



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: Set Hearing on May 10, 2016
Placement: Administrative Agenda
Estimated Time: 15 minutes on May 17, 2016
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: From: George Chapjian, Community Services Director (805) 568-2467
Contact Info: Dinah Lockhart, Deputy Director, Division Housing and
Community Development (HCD) (805) 568-3523
Laurie Baker, Grants and Program Manager, HCD (805) 568-3521

SUBJECT: Set a Public Hearing for May 17, 2017 to consider public comments and staff recommendations on (1) HOME Loan for Property Acquisition and Rehabilitation, and (2) draft FY 2012-13 and FY 2014-15 Action Plan Substantial Amendments

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

- a) That on May 10, 2016 the Board of Supervisors (Board) set a public hearing for May 17, 2016 to review draft FY 2012-13 and FY 2014-15 Action Plan Substantial Amendments (Amendments) and consider other actions related to the acquisition and rehabilitation of property located at 220 S. First Street in Orcutt (Property).

- b) That the Board of Supervisors determine that the recommended actions are not the acceptance and approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), finding that the project is a creation of government funding mechanisms 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 a Notice of Exemption.

Summary Text:

Good Samaritan Shelter (Good Sam) is in escrow to purchase a 6-bedroom, single family residence located in Orcutt with plans to operate the residence as transitional or permanent housing for low-

income persons. The seller and current owner of the Property is the LifeSteps Foundation (LifeSteps), which no longer plans to use the Property for its intended purpose and desires to sell the Property. It is HCD staff's recommendation that the County permit the sale of the Property to Good Sam to preserve the Property for low-income persons and provide a County HOME loan to Good Sam to acquire and rehabilitate the Property.

The County receives an annual allocation of HOME Investment Partnerships funds (HOME) 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 use of HOME funds must be included in the County's annual Action Plan and, if not included, then the Action Plan must be amended to include County HOME-funded projects. A Substantial Amendment to the FY 2012-13 and FY 2014-15 Action Plans has been prepared to include the acquisition and rehabilitation of the Property by Good Sam.

The County has \$1,030,421 in HOME funds that are subject to recapture by HUD if not committed to an eligible use by July 31, 2016. HUD defines "commitment" as having a signed written agreement. \$555,421 of those funds were included in the Board Letter and draft Substantial Action Plan amendments that were presented to the Board of County Supervisors for consideration for approval on April 19, 2016, and presented to the Board of County Supervisors on May 3 for final approval and submittal to HUD. HCD staff recommends that the remaining \$475,000 be committed to the acquisition and rehabilitation of the Property by Good Sam.

Further details about the proposed transaction will be included in a subsequent Board Letter.

Special Instructions:

HCD published a notice in the Santa Barbara News Press, Santa Maria Times and the Lompoc Record 30 days prior to the May 17, 2016 Board Hearing. The notice is required for this item as it triggers a Substantial amendment to the County's Action Plan submitted to HUD. HUD requires a 30-day public comment period.

A copy of the notice will be provided to the Clerk of the Board (COB).

Authored by: Laurie Baker, Grants and Program Manager