

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: July 14, 2004
Department Name: Housing and Community
Development Dept.
Department No.: 055
Agenda Date: August 3, 2004
Placement: Administrative
Estimate Time: n/a
Continued Item: NO
If Yes, date from:
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TO: Board of Supervisors

FROM: Housing and Community Development
Ed Moses, Director

STAFF CONTACT: Susan Everett, Affordable Housing Program Planner (568-2014)
Housing and Community Development

SUBJECT: *Agreement to Provide Affordable Housing and Resale Restrictive Covenant for Las Palmas Viejas/Tremigo Condominiums [TM 14,606, 02-DVP-00000-00025], Unincorporated Goleta area, Second Supervisorial District, Assessor Parcel Number(s) 061-092-021.*

Recommendations:

That the Board of Supervisors:

- A. Approve, execute and direct the recordation of the attached *Agreement to Provide Affordable Housing* (Attachment A) for the Las Palmas Viejas/Tremigo Condominiums located on the north-east corner of the intersection of Hollister Avenue and Modoc Road in the 2nd Supervisorial District.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with actions required by law or by routine business necessity
The recommendation is primarily aligned with Goal No. 4. A Community that is Economically Vital and Sustainable.

Executive Summary and Discussion:

The Board of Supervisors approved the Tremigo Condominiums (now known as Las Palmas Viejas Condominiums on August 12, 2003. The approved project allows for construction of a twelve unit residential development, of which 50% will be affordable. Six of the twelve units homes are designated as affordable units, (see Exhibit C, Address List of Affordable Housing Units), and are to be restricted through the County's Resale Restrictive Covenant for thirty

years. Affordability is based on a formula, which includes Area Median Income (AMI). Three of the units are designated for households of low income (50 – 80 % AMI). One of the units is designated for households of lower moderate income (80 – 100 % AMI). Two of the units are designated for households of upper moderate income (100 – 120%).

The *Agreement to Provide Affordable Housing*, the *Resale Restrictive Covenant*, and the *Deed of Trust with Assignment of Rents* which is attached thereto as Exhibit D, assure the provision of the required affordable units.

Mandates and Service Levels:

State Planning Law mandates that local jurisdictions prepare Housing Elements containing policies and programs to ensure local provision of affordable housing. One of these programs is Santa Barbara County's Affordable Housing Overlay (AHO). The plan for Las Palmas Viejas/Tremigo Condominiums before the Planning Commission on July 31, 2003 was approved with a condition implementing the policies of the Affordable Housing Overlay. The Agreement together with the attached exhibits implement this July 2003 condition. The execution and recordation of this Agreement to Provide Affordable Housing will satisfy the basic requirement of the housing condition which states, *Prior to final map clearance, the applicant shall confirm commitment to either rental or sales of the affordable units and shall enter into and record an Agreement to Provide Affordable Housing and shall record a Rental -or- Resale Restrictive Covenant and Preemptive Right as appropriate, based upon the County's model agreement and restrictive covenant. Both shall be subject to review and approval by Planning & Development, Treasurer and County Counsel. These documents shall specify affordability consistent with the terms described above and shall include provisions describing marketing and lottery requirements for the initial sale or rental of units. Income eligibility of prospective purchasers or renters shall be determined by the County or its designee. An intent to reside statement shall be required for potential owners or renters of the affordable units. The maximum sales price or rental rate for the affordable units shall not exceed the maximum levels established by the Board of Supervisors, consistent with the provisions of the Housing Element. The agreement and covenant shall specify that the affordable units shall remain affordable for a period of 30 years unless preempted by state or federal programs and shall be sold or rented to qualified households at prices as established by the Board of Supervisors.*

The applicant has opted to commit to sales of the six affordable units in the development. The affordability targets for Low, Lower Moderate and Upper Moderate households are characterized by incomes of equal to or less than 50% of median family income of Santa Barbara County, above 50% to 80% of median family income of Santa Barbara County and above 80% to 100 % of median family income for Santa Barbara County, respectively.

Fiscal and Facilities Impacts:

The Housing and Community Development Department will expend funds for advertisements to market the affordable condominiums and to screen potential buyers through the Income Certification process. Additional funds will be expended for ongoing monitoring of the affordable homes in this project, and to enforce the Resale Restrictive Covenant (see Exhibit D in the Attachments for Resale Restrictive Covenant. Application Screening and Income Certification fees offset a portion of these expenses; the remainder is paid out from the General Fund. These costs and revenues are included in the 2004-2005 Housing and Community Development budget. Pages D-243 through D-248.

Special Instructions:

- Clerk of the Board to forward the executed *Agreement to Provide Affordable Housing* and the associated exhibits A – F to the Affordable Housing Program Planner in Housing and community Development at 105 E. Anapamu St, Suite 3.
- Clerk of the Board shall send copies of the Minute Order and executed document to Lisa Plowman, Planning and Development and Susan Everett, Housing and Community Development.

Concurrence: County Counsel.

ATTACHMENTS:

- A. *Attachment A, Agreement to Provide Affordable Housing Las Palmas Viejas/Tremigo Condominiums Including:*
- Exhibit A, Legal Description of Property*
 - Exhibit B, Affordable Housing Conditions for Las Palmas Viejas/Tremigo condominiums*
 - Exhibit C, Address List of Affordable Housing Units*
 - Exhibit D, Resale Restrictive Covenant*
 - Exhibit E, Marketing Plan for Las Palmas Viejas/Tremigo condominiums Affordable Homes*
 - Exhibit F, Lottery Plan for Las Palmas Viejas/Tremigo condominiums Affordable Homes*

ATTACHMENT A

AGREEMENT TO PROVIDE AFFORDABLE HOUSING