



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: Community Services
Department No.: 057
For Agenda Of: December 10, 2019
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: George Chapjian, Director (805) 568-3407
Contact Info: Dinah Lockhart, Deputy Director (805) 568-3523
Laurie Baker, Grants and Program Manager (805) 568-3521
SUBJECT: Approve and execute Community Development Block Grant (CDBG) agreement to implement capital project approved by the Board of Supervisors on June 4, 2019 (Supervisorial District #4)

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve and authorize the Chair of the Board to execute Community Development Block Grant (CDBG) Subrecipient Agreement (Attachment A) between the County and Good Samaritan Shelter to implement the \$414,769 Bridgehouse Shelter Renovation Phase II project approved by the Board on June 4th 2019; and
- B. Determine that the recommended action is exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301, as the action consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use, and direct staff to file the attached Notice of Exemption on that basis (Attachment B).

Summary Text:

On June 4, 2019, the Board of Supervisors approved awards of CDBG funds to implement five (5) capital projects, ten (10) public services projects, and one (1) micro-enterprise project. The Board Action Summary is attached as Attachment C. Of the five (5) CDBG capital project, one Subrecipient Agreement for Good Samaritan Shelter's \$414,769 CDBG grant for Bridgehouse Shelter improvements Phase II is attached for execution (Attachment A). The Bridgehouse Shelter Renovation Phase II project consists of

demolition and improvement of an exterior balcony, replacement of two stairways, new flooring, new windows, interior and exterior paint, and related drywall replacement.

Background:

The County of Santa Barbara is the lead agency of the CDBG Urban County, which includes the County and the Cities of Buellton, Carpinteria, and Solvang. Each year, the Urban County receives an allocation of CDBG funds from the U.S. Department of Housing and Urban Development (HUD). In October of 2018, HCD issued a Notice of Funding Availability (NOFA) to receive applications for FY 2019-20 CDBG funds. Applications were due in January 2019 and initially reviewed by Community Services Department (CSD) Division of Housing and Community Development (HCD) staff, with CDBG Capital Project applications additionally vetted by the Capital Loan Committee. The Board made funding approvals on June 4, 2019. The Board also approved the County's FY 2019-20 Action Plan that included the CDBG and HOME projects, which was submitted to the U.S. Department of Housing and Urban Development (HUD) on June 14, 2019.

The Bridgehouse Shelter Renovation Phase II project consists of demolition and improvement of an exterior balcony, replacement of two stairways, new flooring, new windows, interior and exterior paint, and related drywall replacement. The property is owned by the County leased to Good Samaritan Shelter. On July 16, 2019 the Board of Supervisors extended its lease term with Good Samaritan Shelter for the Bridgehouse property until June 30, 2025. All preliminary requirements have been completed for the project, including environmental reviews in accordance with 24 CFR Part 58.

Performance Measure:

HCD staff will monitor the progress of construction to assure adequate progress toward meeting the project timeline. Funds will be provided on a reimbursement basis and only after the subrecipient has provided documentation that supports that the expenditures were eligible per the contract budget and in compliance with funding regulations.

Key Contract Risk:

HUD holds the County accountable for ensuring that federal funds expended are for eligible costs and could require repayment by the County, with non-federal funds, for ineligible expenses.¹ HCD will make payments to the subrecipient on a reimbursement basis and, to receive payment, the subrecipient must provide documentation that supports eligible expenditures that are consistent with the contract budget and federal regulations. If the subrecipient does not meet performance measures or federal regulations, the County may withhold funds or terminate the contract.

Fiscal and Facilities Impacts:

CDBG funds are allocated to the County on an annual basis from HUD and are included in the 2019 budget.

Fiscal Analysis:

¹ Real property improved with CDBG funds, must continue to meet a CDBG National Objective for a period of at least five years. To meet this requirement, on July 16, 2019 the Board of Supervisors extended its lease term with Good Samaritan Shelter for the Bridgehouse property until June 30, 2025. Failure to meet the five-year period may result in County reimbursement in the amount of the current fair market value of the property less any portion of the value attributable to the expenditure of non-CDBG funds. This repayment requirement is passed on to the subrecipient in the subrecipient agreement.

Funding Sources	Current FY Cost:	Annualized On-going Cost:	Total One-Time Project Cost
General Fund			
State			
Federal			\$ 414,769.00
Fees			
Other:			
Total	\$ -	\$ -	\$ 414,769.00

Staffing Impacts:

The CDBG program is administered by existing HCD staff with the support of County Counsel, and other County departments including the CEO, Auditor-Controller, Risk, General Services, and Community Services/Parks.

Special Instructions:

1. Please have the Board Chair sign two copies of the subrecipient agreement (Attachment A). Return one copy with original signatures Carlos Jimenez at HCD. Please call ext. 83529 for pick-up. One copy of the subrecipient agreement may be retained by COB.
2. Please provide a copy of the Minute Order to cjimenez@co.santa-barbara.ca.us or place with agreement for pick up.

Attachments:

- Attachment A: Subrecipient Agreement with Good Samaritan Shelter
- Attachment B: Notice of Exemption
- Attachment C: 6/4/19 Board Action Summary