

# FREQUENTLY ASKED QUESTIONS

## Q: WHAT IS HAPPENING?

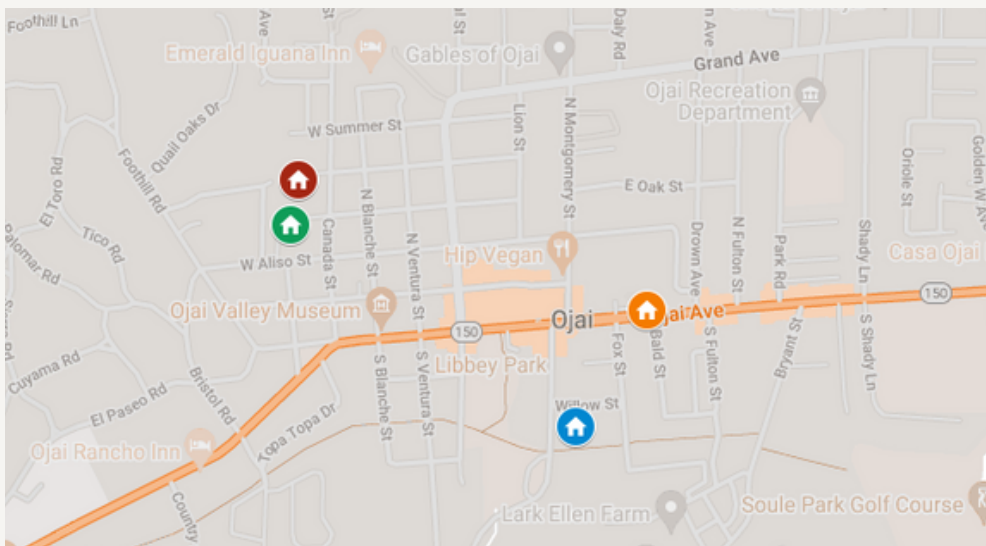
On December 18th, 2023, the Ojai City Council approved a settlement agreement with Ojai Bungalows LP regarding four separate housing project sites in Ojai.

## Q: WHO IS INVOLVED?

The parties involved in the Settlement Agreement are the City of Ojai (City) and Ojai Bungalows LP (Developer)

## Q: WHERE ARE THE PROJECTS LOCATED?

- 🏡 312 W. Aliso Street - Cottages Among the Flowers (Cottages)
- 🏠 412 Mallory Way (Mallory)
- 🏡 510 E. Ojai Avenue (510 E. Ojai)
- 🏠 304 S. Montgomery Street (304 S. Montgomery)



## Q: WHY THE SETTLEMENT AGREEMENT?

Effective January 1st, 2024, The State Density Bonus Law would grant Developers additional density bonus for projects that meet affordability requirements, as a response to the current housing crisis in California. With the new state laws in effect, the developer is afforded the ability to increase the amount of development, regardless of local zoning. The Developer has agreed to compromise on these state-afforded benefits in order to work with the community.

The Settlement Agreement allows the City and Developer to develop a plan that benefits both parties in moving forward with the development of new 55-year deed-restricted affordable housing and market-rate housing in a manner better matching Ojai's character than allowed by default laws.

Additionally, the Settlement Agreement allows the City to avoid costly litigation that would have cost time, money, and most importantly, certainty. By approving the Settlement Agreement, the decision is put in the hands of the City rather than the hands of a court; a court that may rule in favor of increased development despite local circumstances.

## **Q: WHAT IS THE OUTCOME OF THE SETTLEMENT AGREEMENT?**

The City and Developer have worked closely together to create an agreement for the development of affordable and market-rate housing to move forward whilst keeping the charm of Ojai and its community members in mind. Without the Settlement Agreement, by State law, the developer would be able to create more market-rate units, demolish the bungalows and build 3-story or taller multi-story units at Mallory Way, and limit tenant protections to what is currently outlined in Title 11 Chapter 2 of the Ojai Municipal Code.

To avoid these pathways, the Settlement Agreement requires the developer to increase the number of affordable units, landmark the existing 25 single-story bungalows at Mallory Way to ensure historic preservation and grant additional tenant protections to assure current tenants are not priced out of their homes and community. In return, the developer has been granted City-owned land, abutting Mallory Way, to allow for more area to spread out the development at the project site.

