



FY 2018-19
Notice of Funding Availability
Community Development Block Grant (CDBG)
HOME Investment Partnerships (HOME)
County In-Lieu Programs

The County Division of Housing and Community Development (HCD) is pleased to issue this Notice of Funding Availability (NOFA) to inform eligible organizations and affordable housing developers about grant and loan opportunities for fiscal year July 1, 2018 – June 30, 2019. The County Board of Supervisors (BOS) makes all funding decisions.

Estimated FY 2018-19 funds available:

-  CDBG for public services programs - \$161,084
-  CDBG for capital, economic development and other - \$951,717
-  HOME program funds - \$2,593,000
-  County in-lieu funds for affordable housing development - \$2,019,907

The amounts listed above include program income received and any uncommitted prior year funds. The estimated FY 2018-19 federal allocations are listed in section III.

This NOFA does not include Federal or State Emergency Solutions Grant (ESG)

Application Due Date: 5:00 P.M. Friday, January 12, 2018

Applications are accepted online only. The NOFA and link to the applications are located at:

<http://www.countyofsb.org/housing>

Please check the website often for any updates to this NOFA

Please note that County offices will be closed
December 25, 2017 through January 1, 2018

Sponsored by:
County of Santa Barbara



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I. FY 2018-2019 NOFA SCHEDULE County of Santa Barbara

Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and County In-Lieu programs (this NOFA does not include Emergency Solutions Grant)

Visit <http://cosb.countyofsb.org/housing/> for updates to this schedule.

November 3, 2017	NOFA published. Access via: http://cosb.countyofsb.org/housing/
November 15 2:00 PM – 4:00 PM (ZoomGrants training at 3:30 PM)	Mandatory Training - North County Training Board of Supervisors' Hearing Room 511 E. Lakeside Parkway, Santa Maria, CA
November 16 2:00 PM – 4:00 PM (ZoomGrants training at 3:30 PM)	Alternate Mandatory Training - South County Training Board of Supervisors' Conference Room 105 E. Anapamu St., 4 th Floor, Santa Barbara, CA

ATTENDANCE AT ONE OF THE TRAININGS IS REQUIRED! Attendee(s) must be the agency's executive director and/or staff responsible for program implementation. RSVP for training through EventBrite:

North County at: <https://www.eventbrite.com/e/north-county-applicant-training-tickets-38810789115>

South County at: <https://www.eventbrite.com/e/south-county-applicant-training-tickets-38811238459>

January 4, 2018	Human Services Commission's Regularly scheduled meeting, St. Marks, 2901 Nojoqui Ave, Los Olivos 10:00 a.m. – noon – discuss status
January 12, 2018 5:00 P.M	Electronic Applications Due (through Zoom Grants)
February 5, 2018 9:00 A.M. – until completed	Human Services Commission's Allocations Committee will hear applicant presentations for CDBG Public Services; <u>Location: 1644 Oak St. Solvang, City Council Chambers</u>
February 8, 2018 9:00 A.M. – Noon	Human Services Commission's Allocation Committee Deliberations <i>Committee will make funding recommendations for consideration by the County Board of Supervisors on CDBG Public Services.</i> <u>Location: St. Mark's Episcopal Church Parlor Rm., 2901 Nojoqui Ave, Los Olivos</u>
February 15, 2018 2:00 P.M. – 4:00 P.M.	Capital Loan Committee meeting <i>CLC will review HCD staff recommendations for CDBG capital and other non-public services projects, and make funding recommendations for consideration by the County Board of Supervisors</i> <u>Location: Housing Authority of City of Santa Barbara 706 Laguna St., first floor conference room</u>
TBD April 2018	BOS public hearing to consider recommendations and public comments, approve project funding, and authorize submittal of Action Plan to HUD

Questions: CDBG Matt Kropke 568-3533 mkropke@co.santa-barbara.ca.us

II. Introduction

Overview:

The County Community Services Department's Division of Housing and Community Development (HCD) is pleased to announce the availability of funding for grants and loans to support programs and services for low-moderate income persons and special needs populations such as elderly, disabled, homeless, people experiencing abuse, and person's with HIV/AIDS. Federal funds (HCD) will support public services and capital projects that will serve Santa Barbara County residents.

The purpose of the federal capital program is to increase access to affordable housing, improve public facilities and infrastructure. The purpose federal public services program is to increase the availability of human services for special populations and low- to moderate-income persons. **Please read this document in its entirety and direct questions to the County staff listed at the end of this document.**

Federal Funds:

The County of Santa Barbara receives an annual allocation of federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds. In addition, HCD's Affordable Housing Program collects fees from housing developers who pay a fee in-lieu of including income-restricted units in their housing developments, in accordance with County Ordinance 4855. These fees then may be used to develop affordable housing throughout the County. The programs are administered by HCD.

In some years, the County also receives a small allocation of funds through the federal Emergency Solutions Grant program (ESG). The allocations are generally announced each spring; therefore the County cannot anticipate an allocation of ESG for FY 2018-19. Should ESG be allocated to the County at a later date, the County may issue a separate NOFA.

Requirements Applicable to applications under CDBG:

- A. Applications must be submitted via ZoomGrants, an online application management system. A link to access ZoomGrants is provided on HCD's website at <http://cosb.countyofsb.org/housing/>. ZoomGrants direct website is www.zoomgrants.com; however, the County application can only be accessed from the link on the County website.
- B. Please refer to the NOFA schedule on the previous page. The County will hold two training sessions: one in South County and one in North County. Attendance at one of these trainings is **mandatory** in order to apply for funds. Applicants must attend a session for *each* of the grant programs to which they will apply (Public Services or Capital). Applications will not be accepted from organizations that did not attend training. Attendance must be by organizations' executive director, program manager, fiscal manager, or other employee of the organization who will have authority and responsibility for administering the grant program.
- C. All applications will undergo preliminary review by County staff to ensure that application requirements have been met and that the proposed programs are eligible under the relevant programs. Complete and eligible applications will be forwarded to County review committees for further consideration. Applicants will be notified if their applications did not meet the eligibility criteria or their applications were incomplete. The County Human Services Commission's Allocations Committee reviews all of the Community Development Block Grant (CDBG) Public Services applications. The County Capital Loan Committee reviews CDBG Capital and HOME applications. The Board of Supervisors makes all final decisions.

III. Summary of Funds Available

A. Community Development Block Grant (CDBG)

HCD is the lead entity of the CDBG Urban County Partnership, which includes the County and the cities of Carpinteria, Buellton and Solvang. Each jurisdiction receives a distribution of CDBG to either award in their respective communities, or pool with the County’s distribution. Applicants will designate on their applications to which jurisdiction(s) they are applying. More than one jurisdiction may be selected if the applicant’s proposed program will serve residents in all jurisdictions selected. The County administers the CDBG program on behalf of the Urban County partners.

The chart below shows the estimated CDBG distributions to the County and partner cities:

Estimated FY 18-19 Allocation	\$1,073,897	<i>Subject to congressional appropriation</i>
County Administration (20%)	\$214,779	
Project funds	\$859,118	

Jurisdiction	Distribution	Pro Rata Share for Public Service Projects	Pro Rata Share for Capital and other Projects
County	85.24%	137,315	595,031
Buellton	3.08%	4,961	21,498
Carpinteria	8.33%	13,423	58,168
Solvang	3.34%	5,385	23,336
TOTAL	100%	\$161,085	\$698,033

Notes:

1. Amounts are subject to change based on the congressionally approved budget, anticipated to be announced in the spring.
2. Partner cities may use their funding distributions for programs and projects in their own communities, or pool their funds with the County’s for distribution via County NOFA and award process.
3. The estimated allocation does not include unused funds from prior years and program income (loan repayments); any prior year funds are included in the total amount available on page 1 of this document.
4. If the actual CDBG allocation results in an additional amount for County public services programs that is less than the minimum grant amount of \$15,000, the County reserves the right to reallocate those funds to capital projects.

