



JESUS ARMAS, DIRECTOR, COMMUNITY SERVICES

Joe Dzvonic, Assistant Director, Housing & Community Development

Jeff Lindgren, Assistant Director, Parks

Andrew Myung, Assistant Director, Administration & Finance

Sarah York Rubin, Executive Director, Office of Arts & Culture

Garrett Wong, Division Manager, Sustainability



**Community
Services
Department**
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June 23, 2026

Patricia Keelean, Executive Director
CommUnify
601 Anacapa St.
Santa Barbara, CA 93101

RE: Reservation of County Affordable Housing Funds: Fesler Childcare Center ("Project")

Dear Ms. Keelean:

Based on information provided by Community Action Commission of Santa Barbara County DBA CommUnify ("CommUnify") in March 2025, the County's Capital Loan Committee ("CLC") recommended a commitment of \$500,000 in Community Development Block Grant ("CDBG") program funding (the "Reserved CDBG Funds") to be used by CommUnify for the development of the Project. This funding is reserved beginning July 1, 2026, and expires on June 30, 2027. On June 9, 2026, the Santa Barbara County Board of Supervisors ("Board") concurred with the recommendation and approved Project funding under the County's Annual Action Plan.

Project Description and Scope of Work:

The Fesler Childcare Center will be a capital project located at 420 E. Fesler St. in the city of Santa Maria ("Property"). The Property will be acquired by CommUnify for use as a childcare facility. County funds will be used for renovations necessary to bring the facility to operational status.

Following Project due diligence, County staff will return to the Board requesting Board approval of a Subrecipient Agreement memorializing the commitment of such Reserved Funds to the Project, and terms and conditions of the use of such funds by CommUnify as "Subrecipient" thereunder. Standard County requirements must be met as conditions precedent to County approval of such a Subrecipient Agreement. In addition, as Federal funds are involved, approval of County documents will be contingent on demonstrating compliance with Federal environmental review processes. The source of funds for the agreement, if approved, will be the CDBG program. CDBG funding will likely come in the shape of a cost-reimbursement grant.

Requirements that must be met as conditions precedent to County approval of any Subrecipient Agreement include:

- The County has received its fiscal year 2025 funding award from HUD, which occurred in March 2026;
- All Project funding, other than the Reserved Funds, has been formally committed in sufficient amounts to complete the Project;
- All Project planning and zoning approvals have been acquired;
- Environmental review required under the National Environmental Policy Act and receipt of Authority to Use Grant Funds ("AUGF") by the U.S. Department of Housing and Urban Development ("HUD") has been completed by County staff. Note that Good Samaritan may not undertake or enter into agreement to undertake any activity at the Project site that would adversely affect existing site conditions or would otherwise be a choice limiting action, including the acquisition, demolition, construction, or relocation of buildings or structures, or otherwise making a physical change to the Property (including moving dirt) until the AUGF has been issued by HUD.

Please submit documentation reflecting completion of the aforementioned conditions precedent to James Francis, Senior Housing Programs Specialist, and work with him in preparing the aforementioned Subrecipient Agreement and

related documents for Board approval. Please keep Mr. Francis updated on any changes to the Project as described above. Mr. Francis may be contacted by email at jfrancis@countyofsb.org or by phone at (805) 568-3549.

CommUnify serves as an essential component of Santa Barbara County's affordable housing and community development goals. The Fesler Childcare Center will undoubtedly assist Santa Barbara County in its efforts to provide vital services to members of our community.

Sincerely,

DocuSigned by:

Jesús Armas

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Jesús Armas, Director

Community Services Department