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County of Santa Cruz

BOARD OF SUPERVISORS

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JANET K. BEAUTZ FIRST DISTRICT ELLEN PIRIE SECOND DISTRICT MARDI WORMHOUDT
THIRD DISTRICT

TONY CAMPOS
FOURTH DISTRICT

JEFF ALMQUIST FIFTH DISTRICT

AGENDA: 8/28/01

August 21, 2001

BOARD OF DIRECTORS County of Santa Cruz Redevelopment Agency 701 Ocean Street Santa Cruz, CA 95060

RE: NORTH COAST FARM WORKER HOUSING REHABILITATION PROGRAM

Dear Members of the Board:

As Board members are aware, the spectacular Coast Dairies and Land Ranch on the North Coast of the County was purchased several years ago to ensure its permanent protection **as** open space and is currently under the management of the Trust for Public Land (TPL). TPL is currently conducting a process to prepare a long-term Management Plan for the property with the intention of eventually turning portions of it over to the State Parks and Recreation Department and portions of it over to the Federal Bureau of Land Management to own and manage the Ranch consistent with the Plan.

Agriculture is one of the long-term uses of the Coast Dairies and Land Ranch and my expectation is that the Management Plan will designate it as a high priority activity into the future. At this time, farm worker housing exists to support some of the agricultural activity on the Ranch. Much of it is in need of rehabilitation.

Given the public interest of TPL and the government entities that are likely to permanently own the property, this seems like a good opportunity to seek to upgrade the quality of farm worker housing. As a result, I have had a number of meetings with TPL, State Parks, County staff, and the farmers involved to discuss options for improving a significant amount of this housing.

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Redevelopment staff, in cooperation with the Planning Department and County Administrative Office, has analyzed the quality of the farm worker housing of two of the farmers leasing portions of the property and developed a cost estimate and financing proposal for upgrading this housing. The work write-ups and financing proposal are attached. The total cost of \$125,000 for both farmers' housing seems quite reasonable.

In order to bring this project-which I see as a pilot project for improving the County's existing farm worker housing-to fruition, it will be necessary to get final approval from TPL, State Parks, and the farmers involved. If this can be done, I think the expenditure of Redevelopment funds to upgrade this housing is worthwhile and should be supported.

Accordingly, ${\bf I}$ recommend that the Board ${\bf of}$ Directors take the following actions:

- 1. Conceptually approve the expenditure of \$125,000 in Redevelopment housing funds to renovate farm worker housing on the North Coast as outlined in this letter.
- 2. Direct the Redevelopment Agency to work with the Third District Office, TPL, State Parks and Recreation, and the farmers involved to develop a final agreement to allow for the rehabilitation of this housing and report back to the Board on its progress on or before October 23, 2001.

Sincerely,

MARDI WORMHOUDT, Supervisor

Third District

MW:lg Attachment

cc: Reed Holderman, Trust for Public Land
Rusty Areias, Director, State Parks and Recreation
Tom Burns, Redevelopment Agency Director
Alvin James, Planning Director
Jim Cochrane
John Fambrini

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August 16,2001

Loan Proposal:

- 1. Borrower: Current land owner
- 2. Type of Loan: Interest only and deferred accrued interest with balloon payment at end of term, or upon default under Declaration of Covenants and Restrictions.
- 3. Amount to Finance: \$125,000 (\$50,000 Fambrini; \$75,000 Cochrane)
- 4. Purpose of Financing: Rehabilitation of exiting farm worker housing units as described on attached summaries.
- 5. Rehabilitation Activity Period: March October
- 6. Rate: 6%: 3% simple arrual deferred and added to principle, 3% simple annual paid monthly over term.
- 7. Repayment Schedule: Monthly, 3% Interest only; Principle and 3% accrued interest to be forgiven at the end of term if covenants contained in "Declaration of Covenants and Restrictions" agreement have been followed.
- 8. Collateral: Property of current land owner

Requirements Of Operator Through Lease Agreement With Borrower

- 1. Oversee rehabilitation work
- 2. Maintain buildings in reasonable condition
- 3. Allow arrual inspection by lender (Redevelopment Agency)
- 4. Provide annual report on occupancy and occupant income levels

Covenants And Restrictions On Property:

- 1. **RDA** records "Declaration of Covenants and Restrictions" Recorded Agreement 20 year term
- 2. Operators of rehabilitated units provide ongoing maintenance of farm worker housing as condition of lease agreement.
- 3. Operators of rehabilitated units provide Annual Report to RDA on occupancy and occupant income levels as condition of lease agreement
- 4. If farming ceases to be an economically viable use because farming on the property ceases for three successive years, then principal and deferred interest **is** immediately due and payable for that portion of the housing taken out of use.
- 5. **If** farm worker housing ceases, then principal and deferred interest is immediately due and payable for that portion of the housing taken out of use
- 6. Rents restricted to be affordable to very low income farm worker households or individuals.
- 7. Maximum rent levels for farm workers not to exceed State Employee Housing Act requirements.
- **8.** Any housing that remains for non-agricultural worker use, must be rented at a rate affordable to very low income households for the duration of the 20 year period.
- 9. Any violation of the Declaration of Covenants and Restrictions Agreement will result in immediate repayment 'ofprincipal and deferred interest.