Applicants should refer to the priorities identified in the County’s five-year Consolidated Plan (2015-2020) when completing their applications. The priorities are derived from congressional goals, HUD priorities and local housing and community development needs. The priorities are available in the application. The entire Consolidated Plan may be viewed at: <http://countyofsb.org/housing/>

CDBG may be used to fund a variety of programs, which may be reviewed at 24 CFR 570.201 Basic Eligible Activities. A summary of the programs that the County has historically funded is provided below. Twenty-percent (20%) of the CDBG allocation is used by the County to administer the CDBG program:

- CDBG Public Services – up to fifteen-percent (15%) of the Urban County’s allocation may be used to support public services programs. Funds are used to support programs that provide assistance to low and moderate income individuals and families throughout the County. **See Attachment One for more information.**

- The balance of CDBG funds principally are used to support the rehabilitation of public and non-profit facilities and infrastructure. **See Attachment Two for more information.**
- In addition, a portion of CDBG historically has been used to support Micro-Enterprise Businesses. **See Attachment Three for more information.**

Note that the Cities of Santa Barbara, Goleta, Lompoc and Santa Maria each receive a direct allocation of CDBG funds from HUD and each city issues its own NOFA. See city contact information at the end of this document.

B. HOME Investment Partnership Program (HOME)

The County of Santa Barbara is the lead entity of the HOME Consortium (Consortium), which is comprised of the County, and the cities of Buellton, Carpinteria, Goleta, Santa Maria and Solvang. Each jurisdiction receives a distribution of HOME funds that may either be awarded to an eligible project or program in their respective communities, or added to the County’s distribution and made available to projects and programs throughout the County. The County administers the HOME program on behalf of the Consortium.

The chart below shows the estimated HOME distributions to partner cities:

Estimated FY 18-19 Allocation	\$614,680	<i>Subject to congressional appropriation</i>
County Administration (10%)	<u>\$61,468</u>	
Available for Projects	\$553,212	

Jurisdiction	Distribution	Pro Rata Share for Projects
County	45.41%	251,203
Buellton	1.66%	9,157
Carpinteria	4.55%	25,198
Goleta	10.06%	55,632
Santa Maria	36.57%	202,337
Solvang	1.75%	9,685
TOTAL	100%	\$553,212

Notes:

1. Amounts are subject to change based on the congressionally approved budget, anticipated to be announced in the spring.
2. The estimated allocation does not include unused funds from prior years and program income (loan repayments); these amounts are included in the total funds available listed on page 1 of this document.

The primary purpose of the HOME program is to provide decent affordable housing to low-income households. HOME may be used for a variety of programs, including development (acquisition, rehabilitation and/or new construction) of affordable rental or for-sale housing, rehabilitation of owner-occupied housing, homebuyer assistance programs (down payment and closing costs assistance), and Tenant-Based Rental Assistance.

- **Housing Development:** Applications for housing development (acquisition, rehabilitation and/or new construction) are accepted on a year-round basis; however, developers are encouraged to submit a Letter of Intent (LOI) to apply by the NOFA application deadline if they anticipate that they will apply for HOME funds within the next year. Housing development applications are not available in ZoomGrants. **See Attachment Four for more information.**

- In accordance with the Consortium agreement, the County will maintain a list of HOME-eligible projects (“Project Pipeline”) that have applied or may apply for HOME funds in the current or future years. Projects not made known to the County via Letter of Intent to Apply for inclusion on the Project Pipeline list will not be considered for funding. A project’s inclusion on the Project Pipeline list does not guarantee funding or imply a priority for funding.

Due to limited funds, the County is not accepting applications for Tenant-Based Rental Assistance, Homeowner rehabilitation or Homebuyer assistance programs in this NOFA.

Applicants should refer to the priorities identified in the County’s five-year Consolidated Plan (2015-2020) when completing their applications. The priorities are derived from congressional goals, HUD priorities and local housing and community development needs. The priorities are available in the funding application. The entire Consolidated Plan may be viewed at: <http://countyofsb.org/housing/>

C. Affordable Housing Program (In-Lieu funds)

HCD’s Affordable Housing Program collects fees from housing developers who pay a fee in lieu of building income-restricted units in their housing developments, as required by County ordinance. The fees may then be used to develop affordable housing in the Housing Market Area (HMA) from which they were collected or in the South Coast HMA.

