



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Housing and
Community
Development
Department No.: 055
For Agenda Of: 7/03/07
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Name & Phone
Director(s) John Torell, Housing and Community Development Director x 3520
Contact Info: Name & Phone
Patricia Gabel, Housing Finance Manager x 3522
SUBJECT: Satisfaction and Release of Devereux Declaration Of Covenants, Conditions And Restrictions

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: Select_Concurrence

Recommended Actions:

That the Board of Supervisors approve and direct the Chair to execute the Satisfaction and Release of Declaration of Covenants, Conditions and Restrictions for the Devereux projects located at 625 Cambridge Drive and 510 Evonshire Avenue in the City of Goleta in the 3rd District (Attachments 1 and 2).

Summary Text:

Santa Barbara Community Housing Corporation (CHC) has requested that the County release the Declaration of Covenants, Conditions and Restrictions that were recorded against each of the two properties referenced above. CHC has met the required HUD regulatory period to maintain the properties for occupancy for very low income developmentally disabled individuals and wishes to repay the \$130,271 County loan in full with accrued interest.

CHC requests that the original thirty regulatory period imposed by the County be reduced to reflect the HUD requirement of ten years. The residents are being moved to other CHC – owned apartments where they will receive affordable rents as well as on – site support services. CHC plans to sell the two homes at market rate in order to obtain the resources necessary to purchase and develop a site to develop additional affordable rental apartments for the community.

Background:

In 1995 Santa Barbara Community Housing Corporation (CHC) borrowed \$130,271 in HUD HOME Investment Partnerships Program funds from the County of Santa Barbara in order to acquire and rehabilitate two residential properties in Goleta. The State of California also provided acquisition and rehabilitation funding for this project through the Department of Developmental Services. The two residences were used as group homes occupied by developmentally disabled individuals. The residents were selected by Tri – Counties Regional Center (Tri – Counties) and received on – site support services from a service provider funded by Tri – Counties.

In September 2005 Tri – Counties changed its policies regarding the number of developmentally disabled individuals allowed to live together in a group home. The change in Tri – Counties policy resulted in a reduction in the rents available to repay the project’s first mortgage a causing serious financial burden to the not – for – profit organization. Tri – Counties now views the placement of developmentally disabled individuals in affordable apartments as a higher priority than placing them in group homes. After negotiations with CHC, the State of California allowed CHC to repay the State loan, released its Regulatory Agreement recorded against the two properties and authorized CHC to relocate the residents to new residences.

Performance Measure:

The recommendation(s) are primarily aligned with Goal No. 7. A Community that Fosters the Safety and Well-Being of Families and Children.

Fiscal and Facilities Impacts:

Budgeted: No **Fiscal Analysis:**

Narrative: The County loan will be paid in full according to the terms of the original note.

Staffing Impacts: None

Special Instructions:

Notary Acknowledgement of signature required. One original of each Attachment must be recorded with County Recorder’s Office.

Attachments:

- Attachment 1 - Amendment and Release of Declaration of Covenants, Conditions and Restrictions – Cambridge (2 copies)
- Attachment 2 – Amendment and Release of Declaration of Covenants, Conditions and Restrictions – Evonshire (2 copies)

Authored by:

Patricia Gabel, Housing Finance Division Manager

CC:

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