mental health crisis.

In-Jail Reduced Time or Jail Avoidance

⁶¹ In an October 2021 presentation to the Board of Supervisors, Behavioral Wellness staff said that Co-Response teams receive between 5 and 8 calls a day, plus 36-40 suicide calls a month.

⁶² One co-response team was funded by Prop 47 funds and its CREDO program. It granted \$6 million over three years. A Byrne Jag grant funded two co-response teams with \$2.1 million over three years. The Public Defender also has a team made possible through grant funding. The Jury heard that the Santa Barbara Police Department, which has one team, is committed to creating a second team also.

⁶³ For the past year, medical professionals at Cottage Hospital have also been empowered to issue involuntary psychiatric holds also. In May of 2021, the hospital had 97 such cases, or about three a day.

Intake Assessment

Once inside the jail, the possibility of early release becomes a method of diversion. The inmates can reduce their time in jail if they qualify for various programs. To be considered for early release, the individual must first be considered a safe risk if allowed back in the community. Low-risk offenders do better in the community than in jail, stated one jail program director.

Assessment for early release begins as early as the inmate enters the jail. The intake assessments may impact the length of stay in the jail. The initial screening tool is used to check for medical conditions and mental health issues, based on the responses given. Then a classification assessment interview again checks for issues and assigns points according to the arrestee's responses on the assessment for behavior, violence, and prior arrests. The points are used to determine housing placement with medium or maximum security after the COVID-19 isolation period ends. With a better score, the inmate can also become an eligible candidate for in-house programs that would contribute to early release.

The Probation Department and the Office of the Public Defender have taken a more humanist approach towards inmates, which enlarges the scope for evaluation and eligibility for eventual release. Over the last 20 years, the intake assessment interviews have been modified to include more than basic medical and mental health information, a change which coincides with the outlook of reform in the criminal justice system. Both departments regard the whole person, from the family history to the living environment.

Some criminal justice partners have suggested having representatives at intake from Behavioral Wellness and Probation who could check for possible alternatives to incarceration for the arrestee. Members of different departments can be present at intake now, but it is not a standard procedure.

Programs and Classes

An inmate's participation in programs inside the jail can lead to consideration for early release. The Sheriff can assign "milestone credits" from the programs toward release eligibility. The programs can take the form of classes or workshops. Many are part of the highly regarded Sheriff's Treatment Program (STP). The STP has included classes in anger management, drug and alcohol addiction, cognitive behavioral training, relapse prevention, and release and reintegration.⁶⁴ Their purpose is to give inmates better coping tools and life skills to avoid recidivism when released. Some of the programs and classes have not been held during the pandemic. For example, Santa Barbara City College used to have classes at the jail and those have stopped. Efforts are being made to revive the partnership with the College and other instructors.

The Sheriff's Office also has an Alternative Sentencing Bureau (ASB) that has a modified form of release. There are two programs in ASB: electronic ankle monitoring and work alternative. Both allow inmates with less serious offenses to be in the community, but with restrictions. Ankle monitoring is not always popular, the Jury heard, because of the ever-present supervision and house confinement. Inmates often would prefer to wait out their jail term and exit with less monitoring. Moreover, the point of release is not just to get out of jail but to reenter society under optimal conditions, which often include programs and treatment deemed important in a successful transition to society. The work alternative option is more attractive to eligible inmates. The Sheriff's Office has been able to add a new work furlough program, a result of a grant in July 2021. The \$2.49

⁶⁴ The Sheriff's Office has pointed out that the abbreviated jail terms of many inmates preclude them from fully participating in the classes. The classes are seen as an important step toward transition to a stable life outside the jail.

million Pathway Home grant provides job training and jobs for qualified released inmates. Inmates and their employers are monitored regularly to ensure program standards are met.

In the past, the high population of inmates allowed jail staff to rely upon their own selection of inmates for these programs based on assessments. With the reduced population, fewer inmates have been available to participate in these programs, so custody staff actively recruit volunteers who have been assessed as good candidates. This effort to find participants for programs demonstrates the jail staff's emphasis on diverting offenders from jail by reducing time spent in jail.