Housing Market Area	<i>as of 11/3/17</i>
South Coast	\$1,533
Santa Maria	\$1,309,965
Lompoc	\$46,321
Santa Ynez	\$282,189
Unrestricted	\$379,899
TOTAL	\$2,019,907

Applications for housing development funds (HOME or “in-lieu”) are accepted on a year-round basis; however, developers are strongly encouraged to submit Letters of Intent (LOI) to apply for funds by the NOFA application deadline listed in the NOFA Schedule if they anticipate submitting an application for funds within the next year. Housing development applications are not available in ZoomGrants. See Attachment Four for more information.

The County currently has a list of proposed housing projects for HOME and in-lieu funds and funds may not be available to new projects. To be added to the list for future consideration, a LOI or application must be submitted.

Applicants should not identify the source of funds requested in their LOIs. HOME and/or In-Lieu funds may be used to fund affordable housing development, depending on the type and location of proposed housing, market conditions and other factors, at the County’s discretion.

IV. Electronic Application Grant Submission Process

Applicants can access CDBG applications via ZoomGrants at www.countyofsb.org/housing. Click on the ZoomGrants link to go directly to the CDBG Capital and CDBG Public Services applications. Applications cannot be accessed from the ZoomGrants website; access is provided only via the link on the County website.

Once on the ZoomGrants site, applicants will have access to instructional videos. After creating a username and password (one username and password per agency), applicants may begin work on their applications. ZoomGrants automatically saves work and applicants may log off and log on again at any time and from any computer to continue working on their applications. Applications will be locked for editing at 5:00 P.M. on the deadline listed in the NOFA Schedule. Click "Submit" to submit applications.

Caution: When applications are submitted, ZoomGrants will perform a cursory review to assure that all questions were answered and will provide a warning notice for applications with incomplete responses. Applicants may correct errors up until 5:00 P.M. on the application deadline listed in the NOFA Schedule. Applicants are strongly encouraged to submit applications in advance of the deadline to allow time to correct errors. Note that ZoomGrants only checks for empty fields and acceptance of an application by ZoomGrants does not ensure that the application is complete. In addition to checking that all responses are complete, check that all required documents have been uploaded.

LATE OR INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

During the application process, ZoomGrants staff are available to provide technical assistance by contacting ZoomGrants using the contact information listed on the ZoomGrants website. Staff are available Monday - Friday 7:00 a.m. - 4:00 p.m. Pacific Standard Time. Helpful tools also are available on the website.

V. Program Specific Requirements (NOFA Attachments)

Attachment One:	CDBG Public Service funds
Attachment Two:	CDBG Capital projects
Attachment Three:	CDBG Assistance to Micro-Enterprise Businesses
Attachment Four:	HOME and Affordable Housing Development funds

Specific program requirements are provided in the attachments that follow. When ready to begin the application(s), go HCD website and click on the link to the application. Complete one application for each funding source in which you are applying. For program questions, contact County staff listed at the end of this document. For ZoomGrants technical assistance, contact technical support via the contact information provided on the ZoomGrants website.

Attachment One: CDBG Public Services Funding Guidelines

CDBG regulations permit the use of funds for a wide range of public service activities, including, but not limited to:

- Employment services (e.g. job training)
- Crime prevention and public safety
- Child care
- Health services
- Substance abuse services (e.g. counseling and treatment)
- Fair housing counseling
- Education program
- Energy conservation
- Services for senior citizens
- Services for homeless persons
- Welfare services (excluding income payments)
- Down payment assistance
- Recreation services

CDBG funds may be used to pay the costs of rent, utilities, staffing, supplies, materials, etc. that are necessary to administer services or to operate the facility in which services will be provided.

Applicants may access the CDBG guide, *Basically CDBG* for information on eligible activities at: <https://www.hudexchange.info/resource/19/basically-cdbg-training-guidebook-and-slides/>

The CDBG regulations are located at 24 CFR Part 570 and may be accessed at: http://www.ecfr.gov/cgi-bin/text-idx?SID=59efe4c61f2a959db5b23a19cb07f1b7&mc=true&node=pt24.3.570&rgn=div5#se24.3.570_1201

The County has set a **minimum** grant amount of \$15,000. An exception applies to applicants who apply solely for partner jurisdictions' CDBG distributions which are less than \$15,000.

