

## **ATTACHMENT A**

### **ANNUAL ACTION PLAN SUBSTANTIAL AMENDMENTS (FY 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14) Santa Barbara County Community Development Block Grant (CDBG) Urban County Partnership**

#### **Introduction**

The County of Santa Barbara is the lead agency for the CDBG Urban County Partnership, which includes the cities of Buellton, Carpinteria, Lompoc and Solvang. The County reserves a portion of its annual CDBG allocation to each Urban County partner City to award to eligible projects in their own jurisdictions. Each city and the County have application review processes for awarding its funds to eligible projects in their jurisdictions. The process includes County staff review, review by the County's Capital Development Committee, and, for projects funded with Urban County Partner cities' reservations, review by the Urban County Partners' staff and City Councils. Final funding decisions are made by the County Board of Supervisors.

The County's Community Services Department (CSD) and the Capital Development Committee are recommending Substantial Amendments to the FY 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 Annual Action Plans, which are subject to approval by the County Board of Supervisors.

The United States Department of Housing and Urban Development (HUD) awards Community Development Block Grant (CDBG) funds annually to the Santa Barbara County Urban County Partnership for the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

#### **Purpose of Substantial Amendments:**

The purpose of the Substantial Amendments is to update the CDBG funding allocations that were adopted in the County's FY 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 Annual Action Plans, and to program or reprogram unspent funds totaling \$696,969.

HUD imposes expenditure requirements under the CDBG Program regulations. The ability to acquire sufficient funding necessary for development and the identification of ready projects are necessary to avoid deobligation under CDBG Program expenditure requirements. Therefore, the County may occasionally be required to reprogram funding from one fiscal year to another and/or from one project to another to ensure timely expenditure of funds.

In order to commit and expend the funds in a timely manner and meet the HUD-mandated timeliness requirement, an off-cycle Notice of Funding Availability (NOFA) was issued June 3, 2013 to announce the availability of CDBG funds for eligible projects. A requirement contained in this NOFA was that, if funded, applicants must demonstrate the ability to expend at least 75% of their award by February 28, 2014.

A total of \$696,969 in CDBG funds are available to commit to Capital Development Projects. These funds are derived from multiple sources:

1. Of the CDBG funds awarded to Capital Development Projects in prior years three projects did not go forward, totaling \$292,252 in unexpended CDBG funds. They were:
  - St. Mark's Homeless Lunch Program rehabilitation in Isla Vista, \$5,193. Upon further review of CDBG regulations, CSD staff determined the project was ineligible. (FY 2012-13 CDBG funds)
  - Lompoc Veteran's Memorial Building elevator, \$98,979. The project did not have all of the necessary funds to complete the project committed from all funding sources, and the project could not move forward. (FY 2012-13 CDBG funds)
  - Orcutt Oasis Senior Center, \$188,080. The project did not have all of the necessary funds to complete the project committed from all funding sources, and the project could not move forward. (FY 2010-11 and 2011-12 CDBG funds.)
2. After the awards of FY 2012-13 CDBG funds to projects, the federal Integrated Disbursement and Information System (IDIS) showed an uncommitted balance of \$28,956.
3. A FY 2012-13 Annual Action Plan Substantial Amendment awarded \$369,715 in HOME funds for the Casa de las Flores project. As part of these Annual Action Plan Substantial Amendments, the \$369,715 in CDBG funds that were previously awarded to Casa de las Flores are now being reprogrammed. The CDBG funds that were previously committed to Casa de las Flores are broken-out as follows:

Casa de las Flores Funding (includes FY 2008-09, 2009-10, 2010-11 reprogrammed funds)		
Action Plan Fiscal Year	Annual Action Plan Substantial Amendment Date	CDBG Funds
2008-09	5/1/12	\$34,155
2009-10	10/16/12	50,000
2010-11	5/1/12	79,005
2012-13		124,071
2013-14		82,484
	TOTAL	\$369,715

4. At the time that County issued the NOFA to award FY 2013-14 CDBG funds on November 16, 2012, HUD had not announced the FY 2013-14 allocation amounts to participating jurisdictions. Therefore, the County awarded funds based on the FY 2012-13 funding levels. HUD announced the FY 2013-14 funding allocations on or about May 29, 2013, and the CDBG allocation was increased by \$7,557 from the FY 2012-13 level. After deducting twenty-percent (20%) for County's administration costs, \$6,046 in additional CDBG funds are available.