A senior law enforcement official has estimated that 75 to 80 percent of those in the Main Jail are awaiting trial, even with all the mechanisms for diversion, pre-trial supervision, or release now in effect.⁶⁵ The high percentage of those unsentenced in the jail has long been a problem, and this is now being addressed. The Probation Department is responsible for managing pre-trial release supervision. In an effort to decrease the high population of those awaiting trial, Probation has increased the pre-trial release caseload from 200 to 300 cases. This expansion under the COVID release protocols stimulated a request for two more Probation Officer positions. A May 2021 report stated that over the past year, 574 criminal defendants entered this program. Of the 426 who completed it, 339 did not reoffend. Pre-trial supervision is considered a highly successful diversion-type program and has been a main factor in reducing jail population.

The Need for Shared Data for Shared Decisions

Shared responsibility requires shared information. The criminal justice partners confer or collaborate at more than one point from diversion to release strategies.⁶⁶ The goal is that each partner would be informed of all the facts concerning the inmate when considering eligibility for release. The data needs to be accessible within each law enforcement agency and among all criminal justice partners.

Assembly and sharing of information have already begun in Probation's data dashboard.⁶⁷ This data dashboard includes crime type, length of stay in jail, age, gender, race, ethnicity, supervision type, risk level, etc. that the criminal justice partners can refer to. The Sheriff's Office is currently adding its information and the offices of the District Attorney and the Public Defender are expected to add theirs soon. For transparency of evidence-based information concerning arrest and/or release, all partners need to post data.

The Jury was told that beyond the dashboard, law enforcement does not have a way to pull out data from the current computer system in a meaningful or efficient way. Moreover, the quantity of information these days overwhelms most storage. In the age of digital evidence especially – primarily videos from body cameras or cell phones – the search for meaningful data is prohibitively labor intensive according to one criminal justice partner. The partners have asked for data analysts to help organize and retrieve data not only in their departments but in a centralized operating system. The Santa Barbara County Board of Supervisors has set aside \$1.5 million for data analysis and technology tools among the criminal justice departments. Although supportive of more data storage capacity and technical help, not all funding requests have been granted by the Board.

⁶⁵ In addition to those not released and awaiting trial are those who have plead guilty but are not yet sentenced, along with probation and parole offenders.

⁶⁶ Some of the joint meetings now taking place are the Community Corrections Partnership, the Community Corrections Partnership Work Group, the Criminal Justice Data Commission, the Planning Group, the Grant Oversight Committee, Regional Response Teams, Community Corrections Institute, and Compliance Response Teams.

⁶⁷ A data dashboard is a tool businesses use to help track, analyze, and display data to gain deeper insight into the overall well-being of the organization.

Post-Jail Diversion after Final Release

Discharge Team

Keeping former inmates out of jail after release is equally important as diverting them before entry into the jail system. Discharge from jail might seem like the end of the need for diversion, but it has been described as a form of diversion in itself: releasing inmates with a proper exit strategy and a long-term support plan would reduce recidivism. Discharge helps make plans for what the inmates need when they get out – housing, transportation, medication, work, drug or alcohol treatment, mental health services, Medi-Cal enrollment, etc. – and sets up those connections.

The Sheriff's Office, Probation, Behavioral Wellness, the Public Defender's Office, WellPath, and the Court are participating in the discharge process. Yet the Jury heard that these departments are still siloed in this work. Each criminal justice partner evaluates qualifications from their own department's perspective, and they do not yet coordinate. With multi-agency input, having a common agreement of eligibility requirements, terms, and conditions is important as they consider allowing inmates out. Teamwork here is critical.

Of the 1,900 inmates released in the last year and a half, there was a 28 percent recidivism rate. While the 72 percent success rate is commendable, one criminal justice partner recommended that the failures should be studied to see what went wrong. This is not being done. Tracking inmate release with recidivism rates would bring greater accountability. One step being taken for more responsibility in assuring success is the Public Defender's Office assignment of a social worker and client advocate to the inmate. At a time when law enforcement and local leaders are emphasizing rehabilitation, such a study among the members of collaborative discharge could especially guide decisions for discharge and early release programs.

Discharge Planner

What has been missing from the jail discharge process is a dedicated position for a discharge planner who would gather information from the various agencies and plot a course of action.⁶⁸ Since there is little coordination among criminal justice partners at discharge, a planner could carry out that function. Discharge planners would make sure the inmate leaves with all the best resources for success, whether it be supervision and programs by Probation, treatment or housing by Behavioral Wellness or Probation, or job connections from the Sheriff's Office. With the jail staff being more invested in release programs, the discharge planning position would be pivotal in the smooth flow of reentry into the community.

