

Sierra Madre Cottages

County of Santa Barbara

Community Services Department, Housing & Community Development Division

Public Hearing to Consider Draft FY 2017-18 and FY 2018-19 Action Plan Amendments

Board of Supervisors
February 12, 2019



Summary of Recommended Actions

- Consider public comments on the draft FY 2017-18 and FY 2018-19 Action Plan Substantial Amendments
- Approve the Action Plan Substantial Amendments to be submitted to HUD that includes the provision of HOME funds to develop Sierra Madre Cottages a project in the City of Santa Maria
- Approve a loan of \$1,114,988 in HOME Funds and \$285,012 in Inclusionary Housing Ordinance (IHO) In-Lieu Funds for a total of \$1,400,000 to Sierra Madre Cottages, L.P.



Public Hearing

As required by HUD:

- Board to hear and consider public comments
- 30-day public comment period:
January 12, 2019 – February 12, 2019
- Comment period closes after public hearing on this item
- No public comments received by HCD



Property Description

- Located directly south of 624 East Camino Collegio, in Santa Maria
- 39 senior housing units plus 1 manager's units
- 39 units will be income and rent restricted for households with incomes at or below 50% and 60% of the area median income



Project Funding Sources

Funding Sources

Construction Loan	9,458,817
Permanent Loan	2,127,400
Sponsor Loan	30,147
County/City HOME/In Lieu	1,400,000
Accrued Interest during construction	35,456
AHP sponsor loan	390,000
City of Santa Maria - CDBG	400,893
Tax Credit Equity (Net)	9,586,384
GP Capital	100
Total Funding Sources	\$23,429,197



HOME Loan

- 7 HOME-Assisted Units and 2 County-Assisted Units will be subject to the income eligibility terms
- Will Return to Board of Supervisors on 02/26/19 with County Loan documents:
 - Loan will bear simple interest at the rate of 3% per annum;
 - Loan payments will be made from residual receipts; and
 - The balance of the principal, and all accrued interest, will be due and payable on the earlier of 55 years or the date the property is sold or transferred.



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- Consider public comments on the draft Action Plan Substantial Amendments
- Approve the Action Plan Substantial Amendments to be submitted to HUD that includes the provision of HOME funds to develop property in the City of Santa Maria
- Approve a loan of \$1,114,988 in HOME Funds and \$285,012 in Inclusionary Housing Ordinance (IHO) In-Lieu Funds for a total of \$1,400,000 to Sierra Madre Cottages, L.P.

