



HOUSING

AUTHORITY OF THE
CITY OF SANTA BARBARA808 Laguna Street / Santa Barbara
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December 12, 2011

VIA EMAIL

Mr. Brian Bosse, Housing & Redevelopment Manager
Community Development Department
City of Santa Barbara
630 Garden St.
Santa Barbara, CA 93101

RE: REQUEST FOR CONVERSION TO RESIDUAL RECEIPTS LOAN—LOAN AGREEMENT 510
BETWEEN RDA AND HACSB FOR LAND ACQUISITION FOR 512 BATH/BRADLEY STUDIOS

Dear Brian:

Pursuant to our telephone conversation today, it is appropriate for the Housing Authority and Redevelopment Agency to move forward on formal action to recast the RDA land acquisition loan they provided us for 512 Bath St. to a residual receipts loan with a 55 year term. We discussed this need earlier this year but agreed it was best to wait for the results of the 2011 Round II California Tax Credit Allocation Committee's to determine if Bradley Studios at 512 Bath St. was indeed going to move forward.

We now know Bradley Studios' positive result. The project's groundbreaking is set for next month—January 12, 2012 to be exact. Thus, we now need to return to the RDA Board to formally convert the original three year \$4.8 million dollar land loan that was due on June 30, 2011, to a 55 year residual receipts loan. This conversion was always envisioned if a successful housing project for the site could be brought to fruition. A copy of Agreement 510 is enclosed.

Should you or your staff require any additional information to modify or recast the subject loan as requested, please let me know.

Sincerely,

HOUSING AUTHORITY OF THE
CITY OF SANTA BARBARA

ROBERT G. PEARSON
Executive Director/CEO

cc: R. Fredericks, Deputy Executive Director
B. Peirson, Finance Director