Community Programs

Once released and supervised, community programs help form a security network to support those inmates so that they can successfully transition back to living outside the jail; the more encompassing the resources, the less recidivism. To best prevent recidivism, the Sheriff has publicly stated on numerous occasions that the five main resources that inmates need upon release are housing, job skills, a job, treatment for addictions, and anger management. Both Behavioral Wellness and Probation are actively creating more transitional housing, and this can be the essential first step outside the jail.

The Jury learned that community treatment programs are not necessarily robust now, and this lack of programs could impair the work of stabilizing former inmates. It takes work to establish

⁶⁸ The Main Jail placed a discharge planner through a one-year grant. There is a need for multiple planners on long-term contract.

relationships with service providers in the community, along with financial support from the County and each criminal justice department. All criminal justice partners can benefit from developing relationships in a common community network.

Programs frequently depend on grant funding. The criminal justice partners are often more competitive when jointly applying for grants. The Sheriff's Office and Behavioral Wellness won grants for their Co-Response teams. Partners can be found outside the criminal justice system as well. The Sheriff's Office was awarded the Pathway Home grant with the participation of Santa Barbara City College, Allan Hancock College, Good Samaritan Shelter, and the Workforce Development Board to provide job training and jobs for released inmates.

CONCLUSION

The 2021 Santa Barbara County Grand Jury concluded that, despite all the efforts to increase diversion, results show more work is needed to accomplish the desired outcomes. The dual nature of diversion – maintaining public safety and improving personal reform – relies upon interagency coordination and continued evaluation.

Collaboration among the criminal justice partners is vital for the success of jail diversion. The Santa Barbara County Sheriff's Office, the District Attorney, the Public Defender, the Probation Department, and Behavioral Wellness, along with the Santa Barbara County Chief Executive Office, have created a platform for discussion and decisions. Consensus is developing. The criminal justice partners would benefit from technological and budgetary support from the Santa Barbara County Board of Supervisors. As one of the supervisors stated in the April 12, 2021 budget meeting, the Board needs the “political will to tie it all up with a bow.” Criminal justice collaboration that allows both public safety and improved personal reform would be a gift to the community.

FINDINGS AND RECOMMENDATIONS

Finding 1

The Santa Barbara Sheriff's Office, Santa Barbara County District Attorney, Santa Barbara County Public Defender, Santa Barbara County Behavioral Wellness, and Santa Barbara County Probation Department need a consolidated criminal justice data system.

Recommendation 1

That the Santa Barbara County Board of Supervisors allocate funding for a consolidated criminal justice data system.

Finding 2

The Santa Barbara Sheriff's Office, Santa Barbara County District Attorney, Santa Barbara County Public Defender, Santa Barbara County Behavioral Wellness, and Santa Barbara County Probation Department need a data analyst to organize and retrieve data for a consolidated criminal justice data system.

Recommendation 2

That the Santa Barbara County Board of Supervisors allocate funding for a data analyst specifically for a consolidated criminal justice data system.

Finding 3

Santa Barbara County is the only county in the State of California that does not give law enforcement officers the ability to write 5150 Welfare and Institutions holds, preventing timely and effective intervention for those in critical need.

Recommendation 3

That the Santa Barbara County Board of Supervisors authorize Santa Barbara County law enforcement officers to administer 5150 Welfare and Institutions holds.

Finding 4

Santa Barbara County does not have enough Co-Response teams to provide the entire County with 24-hour, seven days per week coverage.

Recommendation 4

That the Santa Barbara County Board of Supervisors allocate long-term funding for additional Co-Response teams to provide the entire County with 24-hour, seven-days per week coverage.

Finding 5

Santa Barbara County has too few mental health emergency facilities to meet the County's needs.

Recommendation 5

That the Santa Barbara County Board of Supervisors develop a plan to adequately address the mental health needs within the County, including repurposing existing facilities.

Finding 6

The Santa Barbara County Behavioral Wellness Department's Crisis Stabilization Unit and Stabilization Center (Sobering Center) need to clarify their admittance protocols and maintain consistent hours.

Recommendation 6

That the Santa Barbara County Board of Supervisors instruct the Santa Barbara County Department of Behavioral Wellness to clarify the admittance protocols and maintain consistent hours for the Crisis Stabilization Unit and Stabilization Center (Sobering Center) to make them more accessible.

Finding 7

The Santa Barbara County Main Jail needs dedicated discharge planners to coordinate post-incarceration programs.

