



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: 10/23/07
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: HCD Director John Torell, ext. 3520
Housing Finance Pat Gabel, ext. 3522
Manager
SUBJECT: **Housing Authority of Santa Barbara County Purchase of Vintage Walk
Affordable Housing Units, City of Buellton, 3rd Supervisorial District**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A) Approve and authorize the Chair of the Board of Supervisors to execute a Loan Agreement in the amount of \$180,000, utilizing Santa Ynez Valley Housing Market Area Local Affordable Housing Funds, and a Regulatory Agreement, with the Housing Authority of Santa Barbara County enabling the Authority to acquire six (6), very low-income one-bedroom apartment units in the Vintage Walk mixed-use development, located at 575 and 595 Avenue of Flags, City of Buellton, 3rd Supervisorial District.
- B) Approve the attached Budget Revision and to reallocate \$198,000 of existing HCD local funds, \$180,000 of which is allocated for direct project costs, and \$18,000 of which is allocated for project administrative costs.

Summary:

Located at 575-595 Avenue of the Flags in downtown Buellton, Vintage Walk I is a mixed-use development project nearing completion of construction. It has been developed through a partnership comprised of Kerry Moriarty and the Bermant Development Company, and consists of 17 multi-family residential apartment units as well as 10,430 square feet of commercial space. Of the 17 multi-family units, six (6) one-bedroom apartment units are designated as very-low income affordable rentals which the Santa Barbara County Housing Authority is proposing to acquire from the developer as a "turn-key" acquisition project. In addition to purchasing the six (6), affordable one-bedroom apartment units, 1,340 square feet of

commercial space will also be acquired. The County Housing Authority has expressed plans on utilizing this commercial space as administrative staff offices.

The project has been deemed consistent with all environmental and land use policies and regulations and was issued a Tentative Parcel Map by the City of Buellton Planning Commission at its October 5, 2006 public hearing, subsequently receiving Buellton City Council approval as well. The total cost of acquisition of the six housing units is \$786,000, comprised of the funding sources in the following lien positions:

Funding Source	Amount
Community West Bank Loan	\$495,000
Santa Ynez Valley Housing Market Area Local Affordable Housing Funds (County Loan)	\$180,000
Santa Barbara County Housing Authority Funds	\$111,000
Total Project Acquisition Cost	\$786,000

As indicated, the county loan will be in second position to the Community West Bank Loan.

On April 24, 2007, the project was reviewed by Santa Barbara County’s Affordable Housing Loan Committee and received unanimous approval. The project financial proforma indicates that the project is financially feasible and that the county loan is secure, based on its projected revenues, expenses, and cash flow statements. The loan terms and conditions are 3% interest, 30—year term, residual receipts loan.

Performance Measure:

Safe and Healthy Families: Housing for all Segments of the Population.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Santa Ynez Housing Market Area Local Affordable Housing Funds	\$198,000
Total	\$198,000

Staffing Impacts:

Legal Positions:

n/a

FTEs:

n/a

Special Instructions:

Execute three (3) original copies of the Loan Agreement and two (2) copies of the Regulatory Agreement. Please contact Miriam Gallardo at ext. 3529 to pick up two (2) original copies of the executed Loan Agreement, one (1) original copy of the Regulatory Agreement.

Attachments:

Attachment A: Loan Agreement in the amount of \$180,000 between Santa Barbara County and the Santa Barbara County Housing Authority

Attachment B: Regulatory Agreement for Vintage Walk Apartments

Attachment C: Budget Revision 2007054

Authored by:

Carlos Jimenez, Senior Housing Program Specialist

cc: