

Seahouse

Inclusionary Housing Lottery Information Packet

Warmington Residential, LLC, and the City of Carpinteria are pleased to announce that four affordable condominiums at 1300 Cravens Lane, Carpinteria, will be available for purchase by qualified above-moderate income households. The City of Carpinteria will administer a public lottery in order to establish a sequential list of potential buyers for the affordable condominiums at Seahouse.

Property Information

The following one-level (flats) and two-level condominium units are being offered through the Inclusionary Housing Lottery:

- **4006 Green Heron Spring Drive (Lot 3) priced at \$391,500**
 - Ground Level Flat
 - Plan 1B (2 Bed/2 Bath; Private Yard), approx. 1,261 square feet
 - 1 Garage Parking Space/1 Uncovered Parking Space
 - Availability: Complete
- **4022 Green Heron Spring Drive (Lot 7) priced at \$391,500**
 - Second Level Flat
 - Plan 1XBR (2 Bed/2 Bath; Private Deck), approx. 1,455 square feet
 - 1 Garage Parking Space/1 Uncovered Parking Space
 - Availability: Completed
- **4045 Green Heron Spring Drive (Lot 18) priced at \$471,000**
 - Two-Story Townhome
 - Plan 2A (3 Bed/2.5 Bath; Private Yard, Rear Porch & Deck), approx. 1,941 square feet
 - 2 Garage Parking Spaces
 - Availability: Anticipated Early 2021
- **4003 Green Heron Spring Drive (Lot 29) priced at \$471,000**
 - Two-Story Townhome
 - Plan 3CR (3 Bed/2.5 Bath; Private Yard), approx. 1,829 square feet
 - 2 Garage Parking Spaces
 - Availability: Anticipated Early 2021

Common area amenities include an onsite pond, community pavilion and picnic area, community garden area, and walkways. **Homeowner's Association dues are anticipated to be \$424 per month for all units.** These amounts are subject to change.

Eligibility Requirements

Applicants for the Inclusionary Housing Lottery must meet certain criteria in order to qualify as an above-moderate income household. The eligibility requirements are summarized below. For a complete list of requirements, please refer to the “Affordable Housing Policies and Procedures 2010” document that is available online at: https://carpinteria.ca.us/wp-content/uploads/2020/04/cd_Affordable-Housing-Policy.pdf

- **A household that purchases an affordable unit must occupy the unit as a principal residence** as that term is defined for federal tax purposes by the United States Internal Revenue Code.
- **Applicant(s) cannot have any form of ownership or ownership interest in other residential property during their ownership of the affordable unit.** “Ownership of residential property” refers to an ownership interest in land that is zoned for or improved with residential development and/or an ownership interest in a mobile home, whether or not such mobile home is permanently affixed to land or such land is owned by the mobile home owner.
- **Purchasers of units with three or more bedrooms must be households of at least three persons** unless the Community Development Director waives this requirement on the basis that a smaller household can prove the need for a multi-bedroom unit.
- **All non-dependent adults in the household must be owners of record.**
- The **combined annual gross income of all members of the Applicant’s household cannot exceed two hundred percent (200%) of the Area Median Income (AMI) in Santa Barbara County, adjusted for household size** as published by the U.S. Department of Housing and Urban Development. The current income limits are as follows:

Income Limits

Household Size (# Adults + # Children)	Maximum Allowable Income (Gross household income before <u>any</u> deductions)
1 Person	\$122,920.00
2 Persons	\$140,480.00
3 Persons	\$158,040.00
4 Persons	\$175,600.00
5 Persons	\$189,648.00

- If the purchaser has investment assets, income will be assigned from such assets. No income will be assigned from those assets to be used for the down payment and closing costs on the affordable unit.
- The **purchaser’s down payment may not exceed 40% of the sale price of the affordable unit. The purchaser’s housing expenses shall not exceed 30% of the household income.**
- Purchasers may receive all or a portion of the down payment as a gift provided the gift does not exceed 20% of the sale price and the donor provides a gift letter.
- Applicants who wish to be considered for preference points for affordable ownership units should state on the application if they are:
 - Currently domiciled* in the City of Carpinteria
 - Currently employed* in the City of Carpinteria

- Currently employed in critical work force* positions
- Proof of current City of Carpinteria address and/or employment will be required.
- Preference points are awarded to households that meet any of the following criteria:
 - At least one household member is currently domiciled* in the City of Carpinteria- 1 point
 - At least one household member is currently employed* in the City of Carpinteria- 1 point
 - At least one household member is currently employed in a critical work force* job- 1 point

*"Domiciled" refers to a principal place of residence.

*"Employed" shall be defined as any person employed by an employer or engaged as an independent contractor for a minimum of 20 hours per week **and** has been so employed continuously (a) for the past 6 months; or (b) has been employed for a minimum of 40 hours per week for at least three months of the most recent prior season if seasonally employed.

*"Critical work force" jobs include, but are not limited to, firefighting, law enforcement, public agency/governmental services, public or private school teacher, nursing/health technician, emergency medical technician. Other similar jobs may qualify as critical work force jobs as determined by the Community Development Director.

- One preference point is given per household for each relevant criterion, and the results are used to pre-rank households for each tier of the lottery prior to the draw.

Property Restrictions

These affordable housing units are subject to restrictions outlined in the document titled "Grant of Preemptive Right: Resale Restriction and Option to Purchase Secured by Performance Deed of Trust" (affordability covenant). **This 30-year affordability covenant restricts the initial sale price and resale price of the affordable housing units, the maximum household income of the buyers, and defines the owner's responsibilities.** The affordability covenant stipulates that if the owner sells or transfers the affordable unit during the term of the covenant, the new owner shall execute and record a new covenant that begins a new 30-year period of price and occupancy restrictions. This requirement will continue for each new owner of the affordable unit, but in no event shall the period of controls exceed 90 years from the date first appearing in the affordability covenant. The "Grant of Preemptive Right: Resale Restriction and Option to Purchase Secured by Performance Deed of Trust" gives the City first right of refusal to purchase the unit when an owner elects to sell.

Please carefully review the example "Grant of Preemptive Right: Resale Restriction and Option to Purchase Secured by Performance Deed of Trust" that is available online at Seahouseaffordables.com

These affordable housing units are also subject to the rules and regulations of the homeowner's association as declared in the Covenant, Conditions, and Restrictions (CC&Rs), Bylaws, Budget, and other related association documents. A copy of the CC&Rs is available at the Seahouse Sales Office located at 1300 Cravens Lane during the hours of 10:00 a.m. to 6:00 p.m. Homeowner's Association dues are estimated to be \$424.00 per month for all units. These amounts are subject to change.

How to Participate in the Affordable Housing Lottery

Step 1. Submit Affordable Housing Lottery Application

If you meet all of the eligibility requirements listed on pages 2 and 3 of this packet, then you may submit an affordable housing lottery application during the 60-day period to apply for and be pre-qualified for the opportunity to purchase an affordable unit. **Visit www.SeahouseAffordables.com to download and submit the application.**

The 60-day application period and means for submitting an application are provided below:

**This application must be delivered to the
City of Carpinteria, Community Development Department online at
SeahouseAffordables.com or
to the Seahouse Sales Gallery located at 1300 Cravens Lane, Carpinteria, CA 93013
**APPLICATIONS ACCEPTED STARTING SEPTEMBER 21ST, 2020 AND
RECIEVED NO LATER THAN NOVEMBER 20th, 2020 at 5:00 PM**
No Exceptions**

Please note the following:

- Lottery applications must be submitted online at SeahouseAffordables.com or to the Seahouse Sales Gallery.
- Do not mail or email the lottery application; it will not be accepted.
- Incomplete Applications will not be accepted.
- A pre-qualification letter from a lender is required as part of the affordable housing lottery application. The letter must state that the applicant is pre-qualified to receive a loan in the amount necessary to purchase an affordable unit.
- Please review the application carefully. Additional documentation concerning income, employment, rental agreement and utility bills are required to be included as attachments with your affordable housing lottery application. All requested information is necessary in order for an application to be deemed complete and eligible for participation in the lottery.
- Only one application per household will be accepted.
- Applicants are encouraged to visit www.Seahouse31.com to learn more about the community.

Step 2. Confirm Lottery Application Accepted & Eligible for Lottery

Lottery applications that are submitted to the City of Carpinteria, Community Development Department online at SeahouseAffordables.com or to the Seahouse Sales Gallery on or before the deadline will be preliminarily screened for meeting the applicable City eligibility requirements. It is recommended that applications be turned in early.

The names of applicants who qualify for participation in the lottery will be posted online following the lottery in December 2020 at: www.Seahouseaffordables.com.