Recommendation 7

That the Santa Barbara Sheriff's Office allocate funding for dedicated discharge planners to coordinate post-incarceration programs.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

Santa Barbara County Board of Supervisors – 90 days

Findings 1, 2, 3, 4, 5, and 6

Recommendation 1, 2, 3, 4, 5, and 6

Santa Barbara County Sheriff's Office – 60 days

Findings 1, 2 and 7

Recommendation 7

Santa Barbara County District Attorney's Office – 60 days

Findings 1 and 2

Santa Barbara County Public Defender's Office – 60 days

Findings 1 and 2

Santa Barbara County Behavioral Wellness – 60 days

Findings 1, 2 and 6

Recommendation 6

Santa Barbara County Probation Department – 60 days

Findings 1 and 2

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GRAND JURY
SANTA BARBARA COUNTY

A ZONING AND PERMITTING ISSUE IN THE CITY OF SANTA BARBARA

Publication of the

2021 Santa Barbara County Grand Jury

December 27, 2021

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A ZONING AND PERMITTING ISSUE IN THE CITY OF SANTA BARBARA

SUMMARY

The 2021 Santa Barbara County Grand Jury investigated a citizen complaint regarding a food processing company in the City of Santa Barbara. The complaint alleged the Company had caused nuisance [noise, odor, and traffic] and zoning issues that the City of Santa Barbara Community Development Department, the City Attorney, and the City Council failed to address. The Jury found: (1) the Building Permit of the Company allowed modification of an existing business facility into a food processing operation in property zoned Commercial-Manufacturing (C-M); (2) local residents contended that the Company’s food processing operations should not have been permitted in zone C-M and have complained about those operations to the present day; (3) the City issued and then failed to enforce a stop operations order against the Company; (4) the City sought to ensure that the Company had taken adequate measures to mitigate the nuisances declared by the complainants; (5) the mitigation measures taken by the Company, approved by the City, did not satisfy the complaints of the affected local residents; and (6) the Santa Barbara City Council never held a public hearing on the complaints and inquiries from residents affected by food processing operations of the Company at the Location.

The Jury recommends that the Santa Barbara City Council: (1) hold public hearings on any zoning, permitting, or Certificate of Occupancy decision, whether involving interior or exterior renovations for any project, that may lead to “obnoxious or offensive” operations; (2) commission a report clarifying the zoning and permitting status of business operations in the C-M zone; (3) commission a report clarifying the status of mitigation measures taken with regard to the food processing operations of the Company; (4) commission a review of the documentation and archiving of zoning and permitting decisions, and the City’s manner of communicating them to the broad public; and (5) promulgate revised City procedures for managing zoning and code enforcement cases, including those for putting complaints about such cases on the Council’s agenda and reporting to residents on the decisions taken by City authorities.

INTRODUCTION

In January 2013, the Santa Barbara City Community Development Department (CDD) received plans for building renovations with interior alteration to include a new refrigerated processing area, freezer, and cooler at a property on the east side of Santa Barbara. Following the CDD’s review, the City approved a building permit for the facility in early 2014. Following complaints by local residents⁶⁹ about noise, odor, and traffic around the facility, the City opened a Code Enforcement Case in 2014. The Company that operated the business at this location responded positively in mitigating the code violations in the areas of traffic noise, odor, and machine noise. Despite the efforts by the Company, the City Attorney issued a “cease and desist” order in mid-2015, on the grounds that the zoning (Commercial Manufacturing [C-M] at City Address A and Retail Commercial [C-2] at City Address B) did not allow the current operations being conducted.

The complainants alleged that no definitive action has been taken to enforce this order or to mitigate

⁶⁹ We use “complainants” and “local residents” interchangeably in this report.

the nuisances alleged to have been caused by the Company. Local residents sought a Grand Jury investigation of: (1) the integrity of the zoning and permitting processes for the business activities at City Address A and City Address B (hereafter collectively referred to as “Location”); (2) the integrity of the enforcement of City orders against noise and odor nuisances; and (3) the denial of CDD and City Council requests for public hearings on their complaints.

The Santa Barbara County Grand Jury (Jury) believed an investigation into the concerns of local residents was justified.

METHODOLOGY

The Jury received documents (80 pages) from the complainants and interviewed a complainant. The Jury interviewed an employee of the local Company and Santa Barbara City officials, as well as reading publicly available documents on the City website and, following a Public Records Act (PRA) request to the City, read material (200 pages) provided by the City in response to that PRA request. A PRA request to the CDD generated another 46 pages of documents.