HCD staff will conduct a preliminary review of applications to ensure CDBG eligibility. Eligible applicants then will be scheduled for interviews before the County's Human Services Commission Allocation committee. A schedule of interviews will be posted to the HCD website at <http://cosb.countyofsb.org/housing/> and sent to applicants via the email address included in their applications in advance of the meeting.

Urban County Partnership

Note that the application may provide applicants with an opportunity to apply for County funds and/or one or more Urban County member cities' distribution of funds. Each member city may make its own funding decisions for the use of its distribution of CDBG funds, or they may include their funds in the County's review and approval process. Applicants must check the box on the application next to each jurisdiction to which they are applying for CDBG funds. Applicants must also include a letter of support from the city if city funds are being requested.

Eligible public services organizations:

- Must be a 501(c)(3) charitable organization under IRS rules;
- Must qualify program beneficiaries using one of the following three methods:

1. **Limited Clientele.** Collect income information on all of its clientele (low-income and non-low-income) and demonstrate that at least 51% of the persons served have household incomes at or below 80% of the area median income (AMI);

FY 2017-18 Household Income Limits for CDBG programs – 80% AMI

No. persons in household	1	2	3	4	5	6	7	8
Max. Household Income	50,450	57,650	64,850	72,050	77,850	83,600	89,350	95,150

HUD will publish FY 2018-19 income limits spring of 2018.

Income eligibility is determined per 24 CFR 5.609 – 617 (same as for the Housing Choice Voucher/Section 8 program, administered by Public Housing Authorities)

2. **Presumed Benefit.** Exclusively serve persons who are presumed to be low-income, which include, abused children, battered spouses, elderly persons, adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled," homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers, or
3. **Area Benefit.** Have as its service area an area that is primarily residential and where at least 51% of the residents are low-income. The service area may be a neighborhood, a city, or a portion of the County identified by census tracts. Note that a service area that includes the entire County does not qualify. To find out if your service area is at least 51% LMI, click on the link to the low moderate income map below. Once the map has loaded, zoom in on your service area and census tracts, and block groups will appear. By clicking on the block groups of your service area, you can determine the LMI %.

Low Moderate Income Map: <http://arcg.is/1Rm4T3F>

Short instructional video: <https://www.youtube.com/watch?v=CPRmVosjsQk&feature=youtu.be>

For assistance in determining which client eligibility method is required for your proposed program, contact HCD.

Applicant Criteria

County Public Services applications are reviewed by HCD staff for basic CDBG eligibility. Eligible applications then are forwarded for review by the County's Human Services Commission's Allocation Committee. The Committee makes funding recommendations to the County Board of Supervisors. Factors considered include:

- Program meets a Consolidated Plan priority
- Applicant's commitment to comply with federal regulations, including income-qualifying beneficiaries per 24 CFR Part 5 (Area Benefit and Presumed Benefit activities excluded)
- Population to be served
- Program meets a community need
- Organizational goals and objectives, performance targets and outcomes
- Collaboration with like organizations
- Administrative capacity
- Financial capacity

For more information, contact:

Matt Kropke, Housing Program Specialist

Email: mkropke@co.santa-barbara.ca.us

Phone: (805) 568-3533

Attachment Two: CDBG Capital Projects Funding Guidelines

CDBG regulations permit the use of funds for a wide range of activities, including, but not limited to:

- Housing Activities
- Real Property Improvements
- Public Facilities, Special Assessments, and Privately-owned Utilities
- Economic Development activities

CDBG funds may be used to pay for construction costs, project management, labor and materials, etc.

Applicants may access the CDBG guide, *Basically CDBG* for information on eligible activities at: <https://www.hudexchange.info/resource/19/basically-cdbg-training-guidebook-and-slides/>

The CDBG regulations are located at 24 CFR Part 570 and may be accessed at: http://www.ecfr.gov/cgi-bin/text-idx?SID=59efe4c61f2a959db5b23a19cb07f1b7&mc=true&node=pt24.3.570&rgn=div5#se24.3.570_1201

Eligible applicants include:

- Non-profit 501(c)(3) charitable organization under IRS rules;
- For-Profit organizations (limitations apply); and
- Public Sector Jurisdictions.

