



**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: Treasurer – Tax
Collector
Department No.: 065
For Agenda Of: 9/18/07
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Select_Vote

TO: Board of Supervisors

FROM:	Department Director(s) Contact Info:	Name & Phone Name & Phone	Bernice James, Treasurer – Tax Collector 568 - 2490 Stacey Matson, Investment & Debt Officer, Office of the Treasurer – Tax Collector 568 – 2158 John Polanskey, Director of Housing Development, Housing Authority of Santa Barbara County 736 – 3423
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**SUBJECT: Housing Authority of the County of Santa Barbara: Issuance of Tax-Exempt
Private Activity Bonds For Parkview Apartments**

County Counsel Concurrence

As to form: Yes

Other Concurrence:

Debt Advisory Committee

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

Set a hearing for September 25, 2007 to Consider and Adopt a Resolution Approving the Issuance of the Housing Authority of the County of Santa Barbara Revenue Bonds, in a Principal Amount Not to Exceed \$6,000,000.

Summary Text:

The Housing Authority is a political subdivision of the State of California responsible for providing affordable housing for thousands of low income households in Santa Barbara County through rent subsidy programs or by occupancy in one of its housing developments.

Federal law provides a process for the Housing Authority to participate in a tax-exempt financing under Section 147(f) of the Internal Revenue Code. The County has the limited role of approving the financing, but is not a party to the issuance and assumes no liability by its approval.

The Tax and Equity Fiscal Responsibility Act of 1982 (TEFRA), requires the legislative body of the local agency in which the project will be located to hold the TEFRA hearing in order for the bonds to be tax-exempt.

The Housing Authority has requested that the Santa Barbara County Board of Supervisors hold the required TEFRA hearing and adopt a resolution approving the issuance of the tax-exempt bonds.

This item was considered by the Santa Barbara County Debt Advisory Committee on August 24, 2007 and was approved for recommendation to the County Board of Supervisors.

Background:

Responding to the need for standard rentals at affordable rates for low income persons and families, the Santa Barbara County Board of Supervisors passed a Resolution on June 30, 1941, creating the Housing Authority of the County of Santa Barbara. The State of California allowed local jurisdictions to create housing authorities through the Enabling Act of 1939. The County's Board of Supervisors appoints the governing body of the Housing Authority, a Board of Commissioners. The Board of Commissioners is comprised of seven persons who are local business and community leaders who represent the interests of each community throughout the county. To ensure adequate representation, each County Supervisor appoints a member from his/her district (a total of five), and the entire Board of Supervisors appoints two other commissioners who must be tenants in housing units owned by the Housing Authority, as required by state law. One of the tenant commissioners must be a person at least 62 years of age. Functioning much like a Board of Directors in other corporations, the Authority's Board of Commissioners is responsible for setting agency policy.

The Housing Authority functions primarily to build, acquire, own, manage, and maintain residential rental units for persons of extremely low income (less than 30% of area median income), very low income (less than 50% of area median income), and to obtain rental payment assistance for similar households renting in the private real estate market. Operating through a central administrative office in Lompoc and housing management and maintenance offices in Goleta, Lompoc, Santa Maria and Guadalupe, the Housing Authority provides direct services to applicants, tenants and private property owners.

The Housing Authority is requesting that the County hold the required TEFRA public hearing so that tax-exempt private activity bonds, in an amount not to exceed \$6,000,000, may be issued by the Housing Authority. The Housing Authority borrowed Isla Vista Redevelopment Agency funds to purchase the Parkview Apartments in June of 2007. The issuance proceeds will be used to reimburse the Isla Vista Redevelopment Agency and to rehabilitate the 20-unit multifamily rental housing project, located at 6688 and 6682 Picasso Road, in the community of Isla Vista, within unincorporated Santa Barbara County, California, and generally known as Parkview Apartments.

The bonds would be tax-exempt private activity bonds per the Internal Revenue Code and require the approval of the elected body of the governmental entity having jurisdiction over the area where the project to be financed is located.

Performance Measure:

N/A

Fiscal and Facilities Impacts:

Budgeted: **Fiscal Analysis:**

Narrative:

There is no financial impact to the County. The Housing Authority will act as issuer and perform all of the necessary legal and administrative responsibilities associated with the financing. The Housing Authority is responsible for all debt service payments. This financing does not impact the credit rating of the County.

Staffing Impacts:

Legal Positions: **FTEs:**

Special Instructions:

Please return four signed originals to the Treasurer – Tax Collector, Attention: Stacey Matson.

Attachments:

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SANTA BARBARA COUNTY
APPROVING THE ISSUANCE OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA
BARBARA REVENUE BONDS**

Memo To The Debt Advisory Committee, August 15, 2007, From Frederick C. Lamont , Housing Authority Executive Director

Notice of Public Hearing

Authored by:

Stacey Matson, Investment & Debt Officer, Office of the Treasurer – Tax Collector

cc:

Frederick C. Lamont, Executive Director, Housing Authority of the County of Santa Barbara
John Polanskey, Director of Housing Development, Housing Authority of the County of Santa Barbara