



**BOARD OF SUPERVISORS**

Agenda Number:

**AGENDA LETTER**

**Clerk of the Board of Supervisors**

1 05 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Community Services  
Department  
**Department No.:** 057  
**For Agenda Of:** December 17, 2019  
**Placement:** Administrative  
**Estimated Time:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors C - /

**FROM:** Depa ilment George Chapjian, Community Services Director (805) 568 \_ 67  
Director(s)  
Contact Info: Dinah Lockhart, Deputy Director (805) 568-3523  
Laurie Baker, Grants & Program Manager (805) 568-3521

**SUBJECT:** **Amendment to HOME Tenant Based Rental Assistance Subrecipient Agreement with the City of Santa Maria**

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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 an original and duplicate original of an Amendment (Attachment A) to the Subrecipient Agreement (Attachment B) between the County and the City of Santa Maria ("City") that increases the amount of federal HOME funding by \$130,732 from \$100,000 to \$230,732, and extends the term of the Subrecipient Agreement from December 31, 2020 to December 31, 2021, to administer Tenant Based Rental Assistance (TBRA); and
- B. Determine that the proposed action is exempt from the California Environmental Quality Act (CEQA) guidelines, pursuant to Section 15378(b)(4), finding that the action is a creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

**Summary Text:**

The City of Santa Maria is a member of the Santa Barbara County HOME Consortium and receives a sub-allocation of the County's HOME funds to use in its community. The City will use a portion of its HOME

funds for a Tenant-Based Rental Assistance (TBRA) program to provide security deposits, and, at the discretion of the City, monthly rent assistance and utility deposits to its low-income tenants. The Subrecipient Agreement between the County and City is being amended to add \$130,732 of 2019-20 HOME Consortium funds to the 2018 Subrecipient Agreement and to extend the term of the 2018 Agreement from December 31, 2020 to December 31, 2021.

**Background:**

The County of Santa Barbara serves as lead agency for the local HOME Consortium, which includes the County and the cities of Buellton, Carpinteria, Goleta, Solvang, Lompoc and Santa Maria. On March 19, 2019, the Santa Maria City Council authorized the County of Santa Barbara to use a portion of the City's 2019-20 HOME funds for a TBRA program for area residents (Attachment C<sup>1</sup>). The use of these funds for City of Santa Maria TBRA was included in the County's FY 2019-20 Annual Action Plan which was approved by the Board of Supervisors on June 4, 2019, and submitted to the United States Department of Housing and Urban Development (HUD). Staff is returning to the Board for execution of the Subrecipient Agreement.

The City of Santa Maria has operated a TBRA program since 2006 using HOME Investment Partnerships Program (HOME) funds to assist low-income individuals attain affordable rental housing. On December 11, 2018 the Board approved and executed the Subrecipient Agreement with the City for \$100,000 in HOME funds for its TBRA program. The recommended actions are to amend the 2018 TBRA Subrecipient Agreement with the City to include an additional \$130,732 from the City's 2019-20 HOME Consortium allocation, for a total contract amount of \$230,732.

**Performance Measure:**

The additional funds will serve approximately 50 low-income households. These households might not otherwise be able to afford decent, safe, affordable housing. The TBRA subrecipient agreement with the City of Santa Maria provides that the City is responsible for ensuring that the HUD HOME TBRA regulations are followed in accordance with 24 CFR Part 92 including but not limited to, qualifying tenant income, ensuring allowable rents and lease terms, inspections of units for Housing Quality Standards (HQS) 24 CFR 982.401 or the successor requirements as established by HUD for units under the TBRA program, and inspections for lead-based paint per 24 CFR Part 35.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

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<sup>1</sup> The resolution authorized \$100,000 to the TBR\ program based on an estimated allocation of HOME funds prior to the final allocation announced by HUD later in the year. Section 4 of the resolution authorized that any increase in the actual allocation be put toward the TBRA program.

| <u>Funding Sources</u> | <u>CUIT FY Cost</u>  | <u>Annualized On-going Cost:</u> | <u>Total One-Time Project Cost</u> |
|------------------------|----------------------|----------------------------------|------------------------------------|
| General Fund           |                      |                                  |                                    |
| State                  |                      |                                  |                                    |
| Federal                | \$130,732            |                                  | \$130,732                          |
| Fees                   |                      |                                  |                                    |
| Other:                 |                      |                                  |                                    |
| <b>Total</b>           | <b>\$ 130,732.00</b> | <b>\$</b>                        | <b>\$ 130,732.00</b>               |

Narrative: The recommended funding amount is part of the County's FY 2019-20 federal HOME allocation. Staff time required to administer and monitor the Housing Authority's and other TBRA programs are included in the HCD HOME program budget.

**Key Contract Risks:**

HUD could require the County to repay HOME funds expended for ineligible expenses with non-federal funds. The subrecipient agreement specifies HUD eligible expenses, and County staff will review each payment request submitted by the City to ensure that expenses incurred were for eligible costs. HOME funds will be provided to the City on a reimbursement basis. County staff will conduct annual monitoring to assure that the program is being administered in accordance with HOME regulatory requirements.

**Staffing Impacts:**

Current HCD staff will administer the subrecipient agreement.

**Special Instructions:**

1. Please have the Board Chair sign two copies of Attachment A. Retain one copy with original signatures for COB records.
2. Please call Ted Teyber at ext. 3513 when the documents listed below are available.
  - a. One executed copy of Attachment A with original signatures; and
  - b. One copy of the Minute Order.

**Attachments:**

- A) Subrecipient Agreement Amendment
- B) Subrecipient Agreement between the County and the City of Santa Maria
- C) City Council Resolution