



**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 No.:** 055  
**For Agenda Of:** July 10, 2018  
**Placement:** Administrative  
**Estimated Time:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department George Chapjian, CSD Director (805) 568-2485  
Director  
Contact Info: Dinah Lockhart, Deputy Director HCD (805) 568-3523  
Laurie Baker, Grants and Program Manager (805) 568-3521  
**SUBJECT:** Amendment to the County's HOME Consortium Agreement to add the City of Lompoc

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence: Risk Management**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors (Board):

- A. Adopt a resolution (Attachment A) to authorize the County Chief Executive Officer to execute the Third Amendment to the Cooperation Agreement for the Santa Barbara County HOME Consortium (Attachment B) to include the City of Lompoc as a member of the Santa Barbara County HOME Consortium;
- B. Determine that the recommended action is not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), finding that the action is a creation of 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.

**Summary Text:**

The Board is being asked to adopt a resolution which will authorize the County Executive Officer to execute the Third Amendment to the Santa Barbara County HOME Consortium Agreement to include the City of Lompoc as a HOME Consortium member. The resolution also re-affirms the County Executive Officer's authority to serve as the County's official representative and authorizes the automatic renewal of the HOME Consortium Agreement for subsequent three year renewals. The inclusion of the City of Lompoc in the County HOME Consortium is estimated to potentially increase the County's annual HOME

allocation by an amount ranging from \$85,000 to \$100,000, depending on annual congressional appropriations to HUD for the HOME program. The current 2018 HOME allocation to the County, without Lompoc's membership, is \$1,038,021

**Background:**

The City of Lompoc had been a County HOME Consortium member since 1995. In 2015, the City notified the County that it would not participate in the County HOME Consortium for the three-year cycle for federal fiscal years (FFY) 2016, 2017, and 2018. The County and the cities of Buellton, Solvang, Carpinteria, and Goleta entered into a HOME Cooperation Agreement in 2015 to renew the Santa Barbara County HOME Consortium (Consortium Agreement) in accordance with 24 CFR 92.101. The formation of the HOME Consortium is necessary for the County as a region to qualify for annual allocations of federal HOME Investment Partnerships funds. The County and the City of Santa Maria executed First and Second Amendments to the Consortium Agreement on August 22, 2017 and September 1, 2017, respectively, to add the City of Santa Maria to the HOME Consortium, effective with FFY 2018.

**Discussion:**

In May 2018 City of Lompoc staff notified the County that the City would like to rejoin the County HOME Consortium and receive an allocation of HOME funding for the next qualification period of federal fiscal years (FFY) 2019 - 2021, which would be effective for County fiscal years July 1, 2019 – June 30, 2022. The Lompoc City Council authorized the City's participation in the County HOME Consortium on June 19, 2018 by executing a City Resolution (Attachment C). As permitted by U.S. Department of Housing and Urban Development (HUD), the County's HOME Consortium Agreement automatically renews every three years; members may choose to withdraw from the HOME Consortium for the next renewal period. The current three-year cycle will end June 30, 2019. The term of the renewed Consortium agreement includes FFY 2019, 2020, and 2021, which will be effective for County fiscal years July 1, 2019 – June 30, 2022. No Consortium member may withdraw during a three-year cycle; however, HUD allows the County, as the Lead Entity of the Santa Barbara HOME Consortium and pursuant to the Consortium Agreement, to authorize new members to join at any time.

The inclusion of the City of Lompoc in the County HOME Consortium is estimated to potentially increase the County's annual HOME allocation beginning FFY 2019 by an amount ranging from \$85,000 to \$100,000, depending on annual congressional appropriations to HUD for the HOME program. The current 2018 HOME allocation to the County, without Lompoc's membership, is \$1,038,021. The federal allocation of HOME funds received by the County is distributed by formula by the County to the Consortium members. The Consortium members may use their distributions of HOME funds for eligible activities in their respective cities or pool their funds with the County's funds to be awarded to eligible activities throughout the County.

The Board's approval of the resolution (Attachment A) will authorize the County Executive Officer to execute the Third Amendment (Attachment B) to the Santa Barbara County HOME Consortium to add the City of Lompoc as a HOME Consortium member. The amended Consortium Agreement will automatically renew for each successive three-year term thereafter. The resolution affirms the County Executive Officer's authority to serve as the County's official representative and acknowledges the County's inclusion of an automatic renewal provision in the HOME Consortium Agreement. The County is required by HUD to notify participating cities at the conclusion of each three-year cycle of their option to exit the HOME consortium for the next three-year cycle.

**Performance Measure:**

The County's Division of Housing and Community Development (HCD) will monitor the use of HOME funds distributed to the City of Lompoc, as it does for all HOME Consortium members. The Board approves the commitment of federal HOME funds by approving the execution of agreements with the entities that carry out projects. The Board also approves the annual Action Plan and Plan amendments, which include funded projects, for submission to HUD. HCD monitors all funded projects for compliance with federal regulations.

**Contract Renewals and Performance Outcomes:**

Not applicable

**Fiscal and Facilities Impacts:**

Not applicable

**Fiscal Analysis:**

The inclusion of the City of Lompoc in the County HOME Consortium is estimated to potentially increase the County's annual HOME allocation by \$85,000 to \$100,000, depending on annual congressional appropriations to HUD for the HOME program, for a total HOME allocation of approximately \$1,123,000 for FY 2019-20.

**Key Contract Risks:**

The inclusion of the City of Lompoc in the County HOME Consortium will increase contract monitoring requirements for County CSD/HCD. This increase will be offset by the increase to the County HOME administrative allowance which is 10% of the total annual HOME entitlement. The increase to the County's HOME administrative allowance is estimated at \$8,500 to \$10,000 annually. The Board retains the authority to approve or disapprove the inclusion of the City of Lompoc as a new member of the HOME Consortium. The Third Amendment includes a provision that HOME funds shall not be available to the City of Lompoc until the U.S. Department of Housing and Urban Development (HUD) includes the City in its calculation for distribution of HOME funds to the County HOME Consortium.

**Staffing Impacts:**

There will be no staffing impact.

**Special Instructions:**

1. Hold for pick up – contact Laurie Baker for pick up: [lbaker@co.santa-barbara.ca.us](mailto:lbaker@co.santa-barbara.ca.us) ext. 3521
  - a. Signed County Resolution (Attachment A)
  - b. Two originals, with original signatures, of the Third Amendment (Attachment B)

**Attachments:**

- A: County Resolution
- B: Third Amendment to HOME Consortium Agreement
- C: City of Lompoc Resolution
- D: Letter from City of Lompoc