



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: Housing & Comm Dev
Department No.: 055
For Agenda Of: 12/19/2006
Placement: Administrative
Estimate Time: None
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Ronald S. Cortez, Interim Director
Housing and Community Development
ext. 3400
Contact Info: Patricia Gabel, Housing Finance Division Manager
ext. 3522
SUBJECT: Approve Loan Agreement with CHANCE, Inc. to Implement a Move - In Costs
Program to Assist Persons with Developmental Disabilities

County Counsel Concurrence:

As to form: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Other Concurrence: Risk Management

As to form: Yes No N/A

Recommended Action(s):

That the Board of Supervisors:

1. Approve the Loan Agreement made by the County to Coalition for Housing Accessibility, Needs, Choices & Equality, Inc. (CHANCE, Inc.), as set forth in Attachment A, and
2. Authorize the Chairperson of the Board of Supervisors to execute the Loan Agreement.

Summary:

July 11, 2006 the County of Santa Barbara Board of Supervisors adopted a resolution approving a CDBG Program Income Reuse Plan. A portion of the Reuse Plan authorizes a Housing Rehabilitation Revolving Loan Account to fund a Move – In Costs Program specifically designed to assist persons with developmental disabilities move into a rental unit. The Move – In Costs Program provides payment to landlords of qualified developmentally disabled, low – income (at or below 80% of the area median income) persons for security and other deposits necessary to obtain rental housing opportunities.

The attached Loan Agreement governs the award of funds not to exceed \$50,000 to Coalition for Housing Accessibility, Needs, Choices & Equality, Inc. (CHANCE, Inc.) to market the Move – In Costs Program, income and disability qualify applicants for funds, and provide deposits as required. Up to 8% of the funds can be utilized for activity

Approve **Loan Agreement with CHANCE, Inc. to Implement a Move - In Costs Program to Assist Persons with Developmental Disabilities**

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delivery as defined in the Board – approved Program Income Re Use Plan. The \$50,000 maximum award of funds includes \$22,028.10 previously paid to CHANCE, Inc. for activities already performed.

Background:

Program Income

Program Income is gross income the County receives directly through the use of Community Development Block Grant (CDBG) funds. One of Santa Barbara County’s most significant sources of Program Income is the repayment of principal and interest from CDBG loans issued through the County’s Housing Rehabilitation Program. The County also receives Program Income from Economic Development activities.

Federal and State law requires that the County place all CDBG Program Income into revolving loan accounts for both housing and economic development activities. These revolving loan accounts are included within the County’s Program Income Reuse Plan. The Program Income Reuse Plan satisfies the requirements specified in Federal statute and regulation at Section 104 (j) of the Housing and Community Development Act, as amended in 1992 and 24 CFR 570.489 (e) (3).

Coalition for Housing Accessibility, Needs, Choices & Equality, Inc.

CHANCE, Inc. is a 501(c)(3) non-profit coalition of parents, service providers, agencies and organizations specifically formed to create affordable and safe housing choices for persons with developmental disabilities in Santa Barbara County. CHANCE, Inc. staff demonstrated to County Housing and Community Development Department their established interest list of developmentally disabled persons wishing to obtain rental housing and their ability to administer the program. CHANCE, Inc. also expressed their willingness to provide the administration costs to implement the Move – In Costs Program as an in – kind donation to the program.

Fiscal and Facilities Impacts:

Budgeted: Yes No

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			
Federal			
Fees			
Other: CDBG Program Income			\$ 50,000.00
Total	\$ -	\$ -	\$ 50,000.00

The funds for the Move – In Program are from CDBG Program Income received from payment of previous CDBG loans. This forgivable loan will be forgiven at the end of the program since all of the

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persons receiving move – in assistance through the program are extremely low – income, special needs individuals with no means to repay the funds. The funding was made in the form of a forgivable loan in order to guarantee activity delivery performance by the program administrator.

Staffing Impact(s):

Legal Positions:

0

FTEs:

0

Special Instructions:

Execute three original Loan Agreements. Call Miriam Gallardo at 3529 to pick up two originals.

Attachments:

A. 3 Loan Agreements for original signatures.

Authored by: Pat Gabel

cc: