



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: Housing and Community
Development
Department No.: 055
For Agenda Of: 1/15/08
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: HCD Director John Torell, ext. 3520
Housing Finance Pat Gabel, ext. 3522
Manager
SUBJECT: Ventucopa Water Supply System Feasibility Study Loan Forgiveness

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

- A. That the Board of Supervisors approve forgiveness of a \$33,250 loan, funded through a State of California Community Development Block Grant Planning and Technical Assistance Grant, awarded in 2005 to the Ventucopa Water Company to create a water system improvement feasibility study for Ventucopa, 5th Supervisorial District.
- B. That the Board of Supervisors authorize the Director of Housing and Community Development to execute a Notice of Release of Loan Agreement (Attachment C)

Background:

On September, 14, 2004 the Board of Supervisors adopted a resolution authorizing Housing and Community Development Department to prepare and submit an application to the State of California Housing and Community Development Department for Community Development Block Grant (CDBG) funding. The \$35,000 Planning and Technical Assistance funded a feasibility study to determine necessary improvements to Ventucopa's water supply and delivery system. Ventucopa is located in Santa Barbara County's 5th Supervisorial District, southeast of New Cuyama.

On January 10, 2006, the Board of Supervisors entered into a \$33,250 Loan Agreement with the Ventucopa Water Company (VWC) for completion of a study that met the requirements of the CDBG grant awarded by the State of California. *The Loan Agreement with VWC included a provision for forgiveness, contingent upon completion of the feasibility study in a timely fashion in a manner acceptable to County Housing and Community Development.* The study included an analysis of the

current water quality and delivery system; identification of potential improvements required to improve the current system; and a financial/feasibility analysis of necessary improvement costs. Since the conditions within in the Loan Agreement concerning loan forgiveness have been met staff recommends that the Board approves forgiveness of the \$33,250 loan used to conduct the technical analysis and complete the study.

On June 21st, county HCD staff held a public hearing at the New Cuyama Community Center regarding the final Ventucopa Water Supply Feasibility Study. Shortly thereafter, the final study was forwarded to the State of California Housing and Community Development Department, along with final financial information and other documentation requirements attendant to CDBG funding. The system owner is now able to use the study as the basis of a pre-application for grant funding.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

\$1,750 of the \$35,000 grant was retained by County Housing and Community Development for general administrative expenses associated with overseeing the study's progress and process.

Staffing Impacts:

Legal Positions:

n/a

FTEs:

n/a

Special Instructions:

None

Attachments:

Attachment A: Loan Agreement between Santa Barbara County and Ventucopa Water Company

Attachment B: Executive Summary of the Ventucopa Water Study

Attachment C: Release of Loan Agreement

Authored by:

Mike Sederholm

cc: