



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:** June 4, 2024  
**Placement:** Administrative  
**Estimated Time:** N/A  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department Jesús Armas, Community Services Director (805) 568-2467  
Director(s)  
Contact Info: Joe Dzvonic, Deputy Director, Division of Housing and  
Community Development (805) 568-3523  
Lucille Boss, Interim Housing and Programs Manager (805) 568-3533  
**SUBJECT:** Execution of State of California Permanent Local Housing Allocation (PLHA)  
Subrecipient Agreement with Habitat for Humanity of Southern Santa Barbara  
County

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** 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 a subrecipient agreement (Agreement) for the distribution of \$59,326 in State of California Permanent Local Housing Allocation (PLHA) grant funds to Habitat for Humanity of Southern Santa Barbara County, Inc. for administration of a Minor Home Repair Program for a term that begins on May 21, 2024 and ends June 30, 2025 (Attachment A); and
- b) Authorize the County's Community Services Department Director, or his designee, to approve and execute amendments to the Agreement, as necessary, to revise budget line items, extend the term, and to approve necessary administrative changes to the Agreement that are necessary to conform with Federal, State, and local laws, guidelines, policies, and funding amounts; and
- c) Determine that the approval of the above recommended actions is exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15378(b)(4) since the recommended actions are government fiscal activities which do not involve commitment to any specific project which may result in a potentially significant physical impact on the environment.

**Summary Text:**

Staff is recommending that the Board of Supervisors approve and authorize the Chair to execute a PLHA subrecipient agreement with Habitat for Humanity of Southern Santa Barbara County, Inc. (Habitat for Humanity) to provide \$59,326 to operate a Minor Home Repair Program through June 30, 2025 (Attachment A).

Habitat for Humanity will operate a Minor Home Repair Program in southern Santa Barbara County (excluding the City of Santa Barbara) that will provide critical home repairs to low-income homeowners. Repairs include, but are not limited to, wheelchair accommodations, bathroom adaptations, kitchen repairs, roof replacement, stairway replacement, furnace replacement, and weatherization of windows and doors, with an anticipated budget of \$10,000 to \$20,000 per home.

**Background:**

The State's PLHA program was created in 2017 via Senate Bill 2, the Building Homes and Jobs Act (SB 2), which established a \$75 recording fee on certain real estate documents and a permanent source of funding intended to increase the affordable housing stock in California. The revenue from SB 2 will vary from year to year, as revenue is dependent on certain real estate recordation transactions with fluctuating activity.

On July 7, 2020, the County of Santa Barbara's Board of Supervisors passed and adopted Resolution No. 20-127, allowing the Director of the County's Community Services Department to apply for, receive, and administer PLHA funds for the Santa Barbara County PLHA Consortium (Consortium), which includes the County of Santa Barbara and the Cities of Goleta and Santa Maria. The Consortium executed an agreement that authorizes the County to act as the Administering Jurisdiction to apply for and administer PLHA funds on the Consortium's behalf.

**Habitat for Humanity Minor Home Repair Program**

The PLHA program guidelines authorize a number of eligible activities. The Low-Income Homeowner Minor Home Repair Program (Program) qualifies as an eligible activity under State Eligible Activity 301(a)(2), predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing. The Program will be administered by Habitat for Humanity and will provide critical home repairs to low-income homeowners. The Program permits low-income individuals, families, and seniors to remain safely in their homes by correcting or preventing conditions that could create an unsafe, unsanitary, or inaccessible living environment. The type and extent of repairs provided depends on the condition of the homes and the needs of the households. Examples of critical home repairs include, but are not limited to, the following:

- Doorway widening to accommodate wheelchairs
- Bathroom adaptations
- Kitchen repairs
- Roof replacement
- Replacing deteriorated stairs into house

- Adding handrails
- Adding accessible showers
- Replacing furnaces
- Weatherization repairs on windows and doors

The average critical repair costs between \$10,000 and \$20,000 per home, as the cost of permits, professional labor, and materials varies depending on the needs and scope of the project. Habitat for Humanity leverages community support for donations of in-kind materials and professional labor to reduce project costs and allow a greater number of projects to be completed.

During FY 2021-22 and FY 2022-23, Habitat for Humanity received a total of \$80,000 in CDBG funds and \$100,000 in PLHA funds from the County for the Program, which were used to complete repairs on 14 homes in the cities of Carpinteria and Goleta and the unincorporated southern County. Repair of homes under an additional FY 2023 award of \$75,000 is ongoing. An award of additional PLHA funds will enable Habitat for Humanity to continue operating its Home Repair Program through 2025.

The Program will serve households with an annual income at or below 80% of Area Median Income (AMI). The typical client of Habitat for Humanity’s Home Repair Program is 65 years old with an income of under \$20,000 (less than 30% AMI).

**Performance Measure:**

The Minor Home Repair Program will provide repairs to an estimated 3-5 households with the \$59,326 to be awarded through this Agreement. Exhibit A of the Agreement includes a detailed scope of work. Habitat for Humanity will report to the County Housing and Community Development Division (HCD) monthly regarding its progress to ensure it is meeting its stated goals.

Funds under the Agreement will be provided to Habitat for Humanity on a reimbursement basis, and HCD staff will ensure that project expenses are allowable per PLHA regulations and County policies.

**Contract Renewals and Performance Outcomes:**

N/A

**Fiscal and Facilities Impacts:**

Budgeted: Yes. The funds are budgeted through the County’s allocation of State PLHA funds.

**Fiscal Analysis:**

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			\$ 59,326.06
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ 59,326.06

**Key Contract Risks:**

The County assumes responsibility for the administration of PLHA funds in accordance with all State requirements governing their use. In addition, the County would be held liable if it or any provider to which it sub-grants funds is found to be non-compliant with applicable requirements. Habitat for Humanity has successfully administered its Minor Home Repair Program for many years.

The Agreement is a cost-reimbursement contract. The County will only reimburse costs that are eligible under the Agreement and documented in accordance with County procedures. HCD staff will monitor the performance of the subrecipient, Habitat for Humanity.

**Staffing Impacts:**

HCD staff will administer the Agreement.

**Special Instructions:**

1. Please execute two originals of the Agreement (Attachment A). Retain one original for COB records and return one original to James Francis. Call for pick up at 83549.
2. Please return one copy of the Minute Order to James Francis at [jfrancis@countyofsb.org](mailto:jfrancis@countyofsb.org).

**Attachments:**

- A) Subrecipient Agreement with Habitat for Humanity of Southern Santa Barbara County

**Authored by:**

James Francis, Senior Housing Programs Specialist