



*Building
homes,
building
hope*

April 30, 2012

Mr. Simon Kiefer
City of Santa Barbara Community Development Department
Housing & Redevelopment Division
630 Garden Street
Santa Barbara, California 93102-1990

Dear Simon:

This letter is to confirm Habitat for Humanity of Southern Santa Barbara County's intent to build twelve affordable housing units for low-income families at our site located at 822 and 824 E Canon Perdido Street, Santa Barbara. As per our attached budget, we will once again seek funding from a variety of sources, including individuals, foundation, faith-based organizations, civic groups and corporations along with the RDA and HUD funding provided by the City.

As part of our financing, we are applying for \$515,000 in HOME funds to be used for site preparation and construction of the homes, a total of \$42,917 per unit. These homes will be built in partnership with future homeowners and volunteers. Homeowners will be selected by our Family Selection committee according to Habitat's criteria: annual income between 40% and 80% of area median income; currently living in substandard housing; and willingness to work a minimum of 250 hours of sweat equity per adult family member to build the homes. At our recent orientations, we dispersed over 300 applications, which underscores the huge need for affordable housing.

We request that the HOME funds be carried as a zero-interest ninety-year mortgage on each of the units. Upon occupancy, the RDA funds previously provided by the City will also be carried as a silent mortgage in the amount of \$77,083 on each home. The two mortgages combined total \$120,000 per home, and would allow the City of Santa Barbara to monitor the continuing affordability of these homes through an affordability covenant recorded on each property. At the end of the affordability period and subject to restrictions imposed by the City, we request that these mortgages be forgiven. Habitat for Humanity of SSBC will carry the first mortgage, which will also be a zero-interest loan. Mortgages will be established upon completion of construction that allow all shelter costs, including property taxes, homeowners association fees, utilities and insurance, to total no more than 35% of the homeowner's income.



We plan to break ground on this project later this year once all permits have been approved by the City. To date, we have received approvals from the Planning Commission on January 12, 2012 and from the Architectural Board of Review on March 5, 2012. The consultants we have hired are providing their expertise to create the construction drawings, paying particular attention to the energy conservation measures that will help us achieve our goal of creating “net zero” energy usage homes.

The sustainability measures we propose for this project will satisfy the requirements of the Santa Barbara Built Green program, to Level 4. Our architect Ed DeVicente is also licensed in Passive House Design, and we plan to incorporate a number of components for sustainability, including:

- House wrap, insulation and highly energy-efficient windows to create a tight envelope
- Recycled content and low-VOC building materials such as carpet, flooring, adhesives and sealants
- Use of building materials donated to the ReStore such as bath sinks and light fixtures
- Solar thermal and/or photovoltaic systems with whole house heat recovery ventilators
- Highly efficient Energy Star appliances
- Permeable paving and low-water, low-maintenance landscaping
- Preserving existing landscape materials including two young oak trees, roses and succulents

We are pleased to join with other agencies in finding solutions to the affordable housing crisis on the South Coast, and we welcome a continuing partnership with the City of Santa Barbara. We look forward with great anticipation to the day we can begin building these affordable homes.

Sincerely,

A handwritten signature in cursive script that reads "Joyce McCullough". The signature is written in black ink and is positioned below the word "Sincerely,".

Joyce McCullough
Executive Director