### **BY RIGHT**

**98 NEW UNITS (98 TOTAL)**  
**17 TOTAL AFFORDABLE**  
**7 MODERATE**  
**3 LOW**  
**7 VERY LOW**

**EXISTING MALLORY WAY BUNGALOWS**  
**MARKET RATE**

**ABILITY TO KNOCK DOWN AND REBUILD**  
**BUNGALOWS W/O SIZE OR STORY**  
**RESTRICTIONS**

**BUNGALOWS NOT LANDMARKED**

### **AGREEMENT**

**63 NEW UNITS (98 TOTAL)**  
**31 TOTAL AFFORDABLE**  
**16 MODERATE**  
**6 LOW**  
**7 VERY LOW**

**25 MALLORY WAY BUNGALOWS**  
**PRESERVED UNTIL TENANTS LEAVE**

**BUNGALOWS 500-600 SQ FT AND**  
**MAXIMUM HEIGHT OF TWO STORIES.**

**LANDMARK APPLICATION FOR**  
**BUNGALOWS**

## Q: WHAT DOES THIS PROJECT ADDRESS?

The project addresses the housing crisis that is currently affecting both the City of Ojai and the state of California as a whole. To combat the housing crisis, the California Department of Housing and Community Development has created the Regional Housing Needs Allocation (RHNA) plan to address housing needs in each region of the state.

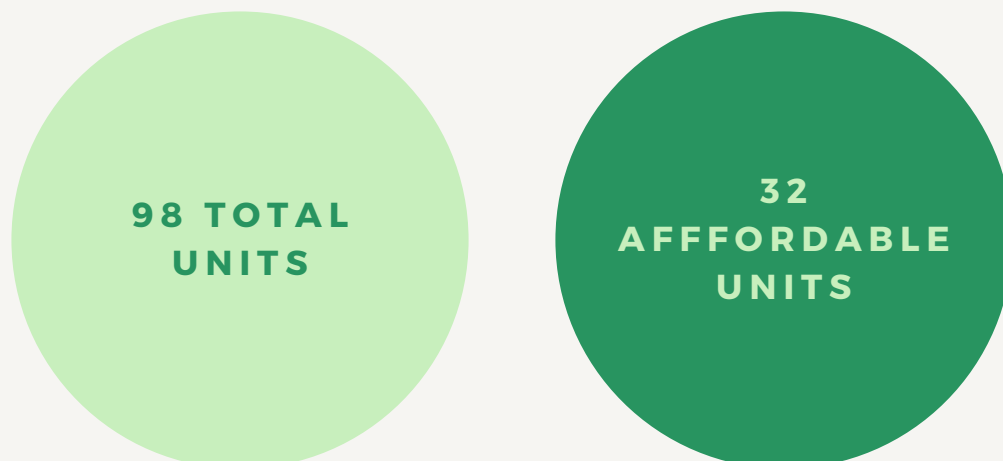
The plan allocates region-specific numbers for affordable housing that provide the opportunity for developers or property owners to develop affordable housing through an objective review process. Ojai's RHNA numbers are as follows:

COUNTY	JURISDICTION	TOTAL	VERY-LOW INCOME	LOW INCOME	MODERATE INCOME	ABOVE AVERAGE INCOME
VENTURA	OJAI	53	13	9	10	21

With all four bungalows projects in combination with the Bryant Street 100% affordable housing project, the numbers would be met, allowing the city more leverage for future development prospects.

Additionally, the projects address the rehabilitation of the existing units at both Cottages and Mallory. The units, being built in the 1920s, are in need of maintenance to allow the residents to live safely and comfortably.

## Q: HOW MANY TOTAL UNITS WILL THIS BRING TO OUR CITY? HOW MANY ARE AFFORDABLE?



## Q: WHO QUALIFIES FOR HOUSING?

There is housing available for tenants whose incomes range from very low to above-average income. Under the City's local preference ordinance, first preference for the affordable units will be reserved for local income-qualifying residents facing, or having been subject to, displacement; and second preference for persons who have lived in Ojai for at least ten years and were displaced within the last five years.

## Q: WHAT IS AFFORDABLE?

The U.S. Department of Housing and Urban Development (HUD) considers housing to be affordable when a household spends 30% or less of its income on housing costs. These numbers vary based on income level and are updated yearly. For Ventura County residents the categorization for 2023 is as follows:

NUMBER OF PERSONS IN HOUSEHOLD		1	2	3	4	5	6	7	8
VENTURA COUNTY AREA MEDIAN INCOME: \$123,500	ACUTELY LOW	13,000	14,850	16,700	18,550	20,500	21,500	23,000	24,500
	EXTREMELY LOW	27,900	31,900	35,900	39,850	43,050	46,250	49,450	52,650
	VERY LOW	46,500	53,150	59,800	66,400	71,750	77,050	82,350	87,650
	LOW	74,400	85,000	95,650	106,250	114,750	123,250	131,750	140,250
	MEDIAN	86,450	98,800	111,150	123,500	133,400	143,250	153,150	163,000
	MODERATE	103,750	118,550	133,400	148,200	160,050	171,900	183,750	195,600

### Example: A housing project with two very low-income units and eight market-rate units:

The maximum income for a one-person very low-income household is \$46,500, calculated as 50% of median income, adjusted for household size.

- Maximum affordable rent for a one-person very low-income unit, inclusive of a reasonable utility allowance, is \$1,162.50, calculated as 30% of \$46,500, divided by 12 months.

The Maximum income for a two-person very low-income household is \$53,150, calculated as 50% of median income, adjusted for household size

- Maximum monthly affordable rent for a two-person very low-income unit, inclusive of a reasonable utility allowance, is 1,328.75, calculated as 30% of \$53,150, divided by 12 months

## Q: WHAT IS THE HOUSING DISTRIBUTION ACROSS ALL FOUR SITES?

The housing distribution outlined in the Settlement Agreement is as follows:

Housing Distribution						
DEED-RESTRICTED AFFORDABLE						
	VERY-LOW	LOW	MODERATE	TOTAL AFFORDABLE	MARKET	TOTAL UNITS
312 W. ALISO (COTTAGES)	1	1	X	2	10	12
304 S. MONTGOMERY	X	3	12	15	X	15
510 E. OJAI	2	2	1	5	8	13
412 MALLORY WAY	5	X	5	10	48	58
TOTAL:	8	6	18	32	64	98

## Q: WHAT WORK WILL BE DONE AT EACH SITE?

### COTTAGES

- FOUR-PHASED PROJECT; PHASE ONE TO COMMENCE SOON
- REHABILITATION & EXPANSION OF EXISTING 8 UNITS
  - COTTAGES RANGING FROM ~ 800 TO ~1300 SQUARE FEET
- ADDITION OF TWO NEW ADUS ABOVE EXISTING GARAGE
- NEW DUPLEX
  - UNITS ~ 1,792 SQUARE FEET
- PRESERVATION OF EXISTING WALKING AND NATURE TRAIL

### 510 E. OJAI

- TWO TWO-STORY RESIDENTIAL APARTMENT BUILDINGS
- TOTAL OF 13 UNITS
- ADAPTIVE REUSE AND EXPANSION OF EXISTING COMMERCIAL BUILDING
  - TWO-STORY ADDITION AT REAR OF BUILDING
- PARKING TUCKED TO REAR

### MALLORY

- REHABILITATION AND PRESERVATION OF EXISTING 25 BUNGALOW UNITS

### **MALLORY CONTINUED**

- ADDITION OF 33 NEW UNITS RANGING FROM 500-600 SQUARE FEET.
- ABILITY TO RELOCATE UP TO FOUR EXISTING UNITS IF NEEDED
- ALL UNITS WILL NOT EXCEED TWO-STORIES
- DESIGN & MATERIAL COMPATIBLE WITH EXISTING BUNGALOWS
- ORIGINAL BUNGALOWS TO BE LANDMARKED
- CITY GRANTED EXCESS LAND FOR DEVELOPMENT
- OAK TREES' IMPACTS MINIMIZED