CHRONOLOGY AND OBSERVATIONS

What is the zoning of the Company’s Location?

The complaint refers to the following City of Santa Barbara zoning designations.⁷⁰

- C-2 Retail Commercial
- C-M Commercial Manufacturing
- H-C Harbor Commercial
- O-C Ocean-oriented Commercial
- OM-1 Ocean-oriented Light Manufacturing

Title 28 (Zoning-Coastal) of the City of Santa Barbara Municipal Code⁷¹ specifically allows certain wholesale or food processing businesses in OM-1 (Ocean-oriented light manufacturing), in OC (Ocean-oriented commercial zone) or in HC (Harbor commercial) zones. Title 30 (Zoning-Inland) neither specifically allows nor specifically forbids those food processing businesses in a C-M zone or a C-2 zone.

The City issued an initial Certificate of Occupancy for a small business at City Address A in 1965. A building permit for renovation of the existing small business at City Address A was issued in 2014 for zone C-M and no change of zoning was required. The adjacent Company parcel at City Address B is zoned C-2. The Municipal Code allowed a CDD official to properly state in a message to a City Council member in 2015, that food products manufacturing is a listed allowed use in the C-M zone provided that the manufacturing operations are not “obnoxious or offensive” (see Appendix 1 for details on C-M and other zones) for reasons of noise, odor, and other disturbances.

The City Attorney had been handling the nuisance complaints since September 2015. The City Attorney later in 2018 wrote to a member of City Council to say that scheduling the complainants’ request for a Council hearing would not be useful. The City Attorney stated in the same email that the issue of the zoning depends upon whether the Planning Division of the CDD made a mistake

⁷⁰ <http://gcode.us/codes/santabarbara/> See Appendix 1

⁷¹ Title 28 of the Municipal Code of the City of Santa Barbara covers “Zoning-Coastal”; Title 30 covers “Zoning-Inland.”

allowing the processing in the CM and C-2 zones. The Council member replied to the City Attorney that the complainant would be informed that this was not a matter for the City Council.

What were the permitting procedures for the Company?

The City issued a Certificate of Occupancy for a business at City Address A in 1965 on what appears to have been the site of a private residence. The Certificate of Occupancy states that the City zone is C-2. City records for a building permit, issued in 1991, show that the existing use of the structure at City Address A had been for the office of a small business. A building permit, issued in 2006 for electrical work at City Address A, states that the zone was C-M.

The process to approve a building permit for work to allow food processing by the Company at the Location began in 2013. The purpose of the building permit was interior alteration to include a new refrigerated processing area, freezer, and cooler. The permitting procedure did not require a new Certificate of Occupancy, a change in zoning, or review by the Planning Commission because the renovation only involved interior work.

The City of Santa Barbara Community Development Department (CDD) managed the permitting process. A City Engineer in the CDD did an initial review of the building proposal in early 2013. According to public correspondence from representatives of the Company, the Planning Division of the CDD approved the plans in 2014. The CDD issued a building permit in early 2014, for zone C-M. Judging from the dates of citizen complaints about noise and odor from the City Address A site, the Company began operations at the site in mid-September 2014.

The City Waterfront Director wrote to the Harbor Commission in July 2014, stating the site would be the new location for all the company's work trucks, warehousing and processing activities.⁷²

What was the role of the City of Santa Barbara Planning Commission at the Location?

The Planning Commission was not involved in the permitting or zoning, nor in any subsequent City actions with respect to the Company at the Location. The Jury learned that the Company's operations at the Location were never an agenda item or discussed at the Planning Commission's meetings from 2012 to the present. The Planning Commission was not involved because the renovations done at those addresses, as allowed under a City building permit, did not involve exterior work.

What have been local residents' complaints against the Company?

The complaints are:

- Complaints to the Community Development Department in: April 2014; September 2014; November 2014; protest at the CDD office in July 2015; February 2018;
- Correspondence with the City Attorney in: January 2015; October 2016;
- Correspondence with the City Administrator in: November 2016; December 2016;
- Correspondence with the City Council from 2015 through March 2021; notable is a request in 2018 to put the grievances of local residents on the Council Agenda, which was not done;
- Letter to the Attorney General of the State of California; the Attorney General's Office replied on June 9, 2017, informing local residents that their complaints should be directed to

⁷² As discussed before the Harbor Commission.

https://www.santabarbaraca.gov/SBdocuments/Advisory_Groups/Planning_Commission/Archive/2014_Archives/03_Staff_Reports/2014_08_21_August_21_2014_Item%20III.B_5-Year_Review_of_Uses_in_the_Harbor_Commercial_Zone_Staff_Memorandum.pdf

- the County Grand Jury or to a private lawyer; and
- Exchanges with the Mayor of the City of Santa Barbara (several times in 2018).