Therefore, the total amount of CDBG funds available is \$696,969:

Unexpended FY 2010-11, 2011-12 and 2012-13 CDBG funds from projects that did not go forward	\$292,252
Other uncommitted FY 2012-13 funds (not committed to projects)	28,956
CDBG funds from Casas de las Flores	369,715
Increased FY 2013-14 CDBG allocation from FY 2012-13 level	6,046
TOTAL	\$696,969

**Public Hearings and CSD Project Recommendations:**

The County's Capital Development Committee held a public application review meeting on July 16, 2013. County CSD staff gave a verbal report on the recommended applications, and the Committee considered the recommendations and heard comments from applicants present. The Committee then recommended that the County CSD staff recommendations be forwarded to the County Board of Supervisors.

A public hearing was held to gather public input on the Substantial Amendments on Wednesday, July 31, 2013 at the Board of Supervisors Hearing Room located at 511 E. Lakeside Parkway, Santa Maria. The hearing was held from 5:30 p.m. until 6:30 p.m. No comments were received at this first public hearing. A second public hearing was held August 20, 2013 as a Departmental item when the Board of Supervisors considered the proposed Substantial Amendments to the Annual Action Plans and the recommended CDBG funding allocations for projects. This hearing was held at the Board of Supervisors Hearing Room at 105 E. Anapamu St. in Santa Barbara beginning at 9:00 a.m. One public comment was received at the Board hearing in support of the projects that were awarded funding. An applicant for CDBG funds expressed appreciation for the opportunity to make improvements to their organizations nonprofit's facility.

In accordance with the County's Citizen Participation Plan, the Substantial Plan Amendments were available for a 30-day public comment period which began on July 19, 2013 and continued through the conclusion of the Board hearing on August 20, 2013. Public notices were published in the Santa Maria Times, Santa Barbara News Press and Lompoc Record on July 19, 2013 announcing the public hearings and inviting interested persons to attend and provide

comments on the Annual Action Plan Substantial Amendments. The public hearing notices were also placed on the County's website: <http://www.countyofsb.org/housing>. Written comments were accepted up until 5:00 p.m. on August 20, 2013 at the Community Services Department at 105 E. Anapamu St., Suite 105, Santa Barbara, CA 93101, though none were received. Written comments were also not received via facsimile to (805) 560-1091, or emailed to [HCD@co.santa-barbara.ca.us](mailto:HCD@co.santa-barbara.ca.us).

HUD defines a Substantial Amendment to an Annual Action Plan to include the addition of a new project not described in an Annual Action Plan; the deletion of a project described in an Annual Action Plan; a change in the funding amount of a project by 50% or more; a change in the purpose or scope of a project such that it would be considered a new project; a change in the location of a project; or a change of 50% or more of beneficiaries.

In summary, the County proposed Substantial Amendments to the Annual Action Plans to re-allocate unspent funds on other eligible projects and/or activities that meet the County's 2010 – 2015 Consolidated Plan goals and one or more of HUD's National Objectives. The Amendments will assist the County in meeting timely expenditures of CDBG funds as required by HUD and ensure that any unspent funds are used to meet the County's CDBG goals and objectives. The County Board of Supervisors will finalize the Amendment officially recommending the following projects at their September 3, 2013 meeting:

1.	Bridgehouse – Lompoc	\$247,000
	Homeless Shelter	
	Replace roof and repave parking lot	
2.	Faulding Hotel - Santa Barbara	68,000
	Single-Room Occupancy (SRO) housing facility for previously homeless individuals	
	Replace carpet in common areas	
3.	Good Samaritan Shelter, Recovery Way Home – Lompoc	50,000
	Provides residential substance abuse treatment to perinatal women	
	Replace roof	
4.	Isla Vista Street Lighting	95,000
	Retrofit streetlights to enhance nighttime safety	
5.	Public Health and Mental Health Clinics - Santa Barbara	68,000
	Replace ADA doors	
6.	Santa Ynez Valley People Helping People – Solvang	149,180
	Provides supportive services and emergency & basic needs of low-income persons	
	Energy-efficient and ADA improvements, including window replacements and adding ADA-compliant parking spaces	
7.	Legal Aid Foundation - Santa Barbara	19,789
	Provides legal services to low-income persons	
	Replace HVAC system	
TOTAL		\$696,969