This is an opportunity for applicants to confirm their inclusion in the lottery. The City reserves the right to postpone the online posting of the lottery participants, if necessary, due to a high volume of applications received.

Step 3. Attend Lottery (Optional)

The City of Carpinteria will administer a public lottery in order to establish a sequential list of potential buyers for the affordable housing units at Seahouse. The lottery is tentatively scheduled for December 2020. The lottery will be publically broadcast by the City using a web-based platform such as Zoom Webinar. The lottery will be recorded and made available for re-broadcasting. The City reserves the right to delay the lottery, if necessary, due to a high volume of applications received.

Applicants are invited to watch the lottery broadcasting, but attendance is not required. A link to the Zoom Webinar for the lottery broadcast will be made available once the lottery date has been scheduled.

Preference points will be awarded to applicants that live or work in the City of Carpinteria, and/or that work in critical work force jobs. In order to provide a preference to those qualifying for one or more preference points, three lotteries will be conducted to determine a sequential ranking of applicants. All of the applicants that were awarded two (2) or more preference points will be drawn in the first lottery. The applicant first drawn has the first opportunity to be fully qualified to purchase and shall get first selection of an affordable housing unit. All of the applicants that were awarded one (1) preference point will be drawn in the second lottery and will be numbered after the last name drawn from the first lottery. Finally, all of the applicants that did not qualify for any preference points will be drawn in the third lottery and will be numbered after the last name drawn from the second lottery.

As names are drawn, they will be numbered sequentially. Each lottery participant will be assigned a lottery number. Lottery results will be posted online following the lottery in December 2020 at: www.Seahouseaffordables.com.

Step 4. Full Qualification by City

The applicant first drawn will be invited to submit their qualification documentation to the City. Failure to deliver all required documentation within two weeks from the date of notification shall be cause for disqualification. Should the applicant first drawn not fully qualify, the applicant with the next lottery number will be invited to go through the City's full qualification process.

This process continues until there is a fully qualified occupant purchaser for each available affordable housing unit. All information provided to the City is subject to third-party verification. In the event false or misleading statements are made in any documents or certifications submitted to the City for its approval of the purchase, the City may declare a default under the "Grant of Preemptive Right: Resale Restriction and Option to Purchase Secured by Performance Deed of Trust." Qualification documentation is valid for a 90-day period. If an applicant has not purchased a home within this period, updated financial and other documentation is required.

Additional Information

The City will refer approved buyers (in sequential order) to Warmington Residential, LLC to select a unit, execute a purchase contract, open escrow, and secure final loan approval. The City will participate in the escrow process. Prior to the close of escrow, the City will compare the buyer's application and submitted financial documentation with final loan documents for consistency. Escrow instructions shall require the City's final approval of escrow, loan and settlement documents.

Indemnity Clause

Applicant/Buyer agrees to indemnify and hold harmless City (its officers and employees) from any and all claims, demands, losses, causes of action, damage, lawsuits, judgements (including attorney fees and costs) arising out of, or relating to, the lottery process, qualification requirements, and/or the purchase of an affordable housing unit at Seahouse.

Equal Housing Opportunity

Warmington Residential, LLC, and the City of Carpinteria will make reasonable accommodations in rules, policies, practices or services at the request of persons with disabilities when these accommodations are reasonable and necessary to give disabled persons equal opportunity to apply for an affordable housing unit. If applicant requires such accommodations due to a disability, please submit a request in writing at the time application is submitted describing the accommodation request, the reasons for it, and a signed physician statement verifying the need for the accommodation requested.

Warmington Residential, LLC, and the City of Carpinteria are committed to providing equal housing opportunity for all people regardless of race, color, ancestry, national origin, religion, disability, sex, gender, sexual orientation, gender identity, gender expression, genetic information, marital status, familial status, source of income, age, or medical condition. If you believe that you have been a victim of discrimination, contact the U.S. Department of Housing and Urban Development's Fair Housing Hotline (800-669-9777).

Contact Information

For questions regarding the condominiums, project, or homeowner's association, please contact:

Seahouse Sales Office
Phone: 805-833-5870
Email: crystal@warmingtongroup.com

For questions regarding eligibility requirements and affordability restrictions, please contact:

City of Carpinteria Community Development Department
Nick Bobroff, Principal Planner
Phone: 805-755-4407
Email: nickb@ci.carpinteria.ca.us