### **304 S. MONTGOMERY**

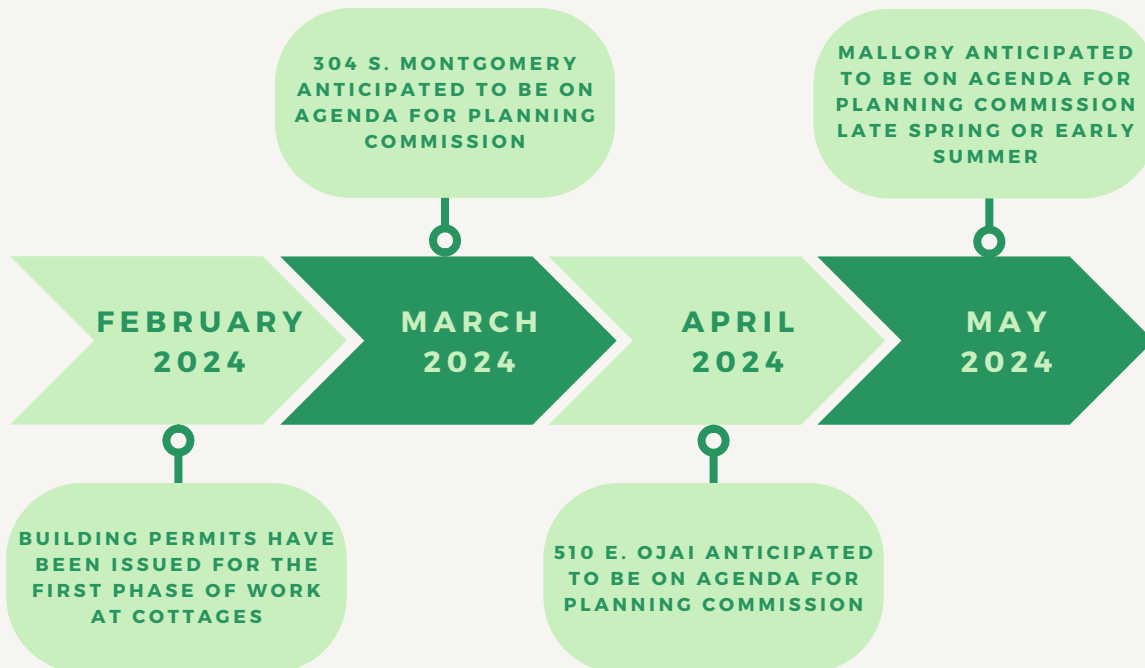
- 15-UNIT HOUSING PROJECT ON A 0.062-ACRE SITE
- THREE BUILDINGS
  - BUILDING 1: SINGLE-LEVEL WITH THREE UNITS
  - BUILDING 2: TWO-STORY WITH SEVEN UNITS
  - BUILDING 3: PARTIALLY TWO-STORY WITH 5 UNITS
- BUILDINGS ORIENTED AROUND A CENTRAL COURTYARD
- CALIFORNIA NATIVE LANDSCAPING
- PRESERVATION OF EXISTING TREES - OVERALL NET GAIN OF TEN NATIVE TREES

### **Q: WILL THESE PROJECTS GO THROUGH A PUBLIC HEARING PROCESS?**

Mallory, 510 E. Ojai, and 304 S. Montgomery will all be going to the Planning Commission for review of the final site plans. The Mallory project will also go in front of the City Council. The Cottages project was previously approved by the Planning Commission, and the two new affordable accessory dwelling units are subject only to staff-level review.

However, any decision of the Planning Commission is appealable to the City Council under Section 10-2.3002 (Appeal of Action) of the Ojai Municipal Code.

## **Q: WHAT IS THE TIMELINE FOR THESE PROJECTS?**



## **Q: AS A TENANT OF BUNGALOWS/COTTAGES, WILL I BE RELOCATED?**

Yes. All existing tenants as of December 18, 2023, will eventually be relocated to a unit of equivalent size (the same total number of bedrooms as the units being replaced) at any of the four project locations. Rent in the relocated unit shall not exceed the rental rate that the tenant is paying at the time of relocation. Future rent increases at the new unit will then be limited by Ojai's rent stabilization ordinance and state law. Relocated tenants may also exercise return rights to their original units as allowed by and under the conditions of the City's rent stabilization ordinance and state law.

