



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 No.: 057
For Agenda Of: November 1, 2022
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department George Chapjian, Community Services Director (805) 568-2467
Director(s)
Contact Info: Dinah Lockhart, Deputy Director/HCD (805) 568-3523
Laurie Baker, Grants & Program Mgr./HCD (805) 568-3521
SUBJECT: Agreement to Provide Affordable Housing and Resale Restrictive Covenant for
Santa Barbara Polo Villas 17TRM-00000-00002, First Supervisorial District

County Counsel Concurrence

As to form: YES

Auditor-Controller Concurrence

As to form: YES

Risk Concurrence:

As to form: YES

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair of the Board of Supervisors to execute the attached *Agreement to Provide Affordable Housing* (Attachment A) for the Santa Barbara Polo Villas (Agreement) and direct its recordation.
- b) Find that pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15162, no substantial changes are proposed, and no new information of substantial importance has come to light regarding environmental effects of the Santa Barbara Polo Villas (Project) or the sufficiency or feasibility of mitigation measures, and therefore approval of the Agreement is within the scope of the Project covered by the Final Mitigated Negative Declaration (MND) (20-NGD- 00000-00001), which was adopted by the County Planning Commission on February 24, 2021, and therefore no new environmental documentation is required.

Summary Text:

County HCD is seeking the approval and authorization of the Chair of the Board of Supervisors to execute the Agreement to Provide Affordable Housing for the Santa Barbara Polo Villas and direct its recordation. The County Planning Commission approved the Project on February 24, 2021. The Project located at [3250-3282 Via Real in Carpinteria, First Supervisorial District](#), includes a request for a density bonus under California's Density Bonus Law based on the provision within the Project of six (6) condominium Affordable Housing Units (as defined in Section 46A-2 of the County Code). The base residential unit density for the property on which the Project is situated (Property) is thirty-seven (37). The Project as approved by the Santa Barbara County Planning Commission includes construction of forty (40) residential units, six (6) of which are designated as Affordable Housing Units available for initial sale to Low- and Moderate-Income Households, and subject to a Resale Restrictive Covenant and Preemptive Right (Affordable Units). Each Affordable Unit shall remain subject to the Resale Restrictive Covenant and Preemptive Right for a period of fifty-five (55) years, which period would restart upon transfer of such Affordable Unit during such period, effectively extending such period for a duration of up to ninety (90) years, or longer if required by applicable financing, insurance, or rental subsidy program.

To comply with the Project's Conditions of Approval, the Agreement to Provide Affordable Housing (Attachment A), including the Resale Restrictive Covenant and Preemptive Right attached thereto as Exhibit D, will be executed and recorded concurrently with the final Project map recordation.

Background:

Under California's Density Bonus Law, set forth in Government Code sections 65915-65918 (SDBL), and the County Code, a density increase allows for additional housing units over the otherwise maximum allowable density authorized in the applicable base zone district. In the Coastal Zone, in which the Project is to be located, projects shall receive a density increase of one (1) unit over base density for each affordable housing unit built onsite. The Project includes a total of 40 new residential units, six (6) of which would be Affordable Units subject to the Resale Restrictive Covenant and Preemptive Right for at least 55 years. Given the Property's base density of 37 units, and the Project's inclusion of six (6) Affordable Units, the Project is eligible for a density increase of six (6) units over base density, for a total of 43 Project units. The owner and developer of the Project is, however, requesting a density increase of three (3) units, rather than six (6), for a Project total of 40 new residential units.

The execution and recordation of the Agreement will satisfy the conditions that govern participation in the State's mandated density bonus program. Concurrently with final Project map recordation, the Owner-Developer shall enter into and record the Agreement with the County of Santa Barbara, agreeing to provide six (6) condominiums as Affordable Housing Units at prices affordable to Low-income and Moderate income households as follows: Three (3) Low-income dwelling units shall be provided at sale prices affordable to households earning 60% of the Area Median Income (AMI) and available to purchase by eligible households earning 80% or less of AMI, and three (3) Moderate-income dwelling units shall be provided at sale prices affordable to households earning 120% of the AMI and available to purchase by eligible households earning 120% or less of AMI, consistent with the provisions of the SDBL. The above-described conditions are wholly consistent with the provisions outlined in Santa Barbara County's adopted Revised 2015-2023 Housing Element.

Fiscal and Facilities Impacts:

Budgeted: Yes **Fiscal Analysis:**

Six (6) Affordable Units will become available and part of the County's affordable housing stock which will require annual monitoring until the expiration of the term of the Resale Restrictive Covenant and Preemptive Right. The fiscal impact of future monitoring is included in the base budget.

Staffing Impacts:

The Community Services Department (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 series of 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 six (6) Affordable Units for the duration of each Covenant's term.

Special Instructions:

1. Clerk of the Board to execute two (2) original copies of the *Agreement to Provide Affordable Housing* and return one (1) original to the Housing and Community Development Department attention Andrew Kish for recording with the County Clerk Recorder.
2. Clerk of the Board shall send a copy of the Minute Order to Andrew Kish, County HCD at akish@countyofsb.org

Attachments:

Attachment A: Agreement to Provide Affordable Housing including:

- Exhibit A, Legal Description of Property
- Exhibit B, Affordable Housing Conditions for The Santa Barbara Polo Villas
- Exhibit C, Address List of Affordable Housing Units
- Exhibit D, Resale Restrictive Covenant and Preemptive Right
- Exhibit E, Marketing Plan for The Santa Barbara Polo Villas
- Exhibit F, Lottery Plan for The Santa Barbara Polo Villas

Attachment B: Link to the Polo Villas Subdivision Final MND:

<https://app.box.com/s/c0s5lkxwznbo7s5y6dajmu4bl7zno9kx>

Authored by:

Andrew Kish, HPSS, Housing and Community Development Division (akish@countyofsb.org)

cc: Rachel Van Mullem, County Counsel of Santa Barbara

Laurel Perez, Project Manager, SEPPS

Lisa Plowman, Director, CoSB Planning & Development