How have City authorities and the Company responded to the complaints?

After numerous complaints by local residents about the Company, the CDD opened a Nuisance Enforcement Investigation in September 2014, in response to residents' concerns about noise from refrigeration units close to the property line, loud noise from trucks, and odors. The Company was subsequently ordered to build a trash enclosure and sound barrier as part of measures to remedy violations identified in the enforcement case. After several exchanges about the sound issue with the CDD, the City Architectural Board of Review approved plans for the trash enclosure and sound barrier. The trash enclosure and sound measures were taken in compliance with the City's order to address the noise from the Company; however, it was not to a level acceptable to the complainants. Their effects on odors are unclear. Local residents continued to complain about odors until July 2015. The next entry (September 2015) in the enforcement case file noted the enforcement case was at the City Attorney's Office and the CDD was waiting to hear from the City Attorney before further pursuing the enforcement case.

The Jury learned that the City Attorney informed the Company that the Locations in question were zoned C-M and C-2.⁷³ The Jury further learned that the City Attorney's Office had concluded that the type of processing at the Locations is not an allowed use in either the C-M zone or the C-2 zone. In July 2015, the City Attorney therefore ordered the Company to stop operations at the Location.

The City Attorney's "cease-and-desist" letter launched wide-ranging exchanges. An initial reply from the Company stated "food products manufacturing" is an allowed use in the C-M zone district. The Company further stated that the building permit issued for the Location identified a refrigerated area at the facility which would be needed for the type of food processing in question.

Following correspondence between the City Attorney and representatives of the Company, the Jury learned of further developments:

- The Company argued that its activities are food products manufacturing, which is expressly permitted in the C-M zone where the Company is located.
- The Company planned to reduce machinery noise by building an enclosure.
- The Company is aware of odor complaints made to the Air Pollution Control District (APCD)⁷⁴ and has been responsive to those complaints.
- Concerning residents' complaints about traffic noise, the Company agreed to reduce working hours to 7 AM-7 PM.
- A second⁷⁵ code enforcement case against the Company involved noise from machinery units operating day and night in excess of the noise levels specified in SBMC 9.16.070 Mechanical Equipment.

Negotiations of a draft Settlement Agreement between the City Attorney and representatives of the

⁷³ The Jury also learned that City officials had determined the Company to be a "Food Products Manufacturing" operation "which is a listed allowed use in the C-M zone."

⁷⁴ The nuisance enforcement case file shows that representatives of the Company knew of odor complaints made to the CDD.

⁷⁵ Three other code enforcement cases at the Location were not relevant to the Jury's investigation.

Company took place between July 2015 and August 2016. A settlement agreement meeting took place in August 2015, between the City Attorney and representatives of the Company. Representatives of the Company then wrote a draft zoning enforcement agreement between the Company and the City.”

The Jury learned that the City Attorney and representatives of the Company had drafted a Settlement Agreement in November 2015. In February 2016, local residents contacted the City Attorney saying they did not accept the agreement with the Company and preferred that “the city pursue enforcing the zoning code with a cease operations to the Company.” Additional exchanges among the Company, the City Attorney, and local residents did not lead to the Settlement Agreement, which remains unsigned to the present day.

Local residents wrote to the Director of the CDD in February 2018 to ask for a public hearing to revoke the Certificate of Occupancy permit of the Company at City Address A. The Director for the CDD forwarded the residents’ request to the City Attorney.

The Jury learned the Company has cooperated with every nuisance enforcement case brought by the City, has made good faith efforts (such as changing working hours to reduce traffic noise) to mitigate the alleged nuisances, has invested in mitigation measures (such as building a trash enclosure and sound barrier, which were reviewed and approved by City authorities), and has met with City officials and with local residents to discuss the complaints.

The Jury notes that the many communications on this matter, among City officials at various levels, and between local residents and City officials, are not always clear and are not always easy to find without significant effort in searching the City archives.

How did the City Council respond to residents’ complaints about the Company?

