

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 4/28/05
Department Name: Housing & Community Dev.
Department No.: 055
Agenda Date: 5/10/05
Placement: Administrative
Estimate Time: None
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Edward Moses, Director
Housing & Community Development

**STAFF
CONTACT:** Uma Krishnan, ext. 3521

SUBJECT: 2006-2010 Consolidated Plan and 2005 Action Plan

Recommendation(s):

That the Board of Supervisors:

- A. Adopt the attached resolution (Attachment A) approving the Santa Barbara County HOME Consortium 2006 – 2010 Consolidated Plan (federal fiscal years) and 2005 Action Plan (county fiscal year) to be submitted to the Federal Department of Housing and Urban Development and
- B. Authorize the County Executive Officer to 1) execute all certifications and grant application (SF 424) included with the submission of the Plan, and to 2) execute routine documents required for administration of the HOME Program. (An approval by the Board of the 2005 Action Plan constitutes an approval of a reservation of funds for the projects listed therein.)

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goals No. 5 and No. 7. Maintain and Enhance the Quality of Life for all Residents, and Strengthen the Safety and Well-Being of Children and Their Families to Ensure a Strong Future for our Community.

Executive Summary and Discussion:

The Consolidated Plan is required by the U.S. Department of Housing and Urban Development (HUD) for all of their entitlement jurisdictions under the federal HOME program. The Santa Barbara HOME Consortium is an entitlement jurisdiction that was formed in 1994. The County is the lead agency of the HOME Consortium that includes the member cities of Buellton,

Carpinteria, Goleta, Lompoc, Santa Maria, and Solvang. HUD has developed very specific requirements for the contents, organization, and approval process of the Consolidated Plan (24 CFR 91 et. seq.), and these were followed in the development of the Santa Barbara HOME Consortium document.

The 2006 - 2010 Consolidated Plan includes a housing market analysis, discussion of the need for affordable housing, a five-year strategy and a one-year action plan. The Consolidated Plan presents information designed to establish the needs for various types of affordable housing throughout the County. The five-year strategy then presents affordable housing priorities based on those needs. The Consolidated Plan includes demographic data from the 2000 Census, the CHAS (Comprehensive Housing Affordability Strategy) data that are special tables compiled by the Census for HUD and relevant housing market analysis conducted by the Consortium members and other local agencies in recent times. The Plan also includes data on the homeless and relevant discussions as reported in the Continuum of Care (CoC) application. The County is the lead agency that prepares the CoC application each year.

The Action Plan 2005 details the Santa Barbara HOME Consortium's implementation plan for housing projects and other activities to be carried out using federal HOME funds for the program year 2005/06. All activities to be undertaken are intended to meet the long-term strategies and priority needs that have been identified in the County's 2006-2010 Consolidated Plan. Executive Summaries of the Consolidated Plan and the Action Plan are attached as Attachment A.

HUD has allocated \$1,762,196 to the Consortium in 2005, a decrease of \$81,804 from the 2004 funding level. The HOME allocation for all jurisdictions tend to vary (increase/decrease) each year based upon federal appropriations for the program itself. Consequently, there has been a 4.4 percent decline in this year's HOME Consortium allocation. Based upon this year's HOME allocation and a set-aside of 10 percent administration and 5 percent program implementation costs, a total of \$1,506,678 is available through the Consortium to fund new projects. Additionally for the program year 2005/06, HUD has allocated \$55,039 specifically for the American Dream Downpayment Initiative (ADDI) program. Other funding sources that are available for new projects through this year's Action Plan process include:

- \$150,000 from the South Coast Local Trust Fund
- \$1,900,000 from the Isla Vista Redevelopment Agency 20% housing set-aside
- \$950,000 from the County Portfolio Recapitalization Loan Fund
- \$900,000 from the Santa Ynez Valley Housing Market Funds

While the County invites proposals for HOME and the above listed funds through the same Notice of Funds Available (NOFA) process, each source has its unique set of qualifications that need to be met. For instance, the Isla Vista Redevelopment Project funds are available for eligible projects within the Isla Vista Redevelopment Project Area (RDA) boundaries. All applications are evaluated based on relevant eligibility criteria and competitiveness. *Consequently, if applications are received from projects meeting the eligibility requirements and/or are not competitive, the County reserves the right not to expend all available sources of funds and instead carries forward the allocation to next year's NOFA.*

The Housing Finance Division of the Housing and Community Development Department (Housing Finance) published a NOFA on January 7th, 2004, to invite project proposals for the aforementioned funds. Applications for reservation of funds were due by February 14, 2005. Housing Finance staff held an affordable housing forum on January 26th, 2005 in Santa Barbara and another forum on January 27th, 2005 in Santa Maria to announce available affordable housing resources, update the public on Housing Finance activities and

to explain the process of applying for housing development resources. The applications received were analyzed by a team of technical experts from the National Development Council, the City of Santa Barbara and the County and staff reports were prepared. The proposed projects were then reviewed and recommended upon by both the Affordable Housing Loan Committee and the Santa Barbara HOME Consortium Steering Committee at their meeting on March 17th, 2005. The City of Lompoc and City of Santa Maria hold their own procurement and approval processes for the award of HOME funds. Following are the projects that have been identified for reservation of funds for the program year 2005/06:

Project	Description	Reservation of Fund
Ellwood Apts.	Construction of an 8 unit apartment complex on an in-fill site located in the City of Goleta by Peoples' Self-Help Housing Corporation.	\$200,000 Goleta HOME
G & College	New Construction of 35 affordable units on a large underutilized site in Lompoc by the Lompoc Housing Assistance Corporation.	\$439,419 Portfolio Recap \$208,826 Lompoc HOME \$246,640 County HOME \$150,000 HOME PI <hr/> \$1,044,885
Meadowvale	New Construction of mixed-use project with 15 affordable units in Santa Ynez Valley by the Cabrillo Economic development Corporation.	\$100,000 County HOME
Sumida Gardens	New Construction of 200 apartments, 100 of which will be affordable in the City of Goleta proposed by the Towbes Group.	\$211,000 County HOME \$136,574 HOME PI <hr/> \$347,574 *Note: This allocation is essentially replenishment of funds that were reserved for Sumida Gardens through 2004 Action Plan and latter reprogrammed to Mercy Housing through an Action Plan Amendment.
Reconstruction of Residence	Reconstruction of 1 extremely substandard single family home in the City of Santa Maria by Habitat for Humanity.	\$37,000 Santa Maria HOME
Ted Zenich Gardens	New Construction of 30 family units in Santa Maria by the Housing Authority of the County of Santa Barbara.	\$366,639 Santa Maria HOME
TOTAL		\$2,096,098

An approval by the Board of the Action Plan constitutes an approval of preliminary reservation of funds for the above listed projects. All projects will be brought to the Board of Supervisors individually for final approval of a commitment of funds as they become ready for implementations.

In accordance with the County's Citizen Participation Plan, the Consolidated Plan/Action Plan was published for public comment on Apr 1st, 2005 with comments received through April 30th, 2005. At the time of this writing, no comments from the public have been received on the Plan. Any comments received prior to May 10th, 2004 will be provided to the Board. All public comments received will be included in the Consolidated Plan to be submitted to the Department of Housing and Urban Development.

It is noteworthy that in its most recent review, HUD found the Santa Barbara HOME Consortium Program to be commendable. Following is an excerpt from the letter that highlights the praiseworthy performance of the Consortium:

"Under the Consolidated Plan, the County Consortium received \$1,672,683 in HOME Program funds, but leveraged \$11,319,515 in state and local funds to achieve most of its affordable housing goals and accomplishments. We commend the County of Santa Barbara Consortium for combining other funds with HOME funds to achieve most of its affordable housing priorities under the Consolidated Plan in one of southern California's most challenging low-income Housing markets"

A copy of the review letter has been attached herewith (Attachment E) for the perusal of the Board.

Mandates and Service Levels:

This Housing Finance and Development Division Program is not mandated; however, acceptance of funds to carry out affordable housing activities requires the County to comply with the conditions attached to those funds. As the lead agency of the HOME Consortium, the Housing and Community Development Department is responsible for administration of the HOME program funds and compliance to federal HOME program regulations.

Fiscal and Facilities Impacts:

Submission to and approval by HUD of the Consolidated Plan and Action Plan is required for receipt of the federal HOME funds. For County fiscal year 2005/06 that amount is \$1,762,196 ten percent of which is available to the County for Program and Consortium administration. The Housing Finance Budget is on page D-252 of the current fiscal year County Budget.

Concurrences:

Auditor-Controller
County Executive Officer

Special Instructions:

Please return a signed original resolution and two original SF424 & Certifications to Uma Krishnan in Room 3 (or call x 3521 for pick up), as soon as executed.

ATTACHMENT A – Authorizing Resolution & Consolidated Plan 2006-2010 & 2005 Action Plan
ATTACHMENT B – SF 424
ATTACHMENT C – Certifications
ATTACHMENT D – Citizen Participation Plan
ATTACHMENT E – Copy of HUD Consolidated Plan Programs & 2003 Program year Review Letter