

**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: 9/29/04
Department: Housing & Community Dev
Budget Unit: 055
Agenda Date: 10/12/04
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Edward Moses, Director
Housing and Community Development Department

**STAFF
CONTACT:** Susan Everett (568-2014)

SUBJECT: California Residential Purchase Agreement and Joint Escrow Instructions
2105 Summerland Heights Lane, Summerland
First Supervisorial District

Recommendations:

That the Board of Supervisors:

- a. Direct the Director of Housing and Community Development to execute the attached California Residential Purchase Agreement and Joint Escrow Instructions, in duplicate, between the County of Santa Barbara and Luz and Miguel Martinez to sell that certain affordable unit located at 2105 Summerland Heights Lane, Summerland, and known as Assessor Parcel No. 005-680-019, for the amount of \$232,900 and any other documents required to complete the sale.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with actions required by law or by routine business necessity.

Executive Summary and Discussion:

The property located at 2105 Summerland Heights Lane, in Summerland, was purchased with Board of Supervisors approval on May 27, 2004. The Board of Supervisors approved raising the affordability level of the unit to the "upper-moderate" income category and the affordability encumbrance of the property to 45 years on June 15, 2004. The "Upper Moderate-income category is defined as being above 100-120 % of Area Median Income (below \$83,850.00 for a family of five).

The County advertised the sale of the affordable unit in the local newspaper and mailed approximately 4,700 notification of sale postcards to persons on a notification list kept by the Housing and Community Development Department in July, 2004. Income Certifications applications were accepted for a period of three weeks in July and August, 2004 with an application deadline of August 2, 2004. Over 250 Income Certification applications were distributed by the office of Housing and Community Development during that three-week period. Eighty families turned in Income Certification applications and seventy of those applications contained all the requested financial and familial information attachments. A lottery, which

was observed by a representative of the Auditor-Controllers Office, was held on August 9, 2004 to select a family to purchase the home. The County now wishes to execute the California Residential Purchase Agreement and Joint Escrow Instructions contract so the home can be sold to the family whose income certification application was randomly chosen out of the seventy completed applications included in the lottery.

This unit was produced and made affordable through the County's Affordable Housing Overlay program through which a density bonus was granted to the project developer for affordable units on-site. Government Code Section 65915 et seq. provides the County with the authority to sell such affordable units outside of the process used for the sale of surplus property. Housing and Community Development staff is working with the County Counsel's office to develop a program that would allow the Director of Housing and Community Development to purchase and resell price restricted affordable units under certain conditions and subject to specific parameters without getting specific Board authorization for each purchase and sale.

The County will sell the home at the Maximum Sales Price as outlined in Section II, C of the Resale Restrictive Covenant, which defines the Maximum Sales Price as the highest price that an owner is allowed to resell the Subject Property for, inclusive of real estate commissions and closing costs. The Maximum Allowable sales price for the three (3)-bedroom home in the "upper-moderate" category is \$232,900 for 2004.

Prior to purchasing the home, the buyers will be instructed about the obligations contained in the CC&Rs applicable to the development in which the home is located, as well as those contained in the affordable housing covenant that they will be required to execute and which will run for 45 years, rolling to a maximum of 90 years in the event of resales.

Mandates and Service Levels:

No change in programs or service levels.

Fiscal and Facilities Impacts:

Funds from the sale of the home will refund the cost to purchase it, pay for staff time and closing costs for processing with any surplus going into the County's affordable housing fund.

Special Instructions: After Board action, distribute as follows:

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| 1. Original Contract | Clerk of the Board Files |
| 2. Duplicate Contract,
Certified Contract
& Minute Order | Housing & Community Dev.
Attn: Susan Everett |

NOTE: Clerk of the Board, the duplicate original Contract will be delivered to Luz and Miguel Martinez by Housing and Community Development Department. The certified copy of the Contract will be delivered to escrow by Housing and Community Development Department. Upon the recordation of the deed, Real Estate Services will return a copy of the deed to the Clerk for its file and reference.

Concurrence:
County Counsel

Attachments:

- A. Original California Residential Purchase Agreement and Joint Escrow Instructions and Duplicate Real Property Purchase Contract and Escrow Instructions

Original California Residential Purchase

Agreement and Joint Escrow Instructions

