

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



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

Agenda Number:
Prepared on: 4/3/03
Department Name: Housing and Comm. Dev.
Department No.: 990
Agenda Date: 4/15/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ed Moses, Housing and Community Development
Director

STAFF CONTACT: Tim Wong
ext. 3523

SUBJECT: Declaration of Support for The National Housing Trust Fund Campaign

Recommendation(s):

That the Board of Supervisors:

- A) Approve the submission of the attached Declaration of Support (Attachment A) endorsing the establishment of the National Housing Trust Fund Campaign and;
- B) Authorize the Chair of the Board to sign the attached letters (Attachment B) to the County's members of Congress urging them to support the Trust Fund.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goals No. 7, Strengthen the Safety and Well-Being of Children and Their Families to Ensure a Strong Future for our Community, and Goal No. 5, Maintain and Enhance the Quality of Life for all Residents.

Executive Summary and Discussion:

On April 29, 1993, your Board approved the "Program Uses, Funding Criteria and Guidelines of the Housing Trust Funds" for the Department of Housing and Community Development (HCD), establishing a basis for use of other federal or state funding resources. HCD has identified the establishment of a National Housing Trust Fund as a means to double the County's resources through its Special Revenue Fund (Housing Trust Fund).

A House Bill for the establishment of a National Housing Trust Fund has been introduced to the current Congress. The House Bill, H.R. 1102, co-sponsored by Congresswoman Capps, would use profits generated by Federal housing programs to fund additional affordable homeownership and rental housing opportunities.

Both Bills propose to subsidize the Trust Fund from revenues generated from two sources: They are as follows:

- 1) any revenue generated by the Mutual Mortgage Insurance in excess of the amount necessary for the Mutual Mortgage Insurance Fund to maintain a determined capital ratio; and
- 2) revenue generated by the Government National Mortgage Association in excess of their administrative costs.

It is proposed the Secretary of Housing and Urban Development would be responsible for the expenditures of the funds.

There are plans to introduce a similar bill in the Senate. A National Affordable Housing Trust Fund bill was introduced in the Senate in 2001 but it did not pass. Both Senators Feinstein and Boxer were co-sponsors of the 2001 bill.

HCD is always searching for additional funding sources to help supplement the Department's existing funding sources. Creation of a National Housing Trust Fund would allow the County to access additional funding in the form of cash match to further stretch the County funds available to finance affordable housing. The National Housing Trust Fund could potentially provide 100% cash match to the County's Housing Trust Fund.

Mandates and Service Levels: The Housing Finance Program is not mandated; however, acceptance of funds to carry out affordable housing activities requires the County to comply with the conditions attached to those funds.

Fiscal and Facilities Impacts:

Support of the National Housing Trust Fund may add another source of housing funds for Housing and Community Development. There would be no County funds required to either match or add to the Trust Fund. There are no facilities impact.

Special Instructions:

Return one set of copies of the signed letters to Lisa Snider, Housing and Community Development.

April 15, 2003

The Honorable Elton Gallegly
24th Congressional District
2427 Rayburn HOB
Washington, D.C. 20515-0253

Dear Congressman Gallegly:

As the chairperson of the Santa Barbara County Board of Supervisors, I am writing to ask your support for HR 1102, one of the most important pieces of legislation to be introduced in the 108th Congress. This bill will establish a National Housing Trust Fund that will help to alleviate the housing crisis in America and here in Santa Barbara County. HR 1102 was introduced in the House in March, 2003, with 162 bipartisan cosponsors, and it now has more than 170. **I urge you to join HR 1102 as a cosponsor.**

Because of your work on housing issues in the past, I know that you understand the crisis facing the residents of Santa Barbara County and Americans across the country. With a County median housing price over \$300,000 and as the National Low Income Housing Coalition's *Out of Reach, 2002* report shows, a worker in Santa Barbara County must earn more than \$18.85 an hour to be able to afford a modest two-bedroom apartment here. This means that too many of our workers just can't afford a decent place to live.

The time to do something about this housing shortage is now. Assisting states with the production of rental housing will, over time, be more cost effective than dealing with the repercussions of increased homelessness and worst-case housing needs in our communities.

In addition, housing is economic stimulus. An investment in housing now will create much-needed jobs and wages in our communities.

Please continue your commitment to helping the County of Santa Barbara's families work for a better future by cosponsoring HR 1102.

Thank you for your consideration.

Sincerely,

Naomi Schwartz, Chair
Santa Barbara County Board of Supervisors

April 15, 2003

The Honorable Lois Capps
23rd Congressional District
1707 Longworth House Building
Washington, D.C. 20515

Dear Congresswoman Capps:

As the chairperson of the Santa Barbara County Board of Supervisors, I want to thank you for your co-sponsorship of HR 1102, one of the most important pieces of legislation to be introduced in the 108th Congress. This bill will establish a National Housing Trust Fund that will help to alleviate the housing crisis in America and here in Santa Barbara County. HR 1102 was introduced in the House in March, 2003, with 162 bipartisan cosponsors, including yourself, and it now has more than 170.

Because of your work on housing issues in the past, I know that you understand the crisis facing the residents of Santa Barbara County and Americans across the country. With a County median housing price over \$300,000 and as the National Low Income Housing Coalition's *Out of Reach, 2002* report shows, a worker in Santa Barbara County must earn more than \$18.85 an hour to be able to afford a modest two-bedroom apartment here. This means that too many of our workers just can't afford a decent place to live.

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In addition, housing is economic stimulus. An investment in housing now will create much-needed jobs and wages in our communities.

Please continue your commitment to helping the County of Santa Barbara's families work for a better future by continuing to support HR 1102.

Thank you for your consideration.

Sincerely,

Naomi Schwartz, Chair
Santa Barbara County Board of Supervisors

April 15, 2003

The Honorable Dianne Feinstein
112 Hart Senate Office Building
Washington, DC 20510

Dear Senator Feinstein:

As the chairperson of the Santa Barbara County Board of Supervisors, I want to thank you for your co-sponsorship of S. 1248, the National Affordable Housing Trust Fund Act of 2001, which unfortunately, did not pass. And now I ask your support for the National Housing Trust Fund, one of the most important pieces of legislation that will be introduced in the 108th Congress. This bill will establish a National Housing Trust Fund that will help to alleviate the housing crisis in America and here in Santa Barbara County. The bill has not yet been introduced, but I want to take this opportunity to inform you on the issue and encourage you to be an original co-sponsor again once the legislation is crafted.

Because of your co-sponsorship of S. 1248 and your work on housing issues in the past, I know that you understand the crisis facing Santa Barbara County and Americans across the country. With a County median housing price over \$300,000 and as the National Low Income Housing Coalition's *Out of Reach, 2002* report shows, a worker in Santa Barbara County must earn more than \$18.85 an hour to be able to afford a modest two-bedroom apartment here. This means that too many of our state's workers just can't afford a decent place to live.

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In addition, housing is economic stimulus. An investment in housing now will create much-needed jobs and wages in our communities.

Please continue your commitment to helping Santa Barbara County's families work for a better future by supporting a National Housing Trust Fund.

Thank you for your consideration.

Sincerely,

Naomi Schwartz, Chair
Santa Barbara County Board of Supervisors

April 15, 2003

The Honorable Barbara Boxer
112 Hart Senate Office Building
Washington, DC 20510

Dear Senator Boxer:

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Thank you for your consideration.

Sincerely,

Naomi Schwartz, Chair
Santa Barbara County Board of Supervisors