



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:** July 8, 2014  
**Placement:** Administrative  
**Estimated Tme:** N/A  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Renee Bahl, Interim Community Services Director (805) 568-2467  
Director:  
Contact Dinah Lockhart, HCD Deputy Director (805) 568-3523  
Info:  
**SUBJECT:** **\$60,000 Tenant-Based Rental Assistance Subrecipient Agreement with the City of Santa Maria; Fifth Supervisorial District.**

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**County Counsel Concurrence**

As to form: Yes

**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 of Supervisors to execute the Tenant-Based Rental Assistance Subrecipient Agreement with the City of Santa Maria (Attachment A); and
- B. Determine that the approval of the grant and execution of the Subrecipient Agreement are not the approvals of a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), finding that the actions are not a project as they are the creation of government funding mechanism or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and direct staff to file the Notice of Exemption. (Attachment B).

**Summary Text:**

The \$60,000 Tenant-Based Rental Assistance Subrecipient Agreement is a grant of federal HOME Investment Partnerships (HOME) Program funds to the City of Santa Maria to provide low income households in the City of Santa Maria with financial assistance in the form of security deposits paid directly to their landlords.

A \$50,000 grant for Tenant-Based Rental Assistance (TBRA) was included in the FY 2012-2013 Annual Action Plan Substantial Amendment that was approved by the Board on May 6, 2014. At a later meeting with Santa Maria officials, the City requested an additional \$10,000 of HOME TBRA targeted to assist homeless households. This \$10,000 HOME TBRA reservation request was included in the June 17, 2014 staff report to the Board. The Board's approval of the additional \$10,000 TBRA amount does not trigger a Substantial Plan Amendment to the FY 2012-2013 Annual Action Plan because the \$10,000 is less than a 50% increase to the previously approved \$50,000 TBRA grant. Both the \$50,000 and \$10,000 amounts of HOME for TBRA will be administered through one subrecipient agreement between the County and the City of Santa Maria.

**Background:**

The Santa Barbara County HOME Consortium receives HOME funds from the U.S. Department of Housing and Urban Development (HUD) to be used to expand the supply of affordable housing to low income households. The County is the lead agency for the HOME Consortium which includes the cities of Santa Maria, Lompoc, Goleta, Carpinteria, Buellton, Solvang and the County. The City of Santa Maria has been a member of the countywide HOME Consortium since 1994. The City began administering a Tenant Based Rental Assistance (TBRA) program in 2007-08.

**Key Elements of Subrecipient Agreement:**

The City of Santa Maria's HOME-funded TBRA program will provides security deposit payments to landlords on behalf of eligible low income households. The TBRA subrecipient agreement provides for the following:

- The City will review each applicant's income to determine eligibility. Household income cannot exceed 60% of Area Median Income which is currently \$45,420 for a family of 4.
- Once families have identified a proposed housing unit, the City will inspect the unit to determine it meets federal Housing Quality Standards (HQS) and review the rent in order to make sure it is reasonable given its size, location and condition. Rent cannot exceed the area's Fair Market Rent, as determined annually by HUD.
- The City will review the lease to ensure that it does not contain terms prohibited by HUD, and the landlord and tenant will execute the lease.
- The Agreement includes a prohibition against the subrecipient from charging fees to tenants for participating in the program.
- The Agreement includes a requirement in Exhibit C to affirmative marketing responsibilities in accordance with HOME regulations.
- The security deposit is paid directly to the landlord.
- After the lease ends, and the tenant moves from the unit, after the deduction of any legally permissible deductions by the landlord, the balance of the security deposit funds shall be refunded to the TBRA tenant.

- The City will be responsible for maintaining records on the eligibility of households and units and making records available for County and HUD’s review.

Based on an estimate of the average security deposit payment of approximately \$800, the City expects to provide security deposit assistance to 75 households in FY 2014-15.

**Fiscal and Facilities Impacts:**

The County currently has sufficient Federal HOME funds and HOME program Income for the proposed \$60,000 grant.

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State			
Federal			\$ 60,000.00
Fees			
Other:			
Total	\$ -	\$ -	\$ 60,000.00

**Special Instructions:**

- Execute two (2) original copies of Attachment A
- Provide a copy of the minute order reflecting Board Action

**Attachments:**

Attachment A - Subrecipient Agreement  
Attachment B - CEQA Notice of Exemption