

**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: 5/21/02
Department: Treasurer-Tax Collector
Budget Unit: 4393
Agenda Date: 6/4/02
Placement: Administrative
Estimate Time: None
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 Finance and Development Division

STAFF CONTACT: Patricia Gabel, Supervising Housing Specialist, ext. 3522

SUBJECT: Renewal of County HOME Consortium Agreement to Include the City of Goleta

Recommendation(s):

That the Board of Supervisors adopt the attached resolution:

- A. That authorizes the County Administrator to execute an Amendment To The Cooperative Agreement To Renew A Home Consortium Adding The City Of Goleta between the County of Santa Barbara and the cities of Buellton, Carpinteria, Goleta, Lompoc, Santa Maria and Solvang.

Alignment with Board Strategic Plan:

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

Executive Summary and Discussion:

In 1994, the County of Santa Barbara entered into a Cooperative Agreement to Form a HOME Consortium with the cities of Guadalupe, Santa Maria, Carpinteria, and Lompoc and has renewed that Agreement every three years as required by federal statute. The cities of Buellton and Solvang joined and Guadalupe withdrew from the consortium when it renewed in 2000. The current Consortium Agreement took effect for federal fiscal year 2001 starting October 1st, 2000 and will continue until September 2003. Once executed and approved by

HUD, federal statute requires that the Consortium and its membership remain intact for the entire three-year period, however, new communities may join. Membership of newly incorporated communities within a Consortium must be submitted to HUD by June of the year of incorporation to be acknowledged as part of the HUD Federal Fiscal Year allocation awarded in October of the same year.

The area that is now the newly incorporated City of Goleta has been included in the Consortium since its inception in 1994. In the Revenue Neutrality Agreement by and between the County and Goleta it was agreed that Goleta would enter into the Consortium. Upon adoption, a representative of the City join the Consortium's Steering Committee representing the needs and issues of the City of Goleta

The Consortium allows the County to receive annual affordable housing grant funds from the U.S. Department of Housing and Urban Development (HUD). The HOME Program funds are used to produce and preserve affordable housing opportunities for low and very low income families.

The Consortium has received approximately \$10 million in HOME funds over its initial eight years in operation and utilized these funds to leverage additional state, federal and private housing funds at \$5 for every \$1 invested. Annual grant awards depend upon Congressional appropriations levels. The population of Goleta is already included in the HUD calculation of funds to be allocated to the HOME Consortium.

As lead agency for the Consortium, the County receives 10% of the grant amount for administration, the remainder of the grant is made available for projects. The County also takes responsibility for following federal guidelines governing the program and agrees to meet the 25% match requirement.

Mandates and Service Levels:

Housing Finance and Development's Program is not mandated; however, acceptance of federal HOME funds to carry out affordable housing activities requires the County to comply with the conditions attached to those funds. There is no change in service levels anticipated by the approval of this grant.

Fiscal and Facilities Impacts:

No general fund impact is anticipated. Federal appropriations levels for the previous three years have averaged \$1.5 million to the HOME Consortium. Approximately \$800,000 of that amount has been available for County-sponsored housing projects with the remainder going to projects sponsored by the member cities. That amount will now be reduced to approximately \$650,000 with the inclusion of the City of Goleta in the Consortium. The 10% that is used by the County to administer the Consortium will not be affected by the amendment.

The Cooperative Agreement commits the County to meeting the 25% match requirement which is based on funds spent on housing projects, or approximately 90% of the grant amount. Program match is primarily funded with locally-generated, in-lieu and other affordable housing funds.

Special Instructions:

The Authorizing Resolution requires THREE original signatures. Please prepare two certified copies of the Authorizing Resolution and returned to Patricia Gabel in room 105. One resolution will be forwarded to HUD; the other is retained in the Consortium administration files.

The Amendment To The Cooperative Agreement To Renew A Home Consortium Adding The City Of Goleta requires FOUR original signatures. Three originals need to be returned to Patricia Gabel in room 105. Housing Finance and Development Division will return one original to the City of Goleta, forward one to HUD and retain one in the Consortium administration files.

Concurrence:

County Counsel
Auditor Controller
Risk Management