Local residents have complained to City Council members on many occasions. There have been numerous exchanges of emails between residents and Council members since 2014. In June 2018, residents requested to a City Council member that their concerns be placed on the Council’s agenda; the Council did not honor that request. As recently as March 2021, residents again sought unsuccessfully to have their concerns placed on the Council’s agenda. Despite the refusal of the Council to place the residents’ complaints on the Council’s agenda, the residents, Mayor, and some Council members have met at various times and places from late 2014 through July 2018 in order to come to a compromise. These meetings have not satisfied residents’ complaints.

How were the complainants and the public notified of City responses to the complaints in this investigation?

The City authorities notify complainants and the general public in several ways. In the matter of the Company, the City authorities have notified the complainants through correspondence from City authorities (the Office of the City Attorney, the City Council, the Office of the Mayor, officials of the Community Development Department in the Planning Division and in the Code Enforcement Division).

They have further informed the public through publicly available documents, such as the code enforcement documents and the minutes of various City institutions, notably those of the City Council, the Planning Commission, and the Architectural Review Board. Code enforcement documents can be searched online at <https://www.santabarbaraca.gov/services/planning/cdprd.asp>.

What have the complainants said about the effects of the activities of the Company?

The complainants contend that they have suffered health-related problems owing to the operations of the Company. One complainant, who lives in the area near the Company, complains of headaches caused by noise and odor.

Other neighbors contend that they have suffered economic losses. One had to leave work early on occasion because of odors from the Company. Noise, especially from the Company mechanical units, was said to have led to tenant turnover in at least one neighborhood business.

For more than seven years, several individual complainants have expressed health and economic concerns regarding the Company operations.

CONCLUSION

In 2014, the City of Santa Barbara issued a Building Permit for a food processing facility at the Location. The work consisted of interior renovations to build cold processing and storage structures. That site at City Address A is in a C-M zone, which is one in which the type of food processing at the Location is neither prohibited nor specifically allowed. City CDD officials interpreted the City's C-M zoning as allowing food processing because it allows food product manufacturing subject to avoidance of "obnoxious or offensive" disturbances. Some local residents disagree about the interpretation of the C-M zoning and have subsequently complained of noise, food odor, and traffic nuisances created by the food processing operations and have argued that the facility is in a zone where food processing is not allowed. Despite costly measures taken by the Company to comply with notices of code enforcement sent by the City, residents' complaints continue about the nuisances from the Location. Efforts in 2015 and 2016 to reach a settlement between the City Attorney and representatives of the Company never materialized because of opposition from the affected residents. Several offices of the City of Santa Barbara – the Community Development Department, the City Administrator, the City Attorney, the City Council, the Office of the Mayor – have responded to these complaints, but the 2021 Santa Barbara County Grand Jury found that those responses have not completely eliminated the nuisances to the local residents' satisfaction.

FINDINGS AND RECOMMENDATIONS

Finding 1

The City of Santa Barbara Community Development Department issued a Building Permit in 2014 for interior renovations of the Company's facilities at the Location without review by the City of Santa Barbara Planning Commission since such a review was not required.

Recommendation 1

That the City Council of Santa Barbara direct the City of Santa Barbara Planning Commission to hold a public hearing on any zoning, permitting, or Certificate of Occupancy decision, whether involving interior or exterior renovations for any project, that may lead to "obnoxious or offensive" operations in any zone.

Finding 2

Residents contended in 2014 that the Company's food processing operations in zone C-M should not have been permitted in zone C-M and have maintained that opinion to the present day.

Recommendation 2

That the Santa Barbara City Council direct the City of Santa Barbara Community Development Department to issue a report to the Santa Barbara City Council clarifying the uses that are allowed by the City Code's land use regulations for the C-M zone.

Finding 3

Following renovations at the Location, which made the Company operational, neighboring residents have complained about machinery noise, odor, and traffic noise from those operations from mid-2014 to the present day.

Recommendation 3a

That the Santa Barbara City Council direct the City of Santa Barbara Community Development Department to issue a report to the Santa Barbara City Council reviewing the status of mitigation measures taken with regard to the food processing operations of the Company at the Location.

Recommendation 3b

That the Santa Barbara City Council direct the City Community Development Department to review the documentation and archiving of its zoning and permitting decisions and its manner of communicating with the public, appointed officials, and elected officials with the purpose of making those decisions more complete, clearer, and more accessible to the general public and to City officials at all levels.

