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

Transfer of Bridgehouse deed requires State approval

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

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