



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: BOS
Department No.: 011
For Agenda Of: 09/18/18
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Supervisors Das Williams and Joan Hartmann
Director:
Contact Info: Darcel Elliott, (805) 568-2182

SUBJECT: Resolution in support of Propositions 1 & 2

County Counsel Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: No

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

- a. Adopt a resolution in support of Statewide Ballot Propositions 1 & 2, The Veterans and Affordable Housing Bond Act of 2018 and the No Place Like Home Act of 2018, on the November 6, 2018 statewide ballot; and
- b. Determine that the above action is not a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Sections 15378(b)(4) and 15378(b)(5) because it consists of government administrative or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

Proposition 1 would authorize \$4 billion in general obligation bonds for housing-related programs, loans, grants, and projects and housing loans for veterans. Senate Bill 3, the Veterans and Affordable Housing Bond Act of 2018, passed the Legislature on September 15, 2017 and was signed by the Governor on September 29, 2017 and it will appear on the November 6th General Election statewide ballot for voter approval.

Proposition 2 would authorize the state to use revenue from Proposition 63 (2004) on \$2 billion in revenue bonds for homelessness prevention housing for persons in need of mental health services. Assembly Bill 1618 (2016) created the No Place Like Home Program, which requires the California Department of Housing and Community Development to award \$2 billion to counties for permanent

supportive housing for the homeless funded through the issuance of bonds secured by funding from Proposition 63, the Mental Health Services Act of 2014. In 2018, the Legislature passed Assembly Bill 1827, the No Place Like Home Act of 2018, to place the No Place Like Home Program on the ballot for voter approval due to the Program requiring a change in a previously approved ballot measure.

The County of Santa Barbara would be eligible for funding through both of these ballot measures to address housing needs in our community.

Background:

California is experiencing a monumental housing crisis. The state has the 49th lowest ratio of housing units per resident. The high demand and lack of supply results in skyrocketing housing costs. Our most vulnerable populations are the most impacted by such a tight housing market.

In addition to the state crisis, the United States Department of Housing and Urban Development (HUD) has prioritized a “Housing First” model to addressing homelessness. The “Housing First” model changes the focus to connecting individuals and families experiencing homelessness to permanent housing and providing supportive services to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.

In Santa Barbara County, the biennial Point in Time Count reported 1,860 individuals experiencing homelessness in 2017. That count has remained in the ballpark of 1,800 individuals since the Count first began in 2011. Specifically, 1,729 persons were counted in 2015; 1,882 persons were counted in 2013; and 1,698 persons were counted in 2011. In addition, to the biennial count, Home for Good Santa Barbara County, does consistent outreach to the homeless population year-round. In their second quarter of this year, from March to June, Home for Good administered 697 Vulnerability Index-Service Prioritization Decision Assistance Tools (VI-SPDAT) and found that 301 individuals were recommended for permanent supportive housing and that 67 of 72 veterans surveyed were recommended for permanent supportive or rapid re-housing.

According to a 2016 HUD report, Santa Barbara County has an estimated 1.1% vacancy rate in the sales market and a 3.9% vacancy rate in the rental market. In the report, HUD describes the County’s sales housing market as “balanced,” while the Department describes our rental housing market as “tight.” According to the report, “Since 2010, the increase in renter households has outpaced the construction of rental units and the conversion of single-family homes, townhomes, and condominiums to rental units.” Our market is not healthy enough to meet the demand to house the number of individuals identified as needing permanent supportive housing.

The California Legislature have been working to address the problem that not only we face, but the whole state faces. Propositions 1 & 2 are two such efforts.

Proposition 1 would invest \$4 billion into housing-related programs, loans, grants, and projects and housing loans for veterans. The funding would be distributed as follows:

- \$1 billion for the CalVet Home Loan Program, which offers loans to veterans for the purchase of homes, farms, units in cooperative developments, and mobile homes;
- \$1.5 billion for the Multifamily Housing Program (MHP), which offers loans for the constructions, rehabilitation, and preservation of rental housing for persons with incomes of 60% or below of the area median income;

- \$150 million for the Transit-Oriented Development Implementation Fund, which offers loans and grants to local governments and developers for housing projects near transit stations;
- \$300 million for the Regional Planning, Housing, and Infill Incentive Account, which offers grants for infill infrastructure that supports high-density affordable and mixed-income housing;
- \$150 million for the Home Purchase Assistance Program, which offers loans to low-income and moderate-income homebuyers;
- \$300 million for the Joe Serna, Jr. Farmworker Housing Grant Fund, which offers grants and loans for farmworker housing;
- \$300 million for the Local Housing Trust Matching Grant Program, which offers matching grants to local housing trust funds for “pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing;” and
- \$300 million for the Self-Help Housing Fund, which provides forgivable loans for mortgage assistance, the development of multiple home ownership units, and manufactured homes.

Proposition 2 would amend the Mental Health Services Act to authorize transfers of up to \$140 million annually from the existing Mental Health Services Fund to the No Place Like Home Program for investments into permanent supportive housing for individuals with mental illness who are experiencing homelessness. If Proposition 2 were to pass, the County of Santa Barbara would be eligible to complete with 13 other mid-size counties for a total of \$245.1 million in funding.

Financial Impacts:

No financial impacts.

Staffing Impacts:

Legal Positions:

FTEs:

- No staffing impacts

Special Instructions:

- None

Attachments:

- Attachment A – Resolution in support of Propositions 1 & 2
- Attachment B – Text of Senate Bill 3, the Veterans and Affordable Housing Bond Act of 2018
- Attachment C – Text of Assembly Bill 1618 (2016)
- Attachment D – Text of Assembly Bill 1827 (2018)

Authored by:

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cc: