



Community Services Department
Connecting People to Opportunities

George Chapjian, Director, Community Services
 Sarah York Rubin, Executive Director, Office of Arts & Culture
 Andrew Myung, Chief Financial Officer, Community Services
 Joe Dzvoniak, Deputy Director, Housing and Community Development
 Jeff Lindgren, Assistant Director, Parks Division
 Ashley Watkins, Division Chief, Sustainability Division



December 12, 2023

Robert P. Havlicek, Jr. Executive Director
 Housing Authority of the County of Santa Barbara
 815 West Ocean Avenue
 Lompoc, CA 93436

RE: Reservation of County funds for Perkins Place Apartments (“Project”)

Dear Mr. Havlicek:

On March, 30, 2023, Santa Barbara County Division of Housing and Community Development (County HCD) staff and the County’s Capital Loan Committee recommended a formal funding reservation towards the development costs of the proposed Project in the amount of One Million, Five Hundred Thousand Dollars (\$1,500,000) until December 31, 2024, based on the following information provided by Santa Barbara County Housing Authority (Developer).

Project Description: The contemplated new construction Project will be located on Perkins Road in rural New Cuyama in unincorporated Santa Barbara County. Developer will develop two apartment buildings and one commercial building, which commercial portion may be divided into multiple rental spaces. The residential portion of the Project will be comprised of thirty-three (33) apartments, one of which will serve as a property manager’s unit. The remaining thirty-two (32) apartments will consist of eight (8) three-bedroom, nine (9) two-bedroom, and sixteen (16) one-bedroom units. The Project will serve low-income family households and farmworker households. Project common spaces are to include a laundry room, common kitchen, two restrooms, a large meeting area, and two age-appropriate children’s play areas. A community garden with raised planter boxes will also be provided. Other on-site amenities will include storage lockers for residents. The commercial area will be approximately 1,100 square feet with many potential uses, which may include serving as a food distribution site for the Foodbank. The commercial costs and operations are not included in the affordable housing development budget and are separately financed.

Developer has indicated that the Project is ready to proceed with construction if awarded Low Income Housing Tax Credits (LIHTC) and, upon award notification, Developer will submit any updated documentation to County HCD, in order that HCD staff may determine that:

1. All funding, other than County funds, have been formally committed, including from LIHTC investors, in sufficient amounts to complete the Project;
2. Planning and zoning approvals have been acquired;
3. County HCD has received 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. County HCD staff has preliminarily determined Developer capacity and fiscal soundness, and has examined neighborhood market conditions to ensure adequate need for the Project.

In addition, if federal funds are used, the following must be completed:

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

1. Completion of environmental review required under the National Environmental Policy Act and receipt of Authority to Use Grant Funds (AUGF) by HUD. Note that no activity may occur at the Project site that would adversely affect or that would otherwise be a choice limiting action, 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 AUGF has been issued by HUD;
2. Approval by the County Board of Supervisors (following a 30-day public comment period) of an amendment to the County's Action Plan for submittal to HUD.

Following an award of LIHTC, County HCD staff will draft County Loan Documents (including a Loan Agreement, Promissory Note, Deed of Trust, Regulatory Agreement and Declaration of Restrictive Covenants, and related loan subordination agreements) for approval and execution by the County Board of Supervisors at a future Board of Supervisors meeting. The source of funds will be one or a combination of Federal HOME, State PLHA, or County In-Lieu funds at the County's discretion, and the loan will be structured with 3% simple interest, a 55-year term, and annual payments from residual receipts from the Project.

Please work with Carlos Jimenez, Senior Housing Program Specialist, on moving the Project through County approvals once the Project receives an award of tax credits. Please keep Carlos updated on any changes to the Project as described above. Carlos may be contacted by email at cjimenez@countyofsb.org or by phone at (805) 568-3529.

The Santa Barbara County Housing Authority has been and continues to be an essential component of Santa Barbara County's affordable housing goals. Thank you for your efforts to expand affordable housing in the County of Santa Barbara.

Sincerely,

George Chapjian, Director
Community Services Department