



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
For Agenda Of: August 29, 2023
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department George Chapjian, Community Services Director (805) 568-2485
Director(s)
Contact Info: Laurie Baker, Grants and Program Manager (805) 568-3521

SUBJECT: **Conditional Reservation of County Affordable Housing Funds to Patterson Point Apartments (Supervisory District 2)**

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 a reservation of County affordable housing funds for the Patterson Point housing development in an amount not to exceed \$1,488,000 until September 30, 2024;
- b) Authorize the Director of Community Services Department (CSD) to sign a funding reservation letter (Attachment A) addressed to Santa Barbara County Housing Authority (HASBARCO) indicating a conditional reservation County funds in the amount of \$1,488,000 for the Patterson Point Apartments Project; and
- c) Determine that the approval of these funding allocations is not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4) as it is the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Summary Text:

Today's Board Action authorizes a conditional reservation of County affordable housing funds in the amount of one-million, four hundred eighty-eight thousand dollars (\$1,488,000) for Patterson Point Apartments (Project) to be developed by HASBARCO. Patterson Point is located in the unincorporated county area of Goleta.

HASBARCO intends to apply to the California Tax Credit Allocation Committee (TCAC) and California Debt Limit Allocation Committee (CDLAC), for low-income housing tax credit (LIHTC) and bond

financing on September 6, 2023. To this end, HASBARCO must demonstrate that all other funding sources needed to complete construction of the Project are committed. The County conditional funding reservation letter will support the application and enhance competitiveness to receive state funds.

Background:

On November 7, 2022, Santa Barbara County Housing and Community Development (HCD), issued a Notice of Funding Availability (NOFA), for County community development and affordable housing funds. HASBARCO submitted an application for consideration under the NOFA for Patterson Point. HCD staff evaluated the proposal and presented it before the County's Capital Loan Committee (CLC) at its March 30, 2023 meeting. The CLC voted to recommend \$1,488,000 in County funding to the Project.

The Project will be located northeast corner of Highway 101 and Patterson Avenue in unincorporated south Santa Barbara County. Twenty-four (24) units will be constructed, of which twenty-two (22) units will be restricted to formerly homeless individuals, one unit will be restricted to low-income households at or below 60% of area median income for Santa Barbara County, and one unit will be used to for an on-site property manager. The Project will include a community room as well as two offices for supportive services. All units will be built to *Americans with Disabilities Act* (ADA) standards, and an elevator will be provided for residents' and guests' accessibility. The Project common space will include a community room, laundry and restroom facilities, and non-commercial kitchen.

Patterson Point's development budget and funding sources are reflected below:

State Housing for a Healthy California (HHC)	\$ 4,400,000
State Tax Credits/Bonds	\$ 3,022,497
State No Place Like Home (NPLH)	\$ 2,325,459
<u>County Funds</u>	<u>\$ 1,488,000</u>
TOTAL DEVELOPMENT BUDGET	\$ 11,235,956

Performance Measure:

County loan documents, if later approved by the Board, will designate income- and rent-restrictions for the required number of units (estimated 10 County-restricted units) through a County Loan Regulatory Agreement. HCD staff will monitor the County-restricted units for a minimum of twenty years. This Project will add to the County's Regional Housing Needs Assessment (RHNA) goals in Santa Barbara County's General Plan Housing Element.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			\$ 1,488,000.00
Fees			
Other:			
Total	\$ -	\$ -	\$ 1,488,000.00

Key Contract Risks:

Contracts are not being executed at this time. Staff will return to the Board to execute loan documents when all funding is secured and the Project is permit ready.

Staffing Impacts:

The requested actions fall within currently budgeted staff duties.

Special Instructions:

Please email a copy of the Minute Order to Carlos Jimenez, cjimenez@countyofsb.org.

Attachments:

- A. Patterson Point Funding Reservation Letter

Authored by:

Carlos Jimenez, Senior Housing Program Specialist