Finding 4

The City Attorney of the City of Santa Barbara issued a "cease-and-desist" order to the Company, in July 2015, following citizens' complaints about the Company and having concluded that the Company's specific type of food processing is not allowed in the C-M or C-2 zones.

Finding 5

Following negotiations between the City Attorney of the City of Santa Barbara and representatives of the Company, those parties drafted a "Settlement Agreement" to mitigate the claimed nuisances – machine noise, traffic noise, and food odor – which recognized that the parties have differing interpretations of the Santa Barbara City Code with respect to zones C-M and C-2 and allowed the Company to continue operations at Location.

Finding 6

The Santa Barbara City Council never held a public hearing on the complaints and inquiries from residents affected by food processing operations of the Company at the Location.

Recommendation 6

That the Santa Barbara City Council direct the City Administrator to promulgate revised procedures for managing zoning and code enforcement cases, including procedures for putting complaints about such cases on the Council's agenda and reporting to residents on the decisions taken by City authorities.

REQUEST FOR RESPONSE

Pursuant to *California Penal Code Section 933 and 933.05*, the Santa Barbara County Grand Jury requests each entity or individual named below to respond to the enumerated findings and recommendations within the specified statutory time limit:

Responses to Findings shall be either:

- Agree
- Disagree wholly
- Disagree partially with an explanation

Responses to Recommendations shall be one of the following:

- Has been implemented, with brief summary of implementation actions taken
- Will be implemented, with an implementation schedule
- Requires further analysis, with analysis completion date of no more than six months after the issuance of the report
- Will not be implemented, with an explanation of why

The City Council of Santa Barbara – 90 days

- Findings 1, 2, 3, 4, 5, and 6
- Recommendations 1, 2, 3a, 3b, and 6

APPENDIX 1

ZONES FOR BUSINESS ACTIVITIES IN THE CITY OF SANTA BARBARA

Section 30.05.10 of the City of Santa Barbara Municipal Code shows current zones and previous zones at <http://qcode.us/codes/santabarbara/>. This Report refers to the old zone names because the RFI and the responses refer to the old zone names.

C-2 (old); C-G Commercial General (new). The C-2 zone is applied to land that is appropriate for retail business and commercial needs including stores, shops, and offices supplying commodities or performing services for the residents of the surrounding community. C-2 (now C-G) does not include the types of food processing done by the local Company.

C-M Commercial Manufacturing (old); M-C Manufacturing Commercial (new). This zone seeks to provide a desirable living environment by preserving and protecting surrounding residential land uses. in terms of light, air and visual amenities. “Any of the following uses, provided that such operations, manufacturing, processing or treatment of products are not obnoxious or offensive by reason of emission of odor, dust, gas, fumes, smoke, liquids, wastes, noise, vibrations, disturbances or other similar causes which may impose hazard to life or property.” A list of 30 uses is given including (#16) “Food products manufacturing.”

H-C Harbor Commercial (old); CO-H Coastal Oriented Harbor (new). “The Coastal-Oriented Harbor (CO-H) Zone strives to maintain the harbor as primarily a working harbor with visitor-serving and coastal-related uses secondary to coastal-dependent uses, and that Stearns Wharf will consist of a mixture of visitor-serving, and coastal-dependent and coastal-related uses. In addition, this zone is intended to preserve and protect the coastal environment in terms of light, air, and visual amenities.”

OC Ocean-Oriented Commercial (old); CO-CAR Coastal Oriented, Commercial Arts and Recreation (new). “The Coastal-Oriented Commercial, Arts, and Recreation (CO-CAR) Zone strives to achieve balanced use of the City’s Waterfront and maintain the small scale, local character that is unique to the Waterfront area. Land uses shall be encouraged in this zone that maintain and enhance the desirability of the Waterfront as a place to work, visit, and live. This zone is intended to foster a vital, mixed-use neighborhood and preserve and protect the coastal environment in terms of light, air, and visual amenities. Land classified in the CO-CAR Zone may also be classified in the Coastal-Oriented Hotel and Visitor-Serving (CO-HV) Zone.”

OM-1 Ocean-Oriented Light Manufacturing (old); CO-MI Coastal-Oriented Manufacturing Industrial (new). “The Coastal-Oriented Manufacturing Industrial (CO-MI) Zone strives to provide for appropriate coastal-dependent and coastal-related industrial uses in close proximity to the Harbor/Wharf Complex. The zone encourages the establishment of coastal-oriented industrial uses in keeping with the policies of the California Coastal Act and the City’s Local Coast