



**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:** 5/1/18  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** George Chapjian, Community Services Director (805) 568-2485  
**CONTACT** Dinah Lockhart, Deputy Director, HCD (805) 568-3523  
**INFO:** Laurie Baker, Grants & Program Manager, (805) 568-3521  
**SUBJECT:** Third (3<sup>rd</sup>) Amendment to the Tenant-Based Rental Assistance  
Subrecipient Agreement with the Housing Authority of the County  
of Santa Barbara to extend the term

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- A. Approve and Authorize the Chair of the Board of Supervisors to execute the Third (3<sup>rd</sup>) Amendment to the Tenant-Based Rental Assistance Subrecipient Agreement with the Housing Authority of the County of Santa Barbara (Attachment A) to extend the term from 7/1/16 – 6/30/18 to 7/1/16 - 6/30/19; and
- B. Determine that the approval of the funding increase in the 3<sup>rd</sup> Amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), finding that the action is a creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment, and direct staff to file a Notice of Exemption (Attachment B).

**Summary Text:**

The Housing Authority of the County of Santa Barbara (Housing Authority) is under contract with the County to provide Tenant-Based Rental Assistance (TBRA) using County HOME funds. The amendment will extend the term for another year to June 30, 2019. This will allow the housing authority to continue serving existing TBRA clients until Housing Choice Vouchers (HCV) become available.

Extending the term will help ensure that an estimated 37 households currently receiving TBRA assistance will transfer seamlessly to the HCV program and avoid disruptions in their housing stability.

**Background:**

The County 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 executed the original TBRA agreement with the Housing Authority on 6/7/16 for \$493,421, for a term effective beginning 7/1/16 and ending on 6/30/18 using federal HOME funds. A first amendment to the TBRA agreement was executed by the County on 7/19/16 (also the effective date) to increase the total contract amount to \$1,144,222. A second amendment was executed by the County on 9/12/17 (also the effective date) to increase the total contract amount to \$1,254,222. As of 3/1/18, the Housing Authority has provided the following assistance:

Monthly rent assistance	106 households
Monthly rent assistance and security deposit assistance	35 households
Security deposit assistance only	187 households

The Housing Authority focuses its efforts on housing the homeless, veterans, persons with disabilities, seniors and persons with HIV/AIDS, and works closely with community based organizations that serve these populations throughout the County. The current TBRA contract has a term of two years, which began on July 1, 2016 and will end June 30, 2018, with a balance to expend of \$396,752.

The Housing Authority requested that the term of the Agreement be extended to June 30, 2019, adding one year in order to better respond to funding shortages in the Housing Choice Voucher (HCV) program. It has been the Housing Authority's intention to issue HCVs to households that time out of the 24-month limit of the TBRA program, which will provide a permanent housing subsidy. The federal budget for the HCV program has decreased in the recent past and, as of the writing of this Board Letter, HUD has not yet announced allocations for FY 2018. Therefore, there is a likelihood that some families will exhaust their TBRA assistance and the Housing Authority will not have HCVs readily available. To address this concern, the Housing Authority is not accepting new tenants into the TBRA program and the County's Division of Housing and Community Development (HCD) has, and will continue to, authorize TBRA assistance beyond the 24-month limit on a case-by-case basis, until a HCV becomes available (HUD permits renewal beyond 24 months, subject to the availability of HOME funds). The Housing Authority is confident that, by extending the Agreement to 6/30/19, the balance of HOME TBRA funding will sustain rental assistance for the existing assisted households until the Housing Authority receives additional HCV program funds. If the term of the County's TBRA agreement is not extended, some families could experience a gap in their rental subsidies and suffer either a drastic increase in their monthly rent, or loss of housing all-together.

**Performance Measure**

The Housing Authority has assisted 328 households with monthly rent and security deposits since July 2016 and 37 households will continue to receive assistance through this amendment.

**Contract Renewals and Performance Outcomes**

See above.

**Fiscal and Facilities Impacts:**

No additional funds are being added to the contract. The Housing Authority covers the cost to administer the TBRA program.

**Fiscal Analysis:**

Not applicable

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

**Key Contract Risks:**

By extending the contract deadline, the County will not be at risk of not meeting the HOME expenditure deadlines. The funds used for this contract were from program years 2014 and earlier; however, unexpended HOME funds from pre-2015 program years are calculated on a cumulative basis rather than a strict annual basis. The County has met the conditions for expending HOME funds by the deadline for pre-2015 funds.

**Staffing Impacts:**

Existing HCD staff administers the contract and monitors performance

**Special Instructions:**

- Please have the Board Chair execute two (2) original copies of Attachment A. Provide one original and one (1) certified copy to Laurie Baker and retain one for COB records. Please call Laurie for pick up at ext. 3521.
- Provide a copy of the minute order reflecting Board Action to lbaker@co.santa-barbara.ca.us

**Attachments:**

- A) 3<sup>rd</sup> Amendment to the Subrecipient Agreement
- B) CEQA Notice of Exemption