Projects and Programs must:

1. Serve a clientele where at least 51% of the persons served have household incomes at or below 80% of the area median income (AMI), as determined and published by HUD annually (Limited Clientele¹), or
2. Exclusively serve persons who are presumed to be low-income, which include, abused children, battered spouses, elderly persons, adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled," homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers (Presumed Benefit), or
3. Have as its service area an area that is primarily residential and the service area census tracts are those where at least 51% of the residents are low-income (Area Benefit). The service area may be a neighborhood, a city, or a portion of the County identified by census tracts. Note that a service area that includes the entire County does not qualify. To find out if your project's service area is at least 51% LMI, click on the link to the low moderate income map below. Once the map has loaded, zoom in on your service area and census tracts, and block groups will appear. By clicking on the block groups of your service area, you can determine the LMI %.

Low Moderate Income Map: <http://arcg.is/1Rm4T3F>

Short instructional video: <https://www.youtube.com/watch?v=CPRmVosjsQk&feature=youtu.be>

¹ Organizations must collect income information on all of its clientele and demonstrate that at least 51% of the persons served are low-income. Income eligibility is determined per 24 CFR Part 5.609 – 617 (same as for the Public Housing Section 8 program.)

Economic Development activities (other than assistance to micro-enterprise businesses) have additional requirements and are not addressed in this attachment. Refer to the CDBG guide and call HCD for more information. Contact information is provided at the end of this NOFA.

2017-18 Income Limits for CDBG programs – 80% AMI (Expected to be revised spring 2018 for FY 2018-19)

No. persons in household	1	2	3	4	5	6	7	8
Max. Household Income	50,450	57,650	64,850	72,050	77,850	83,600	89,350	95,150

Applicant Criteria

County applications are reviewed by HCD staff for basic CDBG eligibility. Eligible applications then are forwarded for review by the County’s Capital Loan Committee, along with HCD’s recommendations for funding, based on project readiness, project timeline and other factors. The Capital Loan Committee may concur with staff recommendations or make other recommendations. Recommendations then are forwarded to the County Board of Supervisors for final funding awards.

Project considerations include:

- Amount of request and percent of CDBG funds to total project costs
- Project budget
- Project readiness² and timeline*
- Level of environmental review required
- Population to be served
- Program meets a community need
- Staff capacity and experience in managing federal capital development projects
- Financial capacity
- Commitment to comply with federal regulations, including income-qualifying beneficiaries per 24 CFR 5.609-617 (Area Benefit and Presumed Benefit activities excluded)

*HUD imposes strict expenditure deadlines of CDBG funds. CDBG funds will be available about October 2018 and projects must be completed before June 30, 2018, with at least 50% of the funds drawn by April 30, 2018.

Real estate improved with CDBG funds is subject to a five year “use period,” meaning that the use of the facility must remain the same for the five year period. Housing projects may be subject to longer term restrictions on occupant income and monthly rent for rental housing, and homeowner income and sales price on homeowner housing.

Urban County Partnership

The member cities, Buellton, Carpinteria, and Solvang, under the CDBG Urban County partnership may make their own funding decisions for their distributions of CDBG funds or may include their funds in the County’s review and approval process. Applicants should assure that they have marked the appropriate box on the application to apply for those jurisdictions’ funds. Applicants must also include a letter of support from the City if City funds are requested.

² Examples of project readiness include: site control, all financing committed, available plans, specifications, drawings, and maps, meets current zoning, site plan review completed, permit ready.

The County may jointly fund eligible projects with member cities; however, the applicant must provide documentation demonstrating the City's support of the project, as well as the City's knowledge of the application being made to the County for funding.

For more information, contact:

Matt Kropke, Housing Program Specialist

Email: mkropke@co.santa-barbara.ca.us

Phone: (805) 568-3533

Attachment Three: CDBG Assistance to Micro-Enterprise Businesses

Assistance to Micro-Enterprise Businesses helps to facilitate economic development by providing:

- Credit, including but not limited to grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;
- Technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises; and
- General support, including but not limited to peer support programs, counseling, child care, transportation, and other similar services, to owners of microenterprises and persons developing microenterprises; and/or
- Training, technical assistance, or other support services to increase the capacity of the organization to carry out activities.

A micro-enterprise business is defined by HUD as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise.

