



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 and Community
Development
Department No.: 055
For Agenda Of: 5/6/08
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: HCD Director John Torell, ext. 3520
Housing Finance Pat Gabel, ext. 3522
Manager
SUBJECT: Good Samaritan Shelter, Inc., Casa De Familia Project, Predevelopment Loan Agreement,

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Agreement: City of Santa Maria

Recommended Actions:

That the Board of Supervisors

- A) Authorize the Chair to enter into a Predevelopment Loan Agreement (Attachment A), in the amount of \$50,000 with Good Samaritan Shelters, Inc., to provide for predevelopment costs associated with its proposed Casa De Familia project, located at 412 West Morrison Avenue in the City of Santa Maria.
- B) Approve the attached Budget Revision 2007255 (Attachment B), that will increase by \$50,000 HOME program funding in Fund 0066 for this project.

Summary:

United States Housing and Urban Development Department's (HUD), HOME Program guidelines encourage local participating jurisdictions receiving federal entitlement HOME funds to identify and assist local non-profit service providers to become Community Housing Development Organizations, (CHDO's). A key difference between a non-profit that provides "social services" and a CHDO, is that a CHDO is a non-profit locally-designated as qualified and capable of serving as a developer of affordable housing.

Under the county's 2006-07 HOME NOFA, Good Samaritan Shelters, Inc., submitted a funding request for the \$50,000 HOME predevelopment loan for the Casa De Familia project. The project was included in Santa Barbara County's 2006-07 Annual Action Plan to HUD that includes projects identified for funding using HOME entitlement funds, and was approved for submittal to HUD by the

Board at its May 16, 2006 meeting. If the project proceeds to development, it is anticipated that it will provide sixteen (16) new apartment units of permanent housing to complement Good Samaritan Shelter's existing programs and services offered at the proposed project site it currently owns at 412 West Morrison Street in the City of Santa Maria. The project concept has received preliminary City of Santa Maria support and endorsement.

Background:

Having acquired CHDO status in 2005, Good Samaritan Shelters, Inc. represents the County's fifth CHDO and would primarily serve the area of Santa Maria in northern Santa Barbara County. To support the organization's growth and development as a CHDO, at its September 16, 2007 meeting the county's Affordable Housing Loan Committee recommended that a \$50,000 predevelopment loan be awarded to Good Samaritan Shelter for predevelopment activities related to a proposed sixteen- (16) unit apartment project that will provide permanent housing for formerly homeless individuals.

If the project proceeds through permitting and is awarded future additional HOME funding by the County and/or the City of Santa Maria, it is anticipated that this predevelopment loan will be rolled into a permanent loan incorporating this additional funding for project construction and development costs. However, approval of this predevelopment loan does not commit the County to approving a future construction loan on the project, nor does it commit the City of Santa Maria to approve the project or limit the City's land use discretion over it. If the project proceeds to permitting, it will undergo appropriate environmental review under CEQA prior to land use approvals being issued by the City.

Performance Measure: Safe and Healthy Families: Housing for all Segments of the Population.

Fiscal and Facilities Impacts: Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
HOME Program Funds	Fund 0066		\$50,000
Total	\$ -	\$ -	\$ 50,000.00

Staffing Impacts:

<u>Legal Positions:</u>	<u>FTEs:</u>
n/a	n/a

Special Instructions:

Execute three (3) original copies of the Predevelopment Loan Agreement and contact Carlos Jimenez at ext. 3523 to pick up two (2) copies of the executed Agreement.

Attachments:

- Attachment A: \$50,000 Predevelopment Loan Agreement
- Attachment B: Budget Revision 2007255

Authored by: Carlos Jimenez, Senior Housing Program Specialist