



**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
Agenda Date: February 25, 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(s): Jesús Armas, Director, Community Services Department (CSD),
(805) 568-2485

Contact Info: Joe Dzvonik, Deputy Director, Housing and Community Development (HCD), (805) 568-3533
Lucille Boss, HCD Housing Programs Manager, (805) 568-3533

SUBJECT: **Agreement to Provide Affordable Housing and Rental Restrictive Covenant for
St. George Residential Building 22DVP-00000-00010, 22CUP-00000-00018, 22CDP-00000-00091 (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 execution by the Board Chair of an Agreement to Provide Affordable Housing and Rental Restrictive Covenant and Preemptive Right with Edward St. George (Attachment A); and
- b) Determine that the above recommended action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15303 as the action involves the construction of a Single Room Occupancy (SRO) facility with five dwelling units and is located in an urbanized area of the County, described by the attached CEQA Notice of Exemption (Attachment B).

Summary Text:

The Community Services Department (CSD) is seeking the approval and authorization of the Chair of the Board of Supervisors to execute an Agreement to Provide Affordable Housing and Rental Restrictive Covenant and Preemptive Right (Agreement) with Edward St. George (Developer) for the St. George Residential Building (Project) and direct its recordation. Per the Project's Conditions of Approval, the Project will provide twenty-five percent (25%) of the total Project units with a rental price affordable to households earning up to eighty percent (80%) of the Area Median Income (AMI) for the County, and remain subject to a Rental Restrictive Covenant and Preemptive Right for a period of twenty-five (25) years.

Background:

Policy 5-10 of the Coastal Land Use Plan specifies that because of Isla Vista's location adjacent to the University of California and the critical need to provide affordable housing opportunities for the student population, the following requirements shall be met in new residential developments of five units or more. 25% of the total, single-room, rental units in the Project shall be affordable to persons of Low income (80% AMI) for a period of 25 years. The implementation program adequate to carry out the housing policies of the Coastal Land Use Plan is understood to be the County's Inclusionary Housing Program, administered by CSD.

On May 6, 2024, the County Zoning Administrator approved a residential project to be developed at 971 Embarcadero del Mar [Assessor Parcel Number (APN) 075-162-011] in Isla Vista. The Project, on property zoned C-2, comprises a new three-story single room occupancy (SRO) building, totaling 9,970 gross square feet. There will be 28 single-occupancy rooms divided amongst five room pods sharing a restroom, a kitchen, and common living space. Per the Project's Conditions of Approval, the Project will provide seven income-restricted units (25% of the total Project units) with a rental price affordable to households earning up to eighty percent (80%) of the AMI for the County, and remain subject to a Rental Restrictive Covenant and Preemptive Right for a period of twenty-five (25) years.

To be clear, the matter before Board 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 25% of the units in the Project for a term of 25 years.

In order to comply with the Project's Conditions of Approval, the Agreement to Provide Affordable Housing (Attachment A), including the Covenant attached thereto as Exhibit D, must be executed and recorded prior to the issuance of Zoning Clearance.

Performance Measure:

N/A

Contract Renewals:

N/A

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Seven (7) affordable rental 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 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 seven (7) Affordable Units for the duration of the term of the Covenant.

Special Instructions:

1. Two original copies of the Agreement to Provide, executed by the Developer, will be provided to the Clerk of the Board prior to the 2/25/2025 Hearing date.
2. Clerk of the Board to forward one original copy of the executed, Certified Agreement to Provide Affordable Housing to the Community Services Department for forwarding to the County Clerk Recorder for recordation.
3. Clerk of the Board to receive a confirmed copy of the recorded Agreement provided by HCD for their records. Clerk of the Board shall send a copy of the Minute Order to Andrew Kish, County HCD.

Attachments:

Attachment A – Agreement to Provide Affordable Housing_971EdM

Attachment B – CEQA Notice of Exemption

Authored by:

Andrew Kish
Senior Housing Program Specialist
akish@countyofsb.org

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