



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
Department No.: 057
For Agenda Of: June 19, 2012
Placement: Set Hearing
Estimated Tme: 10 minutes on July 10,
2012
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Herman Parker, Community Services Director, (805) 568-2467
Director(s)
Contact Info: Sharon Friedrichsen, Deputy Director, (805) 568-3520
**SUBJECT: Rice Ranch First Amendment to Agreements to Provide Affordable Low Income
Housing and Workforce Housing**

County Counsel Concurrence

As to form: Yes

Other Concurrence:

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

On June 19, 2012, set a hearing on July 10, 2012 to consider the approval of a single First Amendment to Agreement to Provide Affordable Low Income Housing and Workforce Housing (the "First Amendment") that amends two existing agreements: (1) the Agreement to Provide Affordable Low Income Housing; and (2) the Agreement to Provide Workforce Housing for Rice Ranch Ventures, LLC (TM 14,430 Assessor Parcel Numbers 101-380-001, -002, 003; 101-390-001, -003, 007; 101-400-001, -002, 003; 101-440-029).

On July 10, 2012, your Board's actions should include the following:

- A. Approve and authorize the Chair of the Board of Supervisors to execute the First Amendment (Attachment A) for Rice Ranch Ventures, LLC (TM 14,430, Assessor Parcel Numbers 101-380-001, -002, 003; 101-390-001, -003, 007; 101-400-001, -002, 003; 101-440-029);
- B. Direct the Community Services Department staff to record the First Amendment;
- C. After considering the previously adopted Environmental Impact Report (03-EIR-05) prepared for the Rice Ranch project, determine that no subsequent Environmental Impact Report or Negative Declaration shall be prepared for this project pursuant to CEQA Guidelines Section 15162.

Summary Text:

The purpose of the July 10, 2012 hearing is for the Board of Supervisors to consider the approval and execution of a single First Amendment to two existing agreements between the County and Rice Ranch Ventures, LLC for the provision of affordable housing. This First Amendment to the Agreement to Provide Affordable Low Income Housing and the Agreement to Provide Workforce Housing amends: (1) the Agreement to Provide Affordable Low Income Housing; and (2) the Agreement to Provide Workforce Housing executed by County and Rice Ranch Ventures, LLC, and recorded on September 20, 2007 (collectively, the “Agreements to Provide”). The original Agreements to Provide required 146 affordable housing units to be built concurrently with market rate units.

The proposed First Amendment for the Board’s consideration changes the timing and rate of the construction of the affordable housing units as noted below, but does not change the total number of affordable housing units required to be built:

“Construction of the affordable units shall commence with the construction of the 182nd market rate units throughout the development. Following zoning clearance of the 181st market rate unit, three (3) affordable units shall be constructed concurrent with the construction of every eight (8) market rate units in each phase of development until a total of 146 affordable units have been constructed.”

Background:

On December 9, 2003, the Board of Supervisors approved the Rice Ranch Project, located on the south side of Stubblefield and Rice Ranch Roads, in the southeastern portion of the Orcutt Community Plan area. The Project allows for the construction of 725 homes, a 26-acre community park, and preservation of land for a future elementary school, numerous pocket parks and open space areas. Of the 725 residential units, 146 will be affordable units provided on-site.

The Agreement to Provide Workforce Housing designates 73 units as “workforce” housing units available only to first time homebuyers whose earnings place them above qualification for moderate income units as defined in the County’s existing Affordable Housing Program, but who earn less than 150% of median area income. Of these 73 workforce units, 50 would be priced to be affordable to individuals and families that earn up to 120% of median area income while 23 units would be price restricted to be affordable to individuals and families that earn up to 150% of median area. The Agreement to Provide Affordable Low Income Housing designates an additional 73 units for families earning less than 75% of median area income. The original Agreements required the affordable units to be built concurrently with the market rate units. The proposed First Amendment requires that three affordable units be built concurrently with every eight market rate units beginning with the construction of the 182nd market rate unit.

On May 16, 2012, the County Planning Commission recommended approval of the project and revisions to Condition No. 50 of TM 14,430 and Section 4.3.2 of the Specific Plan to the Board of Supervisors by a 5-0 vote. The proposed First Amendments change the timing and rate of the construction of the affordable units, allowing for the construction of three affordable housing units concurrently with every eight market rate units beginning with the construction of the 182nd market rate unit. Amended Agreements to Provide, as amended by the First Amendment, shall be executed prior to recordation of the map modification. Planning and Development staff will receive approval from the Community Services Department, Housing and Community Development Division, prior to issuance of a zoning clearance for each market rate and affordable unit to ensure that the Agreements to Provide Affordable Low Income Housing and Workforce Housing, as amended, are being implemented.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

The Housing and Community Development Division of the Community Services Department will expend funds for advertisements to market the affordable homes; to screen potential buyers through the Certification Process; to monitor the affordable homes in this project, and to enforce the “Resale Restrictive Covenant and Preemptive Right Secured by a Deed of Trust”. Application fees offset a portion of the expenses; the remainder will be paid from Santa Maria HMA In-Lieu Fees in the Affordable Housing Trust Fund. The affordable units remain affordable for a period of thirty (30) years.

Staffing Impacts:

None

Special Instructions:

Request that the Clerk of the Board to return a copy of the Minute Order to Community Services Department, Housing and Community Development Division, Attn: Margo Wagner, Housing Program Specialist II.

Attachments:

First Amendment to Agreement to Provide Affordable Low Income Housing and Workforce Housing (to be provided for July 10, 2012 meeting)

Authored by:

Margo Wagner, Housing Program Specialist II

cc:

Mike Munoz, Deputy County Counsel
Doug Anthony, Planning and Development