The existing 25 units at Mallory Way will have their rent stabilized at their current rate, subject only to annual increases as allowed by the City's rent stabilization ordinance and state law, until the tenant moves out. Once the current tenants move, the units will be available at market rate.

For all relocated tenants, the developer will also reimburse moving costs, up to \$2,000, and must also comply with all applicable notices, relocation assistance, and other requirements of state law.

### **Q: WHAT OTHER TENANT PROTECTIONS EXIST?**

Up to 2,000 dollars in moving allowance for existing tenants at Cottages Among the Flowers and the Mallory Way Bungalows as of December 18, 2023, as they are required to move.

### **Q: IS TENANT RELOCATION TEMPORARY OR PERMANENT?**

This will vary for different tenants based on their personal situation. Under the City's just cause eviction ordinance, relocated tenants will have the option to either re-occupy the newly rehabilitated unit if rented within 12 months of completion or remain in the unit that they have been relocated to at the same rent as their original unit, subject only to annual increases as allowed by applicable state law and the City's rent stabilization ordinance.

### **Q: IS THERE A REQUIREMENT FOR LOCAL PREFERENCE?**

Yes, local Ojai residents will be first preference tenants for any of the projects pursuant to our recent Local Tenant Preference Policy for Lower Income Deed-Restricted Affordable Housing adopted by City Council on November 28, 2023.

### **Q: WILL BUNGALOWS OR COTTAGES BE LANDMARKED?**

Per the Settlement Agreement, the Developer has agreed to file a landmark application and Mills Act application for Mallory Way. Cottages will not be landmarked.

### **Q: WHY IS MALLORY BEING LANDMARKED, BUT COTTAGES IS NOT?**

Pre-agreement, the developers would have had the ability to tear down and rebuild the property at Mallory. By landmarking the Mallory Way site, the buildings cannot be torn down but rather must be restored. The Cottages will not be landmarked at this time as the site had a different permitting history than the Mallory Way site. That said, the Developer aims to preserve the charm of both properties and keep the development of both in line with Ojai's standards.



### **Q: WILL THE WALKING PATH/WILDLIFE CORRIDOR BE PRESERVED AT THE COTTAGES?**

The walking path/wildlife corridor will be preserved and remain open and accessible to the public. The walking path may be reconfigured as part of the Mallory Way project, depending on the final proposed site plan and whether the City Council approves the proposed land transfer of a portion of the right of way through the Surplus Land Act. The settlement agreement requires, if the land is transferred, that the developer develop and maintain a public walking trail.

### **Q: WILL THE INCREASE IN DENSITY CAUSE ISSUES CONCERNING DISASTER EVACUATION?**

The development is of lower density and the city is mindful of the ongoing threat of disasters and the safe evacuation of residents out of harm's way which could include the Ojai Valley area in the event of a disaster.

### **Q: WHAT HAPPENED TO THE REFERENDUM?**

The referendum served to challenge the Development Agreement between the Developer and the City that was approved by the City Council in 2022. Any approval regarding the project was suspended via the referendum process which was scheduled to be on the ballot in March of 2024. In October 2023 the Developer decided to move forward with development on their properties on an individual basis rather than altogether as outlined in the approved Development Agreement. By doing so, the Developer withdrew from the then-paused Development Agreement. Since the referendum was put on the ballot by the Council, the Council needed to also vote to remove the referendum from the ballot. On October 10, 2023, the City Council voted to rescind the referendum as the Developer had withdrawn from the Development Agreement making the referendum no longer applicable.

### **Q: HOW ARE THESE PROJECTS BEING FINANCED?**

All four of these projects are being privately financed, which means no state funding or grants are being pursued by the developer to the City's current best information.

**Q: 304 S. MONTGOMERY IS LOCATED NEXT TO AN  
EDISON SUBSTATION - WILL IT BE SAFE TO LIVE  
HERE?**

In short, no evidence identifies any health-related issues for those residents living near electrical lines or in this case, an Edison substation.

**FURTHER QUESTIONS?**

**Contact:**

Phone - (805) 646-5581 Ext. 112

Email - [lucas.seibert@ojai.ca.gov](mailto:lucas.seibert@ojai.ca.gov) | [sarah.kameli@ojai.ca.gov](mailto:sarah.kameli@ojai.ca.gov)