



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: Community Services
Department
Department No.: 057
For Agenda Of: May 1, 2012
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Herman Parker, Community Services Director, (805) 568-2467
Director(s)
Contact Info: Sharon Friedrichsen, Deputy Director, (805) 568-3520

SUBJECT: **Agreement to Provide Affordable Housing for the St. George Multi Unit Housing Project; 08DVP-00000-0040, 09CDP-00000-00039 (Third District)**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: Planning & Development

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair of the Board of Supervisors to execute 2 copies of the attached Agreement to Provide Affordable Housing and Rental Restrictive Covenant (the Agreement and Covenant) for The St. George Multi Unit Housing Project [08DVP-00000-0040, 09CDP-00000-00039] in Isla Vista;
- b) Direct the Community Services Department staff to record the attached Agreement and Covenant;
- c) Determine that the approval of the Agreement and Covenant is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines, Section 15061(b) (3), because of the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment and there is no possibility that the approval of the Agreement and Covenant may have a significant effect on the environment and direct staff to file the attached draft Notice of Exemption.

Summary Text:

The Planning Commission approved The St. George Multi Unit Housing Project on January 20, 2010. The approved project, pursuant to the Planning Commission Action Letter dated January 25, 2010, allowed for fifty-five (55) residential units (including ten (10) designated as affordable units) located at 870 Camino Del Sur in Isla Vista, Third Supervisorial District, Assessor Parcel Number 075-101-022.

The project consists of 55 rental units made up of eighteen (18) 550 square foot one-bedroom, twenty six (26) 950 square foot two-bedroom and eleven (11) 1,050 square foot three-bedroom units. These units would be divided amongst five buildings enclosing a central courtyard open space area. Of the ten

(10) affordable units, all would be one-bedroom units available for rent to low income households earning 60% of the Area Median Income (60% Income Households). Pursuant to State Density Bonus Law, the ten (10) affordable units will remain affordable and available for lease by the 60% Income Households for a thirty (30) year term. During this thirty (30) year term, the ten (10) affordable units cannot be individually sold.

Background:

State Planning Law mandates that local jurisdictions prepare Housing Elements containing policies and programs to ensure local provision of affordable housing. One of these programs is a Density Bonus program, which is mandated by State Density Bonus Law (Government Code §65915-65918). The approval, execution and recordation of this Agreement to Provide Affordable Housing will satisfy the requirements of the housing conditions, which state:

“35. Prior to Land Use Permit issuance the applicant shall enter into and record an Agreement to provide and Rental Restrictive Covenant, which shall include a model Restrictive Covenant and Preemptive Right. The Agreement to Provide and Rental Restrictive Covenant shall be executed and recorded by the Applicant. The Agreement and Covenant shall be based on the the County’s model documents, as they may be amended from time to time, and subject to the review and approval of Planning & Development (P&D), County Housing and Community Development (CHCD) and County Counsel. These shall specify affordability terms described in Condition No. 37. The owner of the property will also agree to be bound by the Agreement to provide and Rental Restrictive Covenant in the event the lease terminates prior to the Agreement to Provide and Rental Restrictive Covenant. In addition, the Agreement and Covenant shall include provisions describing marketing and lottery requirements for the initial sale/rental of units; requiring income eligibility of prospective buyers/renter to be determined by the County or its designee; requiring prospective buyers/rent of the affordable units to sign an Intent to Reside statement; requiring a Notice of Default and Notice of Sale, as well as the Covenant, be recorded with the original and all subsequent deeds, and stating that the maximum sales/rental rate for the affordable units shall not exceed the maximum levels established by the Board of Supervisors, consistent with the provisions of the Housing Element and state law.”

“36. Affordable units shall be constructed concurrent with the construction of the market rate units in each phase of development. Occupancy clearance for no more than 50% of the market rate units in a given phase shall be allowed prior to occupancy clearance for the affordable units for that same phase of development. **Plan requirements & Timing:** Prior to Land Use Permit Issuance, this requirement shall be included in the Agreement to Provide and Rental Restrictive Covenant and shall be printed on all grading and building plans. **Monitoring:** Planning and Development staff shall ensure compliance during construction.

“37. The applicant shall provide ten (10) low income dwelling units (25% of base density) available for rent at prices affordable to households earning 60% of Area Median Income (AMI) consistent with the provisions of Government Code §65915-65918 (Density Bonus). **Plan Requirements and Timing:** Prior to Land Use Permit issuance the applicant shall enter into and record an Agreement to Provide and Rental Restrictive covenant, which shall include a model Restrictive Covenant and Preemptive Right. The Agreement to Provide and Rental Restrictive Covenant shall be executed and recorded by the Applicant. The Agreement and

Covenant shall be based on the County's model documents, as they may be amended from time to time, and subject to the review and approval of Planning & Development (P&D), County Housing and Community Development (CHCD) and County Counsel. The units shall remain affordable for a period of thirty years or longer if required by the financing, insurance or rental subsidy program used. In addition, the running of the covenant shall toll during any period of violation."

The Board has determined that the previously certified EIR prepared for the Isla Vista Master Plan (03-EIR-08) is adequate environmental review for this project pursuant to CEQA Statute Section 21090(b). The proposed Agreement to Provide Affordable Housing and Rental Restrictive Covenant will have no additional impact on CEQA requirements. A copy of this document is on file for review with Planning and Development.

Fiscal and Facilities Impacts:

Budgeted: No

Narrative: No fiscal or facilities impacts at this time, although ten (10) affordable units will become available and part of the County's affordable housing stock. Grading of the site commenced in March, 2012. Construction is expected to begin by mid May 2012, with estimated occupancy expected by November 2012.

Staffing Impacts:

None. Community Services Department is the implementing agency of the County's Inclusionary Housing program and, in this role, is the lead agency in drafting the "Agreement to Provide" based on the Conditions of Approval as set forth by the Planning and Development Department.

Special Instructions:

- Clerk of the Board to contact Margo Wagner at ext. 3529 to pick up one copy of the executed *Agreement to Provide Affordable Housing and Rental Restrictive Covenant*
- Provide a copy of the minute order reflecting the Board action.

Attachments:

Attachment "A" – Agreement to Provide Affordable Housing and Rental Restrictive Covenant

Attachment "B" – Notice of Exemption

Authored by:

Margo Wagner, Housing Program Specialist II

cc:

Developer: St. George & Associates

Alex Tuttle, Planning and Development

Anne Almy, Planning and Development