“Persons developing microenterprises” means such persons who have expressed interest and who are, or after an initial screening process are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed.

Note: Applicants applying for funds to assist micro-enterprise businesses should use the application form for CDBG public services. Applications will be reviewed by HCD staff and the County’s Capital Loan Committee, which will make funding recommendations to the Board of Supervisors.

For more information, contact:

Matt Kropke, Housing Program Specialist

Email: mkropke@co.santa-barbara.ca.us

Phone: (805) 568-3533

Attachment Four: HOME and Affordable Housing Development funds

HOME funds may be used to expand the availability of affordable housing to low-income residents by funding acquisition, new construction and/or rehabilitation of rental housing, new construction of homeowner housing, homeowner rehabilitation, homebuyer assistance and Tenant-Based Rental Assistance (TBRA).

Due to limited resources, the County is not accepting applications for TBRA, homeowner rehab or homebuyer assistance in this funding cycle.

The County reserves the right to award HOME funds outside the NOFA process, if necessary to meet strict HUD commitment and expenditure deadlines. All funding awards are subject to Board approval.

HOME applications are not available in ZoomGrants. Please contact Matt Kropke by email at mkropke@co.santa-barbara.ca.us.

Housing Development: The County accepts applications for the development of multi-family rental (acquisition, new construction and/or rehabilitation) or new construction of for-sale housing on a year-round basis. However, for planning purposes, developers are strongly encouraged to submit Letters of Intent (LOI) to apply by the NOFA application deadline for County funds if developers expect to apply for funds within the next 12 - 18 months. Housing development applications are not available in ZoomGrants. In accordance with the HOME Consortium agreement with Consortium cities, potential applicants for HOME funds that do not submit a Letter of Intent to apply (LOI) to be added to the Housing Pipeline will not be considered for funding. LOIs are accepted year-round; however, for planning purposes, applicants are strongly encouraged to submit LOIs by the NOFA deadline.

Submitting a LOI does not guarantee an award of, or priority for, funds and a full application will be required. However, the submission of LOIs will help the County better plan for the potential need for current and anticipated funds. Developers need not state which funds (HOME or in-lieu) are being requested in their LOIs but may indicate a preference for a particular funding source. The County will determine the most appropriate funding source(s) based on the location of proposed developments, market data, housing needs, construction timeline and other criteria.

Submit LOIs to Matt Kropke by email at mkropke@co.santa-barbara.ca.us or by mail to Housing and Community Development, Attn: Matt Kropke, Sr. Housing Program Specialist, 123 E. Anapamu St., 2nd floor, Santa Barbara, CA 93101.

A. HOME Program

The County HOME Consortium, which includes the County, and the cities of Santa Maria, Buellton, Carpinteria, Goleta and Solvang, receives an annual allocation of federal HOME Investment and Partnerships (HOME) funds. The estimated amount of HOME funds that will be available for HOME development projects and other programs is provided in the introductory and summary pages of this document.

The HOME program is included in the County's five-year Consolidated Plan (Plan) that was submitted to the U.S. Department of Housing and Urban Development (HUD) for fiscal years (FY) 2015 – 2020. Please refer to the priorities established in the Consolidated Plan when completing applications or LOIs for funding. Derived from current congressional goals, HUD priorities and stakeholder input, the funding priorities were established for the 2015-2020 Consolidated Plan. A list of the Consolidated Plan priorities is included in the

library section of the application and the entire Consolidated Plan is posted online at: www.countyofsb.org/housing.

B. In-Lieu Funds

“In-Lieu” funds are received by the County when payments are made by developers in lieu of providing affordable units in for-sale housing developments under the County’s Inclusionary Housing Ordinance. Housing developments funded with In-lieu funds must be located in the Housing Market Areas in which the developments that generated the funds are located. The estimated funds available by Housing Market Area are provided in Section III of this document.

Include the following in Letters of Intent to apply for housing development funds:

1. Applicant name, organization, address and contact information
2. Location of proposed project
3. Whether acquisition/rehab and/or new construction
4. Type of project (rental/for-sale/mixed-use) and number of total units
5. Proposed income and rent restrictions and special populations to be served, if applicable, e.g. seniors
6. Preliminary Sources and Uses (include all funding sources and amount of anticