

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: 3/12/01
Department Name: Treasurer-Tax Collector
Department No.: 065
Agenda Date: 3/27/01
Placement: Departmental
Estimate Time: 10 min
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Gary L. Feramisco, Treasurer-Tax Collector
Office of the Treasurer-Tax Collector, Housing and Finance Development Division

**STAFF
CONTACT:** Susan Ruby, Housing Finance
Ext. 3515

SUBJECT: 2001 Community Development Block Grant Application (3rd District)

Recommendation(s):

That the Board of Supervisors:

1. Adopt the attached resolution (Attachment A) approving up to a \$300,000 General Allocation CDBG grant application to the State Department of Housing and Community Development and authorize the Treasurer-Tax Collector to submit the \$300,000 grant application to the California State Department of Housing and Community Development for the site acquisition of a proposed new affordable rental project in Ellwood Beach (See Attachment B, Project Description).
2. Authorize the Treasurer-Tax Collector to sign all documents required for submittal of the CDBG application, grant agreement, drawdown of funds, submittal of minor amendment requests and grant administration.

Alignment with Board Strategic Plan:

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

Executive Summary and Discussion:

BACKGROUND:

The purpose of the CDBG application is to help finance the acquisition of a .26 acre property, located at 360 Ellwood Beach Dr., Goleta, a proposed new seven unit affordable rental project. The grant would provide funding for acquisition and site preparation costs. The need for affordable rental housing in the South Coast is well documented. The grant application has been attached for your reference.

Under the 2001 cycle of State Community Development Block Grant (CDBG) funding, the County is competing with other eligible non-entitlement applicants throughout the State for approximately \$26 million in General Allocation project monies. The County is eligible to apply for up to \$800,000 in CDBG General Allocation and Economic Development Funds. For the past 5 years, Housing Finance has applied and received \$500,000 each year for housing programs. The remaining \$300,000 of the \$800,000 was available for Economic Development applications although the County did not receive this additional funding during this time period. This year, the Housing Finance and Development office has agreed to apply for only \$300,000, allowing either the Planning and Development Department or the County Administrator's Office to apply for the larger sum.

The Ellwood Street Apartments will be owned and developed by the People's Self Help Housing Corporation (PSHHC). The total cost of the project, including acquisition and construction of the seven units, will be approximately \$1.14 million. It is anticipated that the remaining \$840,000 will be funded by other local and private sources.

As part of the County's Citizen Participation Plan, on February 23, 2001, the County sponsored a public hearing, during which the State CDBG program and the County activity selection criteria were discussed for a 2001 application. Staff explained that this project would best meet the County activity selection criteria, and would be the most competitive in the State process. This hearing before the Board of Supervisors represents the second required public hearing on the 2001 CDBG application.

If the grant is received, the County Treasurer-Tax Collector, Housing Finance and Development staff will be responsible for its general administration. They will conduct all monitoring, recordkeeping and funding disbursement.

Mandates and Service Levels:

The Housing Finance and Development 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. The State will notify applicants for the year 2001 grant awards by July 1, 2001, however meeting state administrative requirements can take an additional six to eight months.

Fiscal and Facilities Impacts:

If the grant is awarded, the County will receive \$300,000 of CDBG funds for the acquisition of the project site. The money will be transferred to PSHHC in the form of a low-interest loan. Of this, the Housing Finance and Development Division of the Treasurer - Tax Collector will receive \$22,500 in CDBG General Allocation funds for general administration, monitoring and reporting.

Special Instructions:

The Treasurer-Tax Collector will provide public notice. Return two original executed copy of the resolutions to Liz Gibilisco, Housing Finance and Development Division.

Concurrence:

Auditor-Controller

RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

A RESOLUTION APPROVING AN APPLICATION FOR)
FUNDING FROM THE GENERAL ALLOCATION OF THE)
STATE CDBG PROGRAM AND AUTHORIZING THE)
EXECUTION OF A GRANT AGREEMENT AND ANY)
AMENDMENTS THERETO WITH THE STATE OF)
CALIFORNIA FOR THE PURPOSES OF THIS GRANT)

WHEREAS:

- A. The County of Santa Barbara, a political subdivision of the State of California, wishes to apply for and receive an allocation of funds through the General Allocation of the 2001 State of California Community Development Block Grant Program; and
- B. The County has reviewed the citizen participation plan for compliance with federal statutes and has determined that this plan was followed for the development of this application.

IT IS NOW THEREFORE RESOLVED THAT:

- 1. The Board of Supervisors has reviewed and hereby approves an application for up to:
 - a. Acquisition of a .26 acre parcel located in Ellwood Beach, Goleta- \$277,500.
 - b. General Administration - \$22,500
- 2. Santa Barbara County has committed a total of \$100,000 of South Coast local funds in support of the Ellwood Street Apartments.
- 3. The \$277,500 will be allocated for the acquisition of the site in the form of loan.
- 4. The Treasurer-Tax Collector is hereby authorized and directed to act on the County's behalf in all matters pertaining to this application.
- 5. If the application is approved, the Treasurer-Tax Collector is authorized to enter into and sign the grant agreement *and any minor subsequent amendments* with the State of California for the purposes of this grant.

PASSED, APPROVED, AND ADOPTED, by the Board of Supervisors of the County of Santa Barbara, State of California, on _____ day of _____, 2001 by the following vote.

AYES:

NOES:

ABSENT:

Chair of the Board of Supervisors
County of Santa Barbara

ATTEST:

Michael Brown
Clerk of the Board of Supervisors

By: _____
Deputy Clerk

APPROVED AS TO FORM:
STEPHEN SHANE STARK
County Counsel

By: _____
County Counsel

APPROVED AS TO FORM
ROBERT W. GEIS
Auditor - Controller

By: _____