Update on Lompoc Housing and Community Development Corporation Properties, Including Bridgehouse Shelter

County of Santa Barbara February 21, 2012

Background on Item

- Lompoc Housing and Community Development (LHCDC) owned and managed affordable housing units, Marks House and Bridgehouse Shelter
- LHCDC in process of dissolution and transferring real estate assets
- County has provided funding to LHCDC for shelter services
- LHCDC Board of Directors offered deed-in-lieu of foreclosure to County for Bridgehouse

Recommendations

- County not accept a deed-in-lieu of foreclosure offered by LHCDC for the acquisition of the Bridgehouse Shelter;
- Direct the County Executive Officer to work with the community and partner agencies to identify viable options to address homeless services within the Lompoc area;
- Approve funding to Good Samaritan Shelters for homeless services at Marks House; and
- Receive an update on the status of other LHCDC properties

Shelter Operations and County's Role

- County does not currently own or operate shelters
- County provides supportive services (public/mental health, social services, etc)
- County receives, distributes and manages funding for services to community partners and General Fund monies to shelters

Recommendation: Not Accept Bridgehouse

- Possible repayment of \$150,000 by County to HUD for not operating Bridgehouse until March 2022
- No ongoing County fiscal responsibilities
- LHCDC continues to own facility; County affordability covenant remains
- Direct CEO to partner with community in the development of a comprehensive solution to address homeless needs and services within Lompoc area

Obligations of Accepting Bridgehouse

• Possible repayments:

- \$150,000 to HUD for not operating Bridgehouse until March 2022
- \$274,900 to State for not operating Bridgehouse until March 2013

Obligations of Accepting Bridgehouse

- County incurs Annual Operating Costs of \$257,000:
 - \$242,000 annual shelter services
 - \$15,000 annual landscaping costs
- County incurs One-Time Cost:
 - \$150,000 renovation cost

Recommendation: Approve Marks House Funding

- City of Lompoc acquired Marks House; contracting with Good Samaritan Shelter to operate
- County Human Services Funds and federal Emergency Shelter Grant funds are reserved for Marks House
- Approve County entering into contract with Good Samaritan Shelter for \$16,000 in funding for Marks House operations

Recommendation: Update on LHCDC Affordable Housing Units

o 7 properties under receivership

- Allow process to continue
- Encourage financial lending institutions to maintain affordability covenants
- 2 properties with private lender in 1st position that are not in foreclosure

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Questions