



# CITY OF LOMPOC

April 5, 2013

(Via e-mail)

Mr. Herman Parker, Community Services Director  
HCD Administration  
Santa Barbara County  
105 E. Anapamu Street, 4<sup>th</sup> Floor  
Santa Barbara, CA 93101

RE: Allocation of FY 12 -13 Home Funds – City of Lompoc

Dear Mr. Parker:

Last Thursday, I briefly participated with staff in a Santa Barbara County (SBC), Home Program update conference call held with other Consortium members. I hoped to hear from this call official word that SBC was rescinding its freeze on Home funds which has been in effect since approximately June of 2012. I was advised by City staff that SBC instead opted to recommend to the Loan Committee on April 8th the reallocation of 50% of the total SBC projected Home funds towards three new awards. These soon to be recommended Home funded projects total \$2,700,000 and are SBC's solution to avoid possible HUD action by July 31, 2013, that may result in the loss of those funds. The three projects SBC stated it would recommend for Home funding are: Pescadero Lofts \$1,200,000; Casas de las Flores \$800,000; and Tenant Based Rental Assistance \$700,000. Of note is the fact that while two of these projects had previously received Home funds, no input has been sought from Consortium members to identify any additional construction ready projects.

We received confirmation of this decision by SBC via an e-mail from Mr. Kiefer of your staff. Attached to that e-mail was a memorandum listing these three projects as SBC's FY 12-13 recommendations for Home funding. These recommendations are scheduled to go before the Loan Committee on April 8<sup>th</sup>. Also noted in this Memorandum under the heading of Future Plans, the Los Adobes de Maria project was listed as an additional open application project that will likely come forth to the Loan Committee at a later date for funding consideration.

The City of Lompoc anticipated receipt of its FY 12-13 funding allocation which would have allowed us to request the application of those funds towards additional eligible projects. However given SBC's current allocation strategy, should this fiscal year's allocation to the City not be forthcoming, then we strongly believe that we be given consideration to receive an equal offset of Home funds added to our allocation for FY 13-14.

If we had been advised either prior to or during that update conference call that the Home funding freeze had been rescinded, we were poised to utilize our FY 12-13 allocation. Ideally we would have had time to prepare a NOFA; however, the timing of this information compels us to submit our Mark's House renovation project which meets the condition of construction readiness for Home funding consideration. This is a transitional housing, CDBG Capital funded project that needs to fill a funding gap in order to move forward towards completion. Attached to this letter (Attachment A) is a copy the minutes of our City Council meeting approving this project. Also, our Community Development Program Manager, Paul Swift, has recently discussed the urgent need for FY 12-13 Home funding for this project with County staff, Dinah Lockhart and Simon Kiefer. By way of this letter, the City of Lompoc requests that SBC include the Mark's House project for Home funding consideration to the Loan Committee this year. We stand ready to comply with any SBC requested action to ensure funding approval for this project.

In closing, we want to ensure the City of Lompoc receives its funding allocation to address its community needs. Home funds allow Consortium member communities the ability to successfully complete both small and large projects of urgent need within our communities. As a member of the Consortium, we want to work in concert to develop short and long range strategies that can be mutually agreed upon, address HUD's timeliness requirements, and ensure that Home funds can be applied to projects that meet the unique needs of our respective communities. Please call or email me at 805-875-8274 or [T\\_gallavan@ci.lompoc.ca.us](mailto:T_gallavan@ci.lompoc.ca.us) so we can discuss our request. Thank you.

Respectfully,



Teresa Gallavan

Economic Development Director/ Assistant City Administrator

Cc: Laurel M. Barcelona, City Administrator

Paul Swift, Community Development Program Manager

Dennis Bozanich, Assistant to the County Executive Officer

Dinah Lockhart, Deputy Director SBC HCD