



**BOARD OF SUPERVISORS  
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: HCD  
Department No.: 055  
For Agenda Of: 03/20/07  
Placement: Administrative  
Estimated Tme: None  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

**TO:** Board of Supervisors

**FROM:** Department Name & Phone  
Director(s) John Torell, Housing and Community Development Director x3520  
Contact Info: Name & Phone  
Patricia Gabel, Housing Finance Division Manger x3522

**SUBJECT:** Membership Composition of the Affordable Housing Loan Committee

**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** N/A

As to form: Select\_Concurrence

**Recommended Actions:**

That the Board of Supervisors:

1. Authorize and Direct the Housing and Community Development Director to modify the composition of the Affordable Housing Loan Committee to replace a county public housing agency representative and a not – for – profit housing provider with representatives from the Auditor – Controller’s Office and the Treasurer – Tax Collector’s Office.
2. Amend the Administrative and Funding Guidelines as set forth in Attachment A.

**Summary Text:**

It is requested that the Board authorize and direct that the Housing and Community Development Director to modify the Affordable Housing Loan Committee (“Loan Committee”) membership so that it is comprised of voting representatives from:

- a north county lender
- a south county lender
- a professional in building, architecture, engineering or related technical field
- a city public housing agency
- a for – profit housing provider
- the County Auditor – Controller’s Office
- the County Treasurer – Tax Collector’s Office.

It is requested that members of the Loan Committee continue to serve for three years. It is also requested that County Counsel and HCD continue to provide staff support to the Loan Committee. The guideline amendment identified in the attached Administration and Funding Guidelines amends only those sections of

the guidelines describing the Affordable Housing Loan Committee. The proposed guideline amendment also clarifies that County Counsel is available as an advisor to, rather than a member on the Loan Committee. The Guidelines were also amended to include meeting location options to address Loan Committee member requirements while maintaining meeting availability to the public. The changes to the description of meeting places conform to current practice whereby most meetings are conducted by teleconference.

**Background:**

The Housing and Community Development Department (HCD) conducted an analysis of the structure and composition of the Loan Committee. This action was in response to the November 22, 2006 Housing Finance Audit that found, “some members of the Loan Committee who approve the awards to fund could also be a key member of one of the recipient organizations. Thus, it would appear that a conflict of interest may exist with this process.”

In the proposed new composition, the Loan Committee positions that were previously reserved for a county public housing agency representative and a not – for – profit housing provider are proposed to be replaced with representatives from the Auditor – Controller’s Office and the Treasurer – Tax Collector’s Office. These changes ensure the committee will continue to include members with underwriting and financial expertise while eliminating positions that involved the potential conflicts of interest that was identified in audit. Under the proposed changes, the Director of Housing and Community Development will retain appointment authority over individual members. The Affordable Housing Loan Committee will also continue to conduct its meetings in conformity with the Brown Act.

**Performance Measure:**

Quality of Life: A High Quality of Life for All Residents.

**Fiscal and Facilities Impacts:**

**Budgeted:** Yes All positions within the Loan Committee are volunteer positions.

**Fiscal Analysis:**

There are no impacts to the General Fund. The Loan Committee currently exists. The proposed action will not increase the Loan Committee’s workload.

**Staffing Impacts:** None

**Special Instructions:**

None

**Attachments:**

Attachment A: Administration and Funding Guidelines

**Authored by:**

Patricia Gabel, Housing Finance Division Manager x 3522