



**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

**Submitted on:**  
**(COB Stamp)**

**Department Name:** Community Services  
**Department No.:** 057  
**Agenda Date:** December 16, 2025  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

**TO:** Board of Supervisors  
**FROM:** Department Director: Jesús Armas, Director, Community Services Department  
Contact Info: Joe Dzvonik, Assistant Director, Housing & Community Development  
Lucille Boss, Housing Programs Manager  
**SUBJECT:** **Agreement to Provide Affordable Housing and Rental Restrictive Covenant for SBSR, LLC Apartments 22DVP-00000-00004 (Second Supervisorial District)**

**County Counsel Concurrence**

As to form: Yes

**Other Concurrence: Risk Management**

As to form: Yes \_\_\_

**Auditor-Controller Concurrence**

As to form: Yes \_\_\_

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve the execution by the Board Chair of an Agreement to Provide Affordable Housing and Rental Restrictive Covenant and Preemptive Right with SBSR, LLC (Attachment A); and
- b) Determine that the above recommended action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 21159.25, Exemption: Residential or Mixed-Use Housing Projects (Attachment B).

**Summary Text:**

The recommended action seeks Board approval authorizing the Chair of the Board of Supervisors to execute an Agreement to Provide Affordable Housing and Rental Restrictive Covenant and Preemptive Right (Agreement) with SBSR, LLC (Owner-Developer) for the SBSR, LLC Apartments (Project) located at 4555 Hollister, and to direct its recordation, pursuant to County Code Chapter 46A-6(d). The matter before Board today does not involve approval of the Project itself. Rather, the issue before the Board centers on approval and authorization to enter into an agreement to preserve the affordability of 3 of the units in the Project for a term of 55 years. Per the Project's Conditions of Approval, the Project will provide two (2) Very Low-income units and one (1) Low-income unit affordable to households earning up to fifty percent (50%) and sixty percent (60%) of the Area Median

Income (AMI) for the County, respectively, and remain subject to a Rental Restrictive Covenant and Preemptive Right for a period of fifty-five (55) years.

**Background:**

On April 24, 2024, the County Planning Commission approved a residential project to be developed at 4555 Hollister Avenue [Assessor Parcel Number (APN) 061-070-002] in the Eastern Goleta Valley Community Plan Area, Second Supervisorial District. The project, submitted pursuant to Senate Bill 330, comprises the demolition of one two-bedroom apartment, two one-bedroom apartments, and one studio apartment, and the construction of a new 22-unit residential apartment complex consisting of 21 new one- and two-bedroom apartments. The complex is comprised of 11 new buildings, 10 of which contain two units and one of which contains one unit. The development totals 23,945 square feet, and the Very low- and Low-income units remain subject to a Rental Restrictive Covenant and Preemptive Right for a period of fifty-five (55) years. This project's application was submitted pursuant to the State Density Bonus Law.

The matter before Board today does not involve approval of the Project itself. Rather, the issue before the Board centers on approval and authorization to enter into an agreement to preserve the affordability of 3 of the units in the Project for a term of 55 years. This authorization is required pursuant to County Code Chapter 46A-6(d)

The project proposes demolishing four existing units. Pursuant to Section 69515(c)(3)(A)(i) of the State Density Bonus Law, an applicant shall be ineligible for a density bonus or any other incentives or concessions under this section if the housing development is proposed on any property that includes a parcel or parcels on which rental dwelling units are located and are occupied by Low- or Very low-income households, unless the proposed housing development replaces those units. The project proposes three Lower-income units and therefore meets the requirement for replacing the demolished units.

To comply with the Project's Conditions of Approval, the Agreement to Provide Affordable Housing (Attachment A), including the Covenant attached thereto as Exhibit F, must be executed and recorded prior to the issuance of building permits.

**Performance Measure:**

N/A

**Contract Renewals:**

N/A

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

Three (3) affordable rental units will become available and part of the County's affordable housing inventory, which will require annual monitoring until the expiration of the term of the Agreement to Provide Affordable Housing and Rental Restrictive Covenant and Preemptive Right. The fiscal impact of future monitoring is included in the base budget.

**Staffing Impacts:**

CSD administers the County's Inclusionary Housing Program and, in this role, is the lead agency in drafting the Agreement and Covenant based on the Project Conditions of Approval as set forth by the County. CSD will use its monitoring and reporting processes to mitigate risks and preserve the existing stock of affordable housing through its involvement with any resale, refinancing, or other transfer of these three (3) Affordable Units for the duration of the term of the Covenant.

**Special Instructions:**

1. After Board approval, Clerk please forward one original executed, certified Agreement to Provide Affordable Housing via intraoffice mail to CSD, ATTN: Andrew Kish, for forwarding to the County Clerk Recorder for recordation.
2. Clerk of the Board please send a copy of the Minute Order to Andrew Kish via interoffice mail.
3. Clerk of the Board to receive a conformed copy of the recorded Agreement provided by HCD for their records.

**Attachments:**

**Attachment A** – Agreement to Provide Affordable Housing at 4555 Hollister

**Attachment B** – CEQA Notice of Exemption

**Authored by:**

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CC Lisa Plowman, Director, County of Santa Barbara Planning & Development