



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: Community Services
Department
Department No.: 057
For Agenda Of: April 14, 2015
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Renee Bahl, Interim Community Services Director (805) 568-3407
Dinah Lockhart, Deputy Director (805) 568-3523
SUBJECT: Amendment #1 to the \$60,000 HOME Investment Partnerships
Program Tenant-Based Rental Assistance Subrecipient Agreement
with the City of Santa Maria, District #5

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- A. Approve and Authorize the Chair of the Board of Supervisors to execute Amendment #1 (Attachment A) to contract CN17699, the **HOME Investment Partnerships Program** Tenant-Based Rental Assistance (TBRA) Subrecipient Agreement with the City of Santa Maria (Attachment C); and
- B. Determine that the approval of Amendment #1 to Subrecipient Agreement CN17699 is not the approval of a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4)— finding that the action is not a project as it is the creation of a government funding mechanism or other government fiscal activity, which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment—and direct staff to file the Notice of Exemption. (Attachment B).

Summary Text:

The Board of Supervisors of the County of Santa Barbara (“Board”) approved a total of \$60,000 in HOME Investment Partnerships (HOME) Program Funding, in the form of a grant, for the City of Santa Maria (Santa Maria) to provide Tenant Based Rental Assistance (“TBRA”), and then approved the Subrecipient Agreement with Santa Maria on July 8th, 2014. The City of Santa Maria has requested a

modification to Section 3.2 ELIGIBLE COSTS of the Agreement to include costs of inspecting the housing and determining the income eligibility of the family in accordance with 24 CFR 92.209(a). Amendment #1 would expand the definition of Eligible Costs to include these specific administrative costs without modifying or changing any other provisions of the Agreement.

Background:

The Santa Barbara County HOME Consortium receives HOME funds from the U.S. Department of Housing and Urban Development (HUD) to be used to expand the supply of affordable housing to low income households. The County is the lead agency for the HOME Consortium which includes the cities of Santa Maria, Lompoc, Goleta, Carpinteria, Buellton, Solvang and the County. The City of Santa Maria has been a member of the countywide HOME Consortium since 1994 and began administering Tenant Based Rental Assistance (TBRA) programs in 2010-11. The \$60,000 in HOME funds consist of \$50,000 approved by the Board on May 6, 2014 as part of the FY 2013-2014 Annual Action Plan Substantial Amendment, and \$10,000 approved on June 17, 2014—also part of the FY 2013-14 allocation. The TBRA program assists low income persons to access decent and affordable housing by providing one-time-only security deposit payments. HUD published the 2013 HOME Final Rule on July 24, 2013 which authorized as eligible project soft costs the expenses of inspecting housing and determining income eligibility. This revision in the regulations on soft costs is found at 24 CFR 92.209(a) and applies to all projects in the HOME portfolio regardless of when the HOME funds were committed (<https://www.hudexchange.info/programs/home/home-final-rule/requirements-applicability-charts>, Category #3).

Key Elements of Amendment #1 to the Subrecipient Agreement:

Amendment #1 will expand the definition of ELIGIBLE COSTS in the Subrecipient Agreement CN17699 to include the following additional newly eligible soft costs:

- The costs of determining the income eligibility of applicants.
- The costs of inspecting the affordable rental housing to ensure that it meets Housing Quality Standards (HQS).

Amendment #1 will authorize the payment of these new soft costs incurred on or after the effective date of the contract, July 7th, 2014.

Amendment #1 does not modify or change any other provisions of the Agreement.

Performance Measure:

The Subrecipient estimates that charging the additional soft costs to the Agreement will allow it to serve 66 households. Originally Subrecipient estimated it could serve 75 households.

Fiscal and Facilities Impacts:

Amendment #1 creates no fiscal impact; the allocated funding award for the Subrecipient Agreement remains unchanged.

Special Instructions:

- Execute two (2) original copies of Attachment A (call for pick up by Phil Willis-Conger x3549)
- Provide a copy of the minute order reflecting Board Action to PWillis-Conger@co.santa-barbara.ca.us

Attachments:

- A) Amendment #1 to Subrecipient Agreement CN17699
- B) CEQA Notice of Exemption
- C) Contract CN17699, the HOME Investment Partnerships Program Tenant-Based Rental Assistance (TBRA) Subrecipient Agreement with the City of Santa Maria