Disbursement of Funds:

Agency disburses progress payments upon completion of work

WORK WRITE-UPS

Fambrini Farms

John Fambrini

0323

426-0788, FAX: 423-5891

Building A-1

Single family dwelling, 800 sq. ft.

New roofing over entry porch

New cross bracing at post and pier foundation

Minor plumbing repairs

New siding batts; prepare and paint exterior, complete

New sheetrock, tape and texture at *most* of interior

Interior paint, complete

Estimate: \$20,000

Building A-2

Unused office space, 210 **sq. ft.**No renovation

Building B

Kitchen, dining area, bunk rooms, shower room and storage areas; 1,100 sq. ft.

Replumb shower pan for fail to septic tank

New concrete shower stall wails with epoxy paint

New exterior plywood siding

Roof eave and fascia repairs

Tear off, new plywood sheathing and new roofing, complete

Kitchen: Repair wails, new formica countertop with 18" splash, sink and faucets

Touch up paint kitctien interior and building exterior to match

Estimate: \$17,000

Building C-1

Shower and toilet room, 160 sq. ft.

3 new toilet enclosures with doors
New concrete shower stall wails with epoxy paint

Tear off, repair sheathing, new tar and 90# roll roofing

Estimate: \$5,000

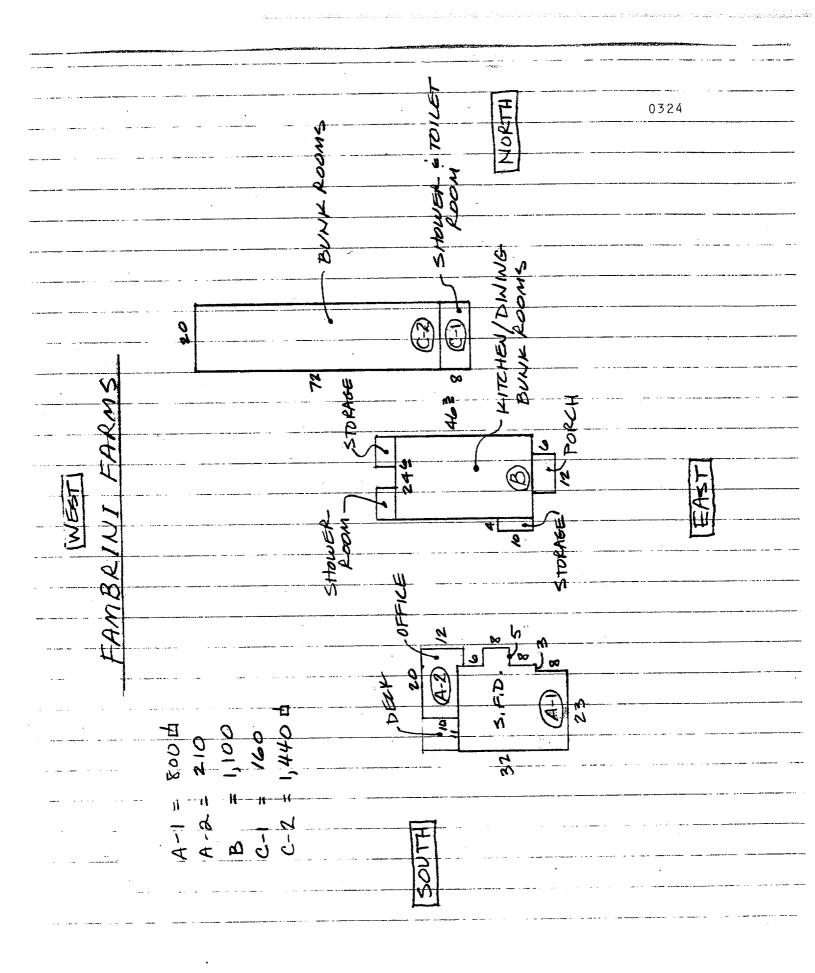
Building C-2

Bunk rooms, 1,440 sq.ft.

Replace rusted electrical conduit on north side Replace termite damaged horizontal board siding New cross bracing at post and pier foundation New composition roofing over **old**, **complete**

Estimate: \$8,000

Total estimate: \$50,000



Revised 8/14/01

Jim Cochran P.O.Box 308 Davenport, CA Phone: 425-8919 FAX: 466-0952

Building A

Single family dwelling, 600 sq. ft.

New septic tank and leach field

Major cleanup in and out

Demolish shed on north side, install new entry deck

Upgrade and reconnect electrical service

Replace 7 windows with jamb and sill repairs

Repair interior water damage along west side

Gut and renovate bathroom, complete

New 30 gallon water heater, stove and refrigerator

New gas wall heater

Repair roof sheathing and eaves; new roofing, complete

Prepare and paint interior and exterior, complete

Estimate: \$47,000

Building B:

Bunk house, 1250 sq. ±.

Demolish south shed

Repair three existing entry stairs and decks

Repair "bulging" exterior wall on east side

Replace 7 windows with jamb and sill repairs

Repair subflooring at various locations

New plywood flooring and sheetrock at walls and ceiling where missing.

New roofing over old, complete

Prepare and paint interior and exterior, complete

Estimate: \$22,000

Building C-1

Single family dwelling, 600 square feet New roofing over old, complete

Exterior paint, complete

Estimate: \$6,000

Total estimate: \$75,000

