

Attachment C

AMENDMENT TO COMMITMENT AGREEMENT  
BY AND BETWEEN  
SANTA BARBARA COUNTY AND McCLELLAND SANTA MARIA, L.P.

This agreement to amend a loan commitment agreement (hereinafter “Commitment Amendment”) is made by and between the County of Santa Barbara, a political subdivision of the State of California (“County”) and McClelland Santa Maria, L.P., a California limited partnership, and amends and extends that certain Loan Commitment Agreement made by and between the County and Santa Barbara Housing Assistance Corporation (SBHAC), dated as of June 1, 2009 (“Commitment Agreement”).

This Commitment Amendment is made as of \_\_\_\_\_, 2011, by and between the County and McClelland Santa Maria, L.P. as successor in interest to SBHAC in reference to the following facts:

A. County is the lead agency of the Santa Barbara County HOME Consortium and administers the HOME Program on behalf of the Consortium.

B. On May 13, 2008 the Board of Supervisors adopted a resolution approving the 2008 update to the County of Santa Barbara HOME Consortium Consolidated Plan (“Action Plan”) governing the use of HOME funds. The Board action included an approval of a reservation of funds in the amount of Four Hundred Seventy Seven Thousand Seventy Seven Dollars (\$477,077) for the development of a 47 unit affordable housing complex in the City of Santa Maria (“Project”).

D. The County and SBHAC entered into a HOME Commitment Agreement dated June 1, 2009, through which the County committed HOME Investment Partnerships Program (HOME) funds under the Santa Barbara County HOME Consortium in the amount of \$477,077 for the Project.

E. On September 10, 2010 the Affordable Housing Loan Committee (“Loan Committee”) approved the commitment of an additional Ninety Five Thousand Ninety Nine Dollars (\$95,099) in HOME funds to the Project in exchange for an equal amount of Community Development Block Grant funding recommended to be deobligated from the project, subject to Board of Supervisors approval.

F. An amendment to the 2008 Action Plan, which includes the additional \$95,099 in HOME funding reservation to the Project, was approved by the Board of Supervisors concurrently with this Agreement, on August 9, 2011.

G. The Commitment Agreement and this Commitment Amendment constitute a commitment of funds to an eligible project within two years of the County receiving the 2008 HOME grant, as required under the HOME Program.

H. At the time of commitment of HOME funds to the project in 2009 through the Commitment Agreement the project sponsor was SBHAC.

I. On August 9, 2010, SBHAC, Roope LLC, and Surf Development Company executed an Amendment to the Certificate of Limited Partnership replacing SBHAC in the Project and the sponsoring partnership, McClelland Santa Maria, L.P., with Surf Development Company as the Managing General Partner.

J. Surf Development Company is a Community Housing Development Organization (CHDO) as set forth in the HOME Program Guidelines.

K. The Project is currently under construction and final commitment of HOME funds and recommended loan terms were approved by the Loan Committee on September 10, 2010.

Now, therefore, for good and valuable consideration, the County and McClelland Santa Maria, L.P. agree as follows:

1. The Commitment Agreement is hereby amended as set forth below:

a. Section 3, Purpose of the Agreement, is modified to read as follows:

“The Commitment Agreement evidences the commitment of an aggregate of Five Hundred Seventy Two Thousand One Hundred Seventy Six Dollars (\$572,176) through the 2008 Action Plan and Action Plan amendment and the intent to negotiate a loan of HOME funding for the Project.”

b. Section 4, Term of this Agreement, is modified to read as follows:

“This Agreement shall begin immediately and terminate the earlier of July 1, 2012 or until such time that a Loan Agreement is negotiated and executed between County and McClelland Santa Maria, L.P. for the Project.

c. Addition of Section 17, Reporting Requirements:

“McClelland Santa Maria, L.P. agrees to provide County with quarterly project status update reports consisting of, at minimum, the following information:

1. Updated budget
2. Most recent draw sheet
3. Update on status of construction
4. General project update

Reports shall be provided on the following dates:

August 31, 2011  
November 30, 2011  
February 28, 2012  
May 31, 2012”

Except as amended by this Amendment, the Commitment Agreement shall continue unmodified and in full force and effect.

In witness whereof, the County and McClelland Santa Maria, L.P. have caused this Commitment Amendment to be executed by their respective duly authorized officer:

McCLELLAND SANTA MARIA, L.P.  
a California limited partnership

COUNTY OF SANTA BARBARA  
a political subdivision of the  
State of California

By: Surf Development Company, a California  
non-profit public benefit corporation,  
Managing General Partner

By: \_\_\_\_\_  
Joni Gray  
Chair of the Board of Supervisors

By: \_\_\_\_\_  
Raymond Down  
Board President

ATTEST:  
CHANDRA L. WALLAR  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

**APPROVED AS TO FORM:**

DENNIS A. MARSHALL  
COUNTY COUNSEL

RISK MANAGEMENT

By: \_\_\_\_\_  
Mary McMaster  
Senior Deputy County Counsel

By: \_\_\_\_\_  
Ray Aromatorio  
Risk Manager

**APPROVED AS TO FORM:**

ROBERT W. GEIS  
AUDITOR-CONTROLLER

By: \_\_\_\_\_  
Juan Izquierdo  
Division Chief