

Attachment B

County Letter of Reservation of Funds – Escalante Meadows



# Community Services Department

Connecting People to Opportunities

George Chapjian, Director, Community Services  
Sarah York Rubin, Executive Director, Office of Arts & Culture  
Ryder Bailey, CPA, Chief Financial Officer, Community Services  
Dinah Lockhart, Deputy Director, Housing & Community Development



December 15, 2020

Bob Havlicek, Executive Director  
Housing Authority of the County of Santa Barbara  
815 West Ocean Avenue  
Lompoc, CA 93436

RE: Reservation of County funds to the Escalante Meadows housing project (Project)

Dear Mr. Havlicek:

On December 15, 2020, the Santa Barbara County Board of Supervisors approved a Five Hundred Twenty Nine Thousand Six Hundred and Eighty Four Dollar (\$529,684) reservation of County Community Development Block Grant Disaster Relief (CDBG-DR) funds to the project described below:

#### Project Description:

80 units of "family" housing to be located at 1090 & 1093 Escalante Street, in Guadalupe.

The funds will be set aside until December 15, 2021 for the purpose of completing the financing for the Project. The County must receive copies of firm commitments from all funding sources, including formal notification by the State of California of an award of tax credits, on or before this date. As these funds are provided as pass-through to Santa Barbara County by the State of California Housing and Community Development Department, County staff will work with you and state HCD throughout state HCD's specific underwriting and approval as we move forward.

A firm funding commitment, and execution of County loan documents, must be approved by the County Board of Supervisors. The following are required in order to receive a firm commitment:

1. Firm commitments from all financing sources, including bank financing, and tax credit allocation and commitments by investors, in sufficient amounts to complete the Project;
2. Planning and zoning approvals;
3. Submission of documents necessary to complete Project review and underwriting, which include but are not limited to copies of final development budget, sources and uses, and cash-flow proforma;
4. Completion of environmental review required under the National Environmental Policy Act and authority to use federal funds by HUD or the County, as applicable for the use of CDBG-DR or other federal funds. Note that no activity may occur at the site that would adversely affect or that would otherwise be choice limiting, including the acquisition, demolition, construction or relocation of buildings or structures, or otherwise making a physical change to the property (including moving dirt) until the authority to use federal funds has been provided;
5. County staff review of financial documents, audits, and other documents to assess developer capacity and fiscal soundness, and examination of neighborhood market conditions to ensure adequate need for the Project for which these funds are to be used; and

County Parks Division, Division of Energy & Sustainability Initiatives, Housing & Community Development Division:  
123 East Anapamu Street, 2<sup>nd</sup> Floor, Santa Barbara, CA 93101 · T: (805) 568-2461 · F: (805) 568-2459  
Office of Arts and Culture: 1100 Anacapa Street, 3<sup>rd</sup> Floor, Rotunda Tower, Santa Barbara, CA 93101  
sbccsd.org

Escalante Meadows  
CDBG-DR Reservation  
December 15, 2020

6. Approval by the County Board of Supervisors (following a 30-day public comment period) of an amendment to the County's Action Plan, as may be required by HUD for the use of federal funds.

Once all items in the list above are secured, Housing and Community Development Division staff will work diligently toward getting approval for a firm commitment of funds to the Project and execution of County loan documents by the Board of Supervisors.

Note that this reservation letter is for the specific project and amount of County funds as described above. If the project description or County funding changes, you may no longer rely on this letter as any assurance of a funding reservation or commitment, and this letter shall become null and void.

Please work with Ted Teyber, Senior Housing Program Specialist, on submitting the information needed to complete staff's review, and to get the Project before the Board of Supervisors. Ted may be contacted by email at [eteyber@co.santa-barbara.ca.us](mailto:eteyber@co.santa-barbara.ca.us) or by phone at (805) 568-3513.

Thank you for your efforts to expand affordable housing in the County of Santa Barbara and for your interest in the County housing program.

Sincerely,

George Chapjian, Director  
Community Services Department