

**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: 10/20/03
Department Name: Housing and Community Dev.
Department No.: 055
Agenda Date: 11/4/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Ed Moses, Director
Housing and Community Development

STAFF CONTACT: Will Reed, Management, Assessment, and Planning Manager x1095
Housing and Community Development Department

SUBJECT: Application for Local Housing Trust Fund Program

Recommendation(s):

That the Board of Supervisors:

1. Adopt the attached resolution (Attachment A) approving a \$1,000,000 Local Housing Trust Fund Program (LHTF) grant application in substantially the form as Attachment B to the State Department of Housing and Community Development and authorizing the Director of the Department of Housing and Community Development to submit the \$1,000,000 grant application to the California State Department of Housing and Community Development for funding of the County's Housing Assistance Program.
2. Authorize the Director of Housing and Community Development to sign all documents required for submittal of the Local Housing Trust Fund Program application, execution of the grant agreement consistent with the application, drawdown of funds, 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:

The purpose for this application is to maximize the County's existing loan pool for affordable housing developments by acquiring state funds for multifamily rental housing projects. If the County's application is approved, the Local Housing Trust Fund Program will afford the County the ability to increase its current loan pool by \$1,000,000 for projects targeting households on the South Coast at 30% Area Median Income (AMI), as identified in the grant application. The target population includes Special Needs Households, which are households of homeless persons or persons at risk of becoming homeless, and At Risk projects, which are projects in which 70% of the project's tenants, at the time of application, have incomes at or below 60% AMI.

HCD has conducted a project analysis and identified several projects in the works that would meet the minimum requirements outlined in the grant application.

Mandates and Service Levels:

The Housing Finance 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 grant awards by December 31, 2003, however meeting state administrative requirements can take an additional six to eight months.

Fiscal and Facilities Impacts:

This proposed action allocates for specific use, funding already contained in the budget in the County budget Department 055, Cost Center Division 02, Page D-248. Since the source of funds for the Local Housing Trust Fund NOFA is from general obligation bonds, historically costs for local administration have not been allowed. Thus there is no provision for administrative costs as part of the Local Housing Trust Fund Program. General administration costs for other Housing Finance funding sources are between 7.5%-10% of the funded amount.

Special Instructions:

Enclosed are two copies of the original resolution. Please return one original signed resolution to Lisa Snider.

Concurrence:

None

RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA

IN THE MATTER OF THE COUNTY OF SANTA BARBARA)
SUBMITTING AN APPLICATION TO THE CALIFORNIA)
STATE DEPARTMENT OF HOUSING AND COMMUNITY) RESOLUTION # _____
DEVELOPMENT FOR FUNDING UNDER THE LOCAL)
HOUSING TRUST FUND PROGRAM)

The Board of Supervisors of the County of Santa Barbara

HEREBY AUTHORIZES: Submittal of an application to the California State Department of Housing and Community Development for funding under the Local Housing Trust Fund Program; and if selected, the execution of a standard agreement, any amendments thereto, and any related documents necessary to participate in the Local Housing Trust Fund Program.

WHEREAS:

- A. The California State Department of Housing and Community Development (the "Department") is authorized to allocate Local Housing Trust Fund Program ("LHTF") funds made available from the Housing and Emergency Shelter Act of 2002. LHTF funds are to be used for the purposes set forth in Section 50843 of the Health and Safety Code, any implementing guidelines developed by the Department.
- B. On August 18, 2003, the Department issued a Notice of Funding Availability announcing the availability of funds under the LHTF program (the "NOFA").
- C. In response to the NOFA, the County of Santa Barbara, a political subdivision of the State of California (the "County"), wishes to apply to the Department for, and receive an allocation of, LHTF funds.

IT IS NOW THEREFORE RESOLVED THAT:

- 1. In response to the NOFA, the County shall submit an application to the Department to participate in the LHTF program and for an allocation of funds not to exceed one million dollars (\$1,000,000.00) for the following activities and or programs:

The new construction or acquisition of "at – risk" family rental housing units where at least 30% of the units are restricted to occupancy by families at or below 30% of area median income AND where at least 30% of the units are restricted to special needs populations. The units will be located in the South Coast region of Santa Barbara County.

2. If the application for funding is approved, the County hereby agrees to use the LHTF funds for eligible activities in the manner presented in its application as approved by the Department in accordance with the statute and guidelines cited above. It also may execute a standard agreement, any amendments thereto, and any and all other documents or instruments necessary or required by the Department for participation in the LHTF program (collectively, the required documents).
3. The Board of Supervisors hereby authorizes the Santa Barbara County Housing and Community Development Department Director to execute, in the name of the County, such additional documents as are required for submission or acceptance of the grant.

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this 4th day of November 2003, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

By: _____
Chair of the Board of Supervisors
County of Santa Barbara

The undersigned Clerk of the Board of the applicant does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing board of the applicant passed and adopted at a duly convened meeting on the date set forth above, and said resolution has not been altered, amended, or repealed.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____
Deputy

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, C.P.A.
AUDITOR-CONTROLLER

By: _____
Deputy County Counsel

By: _____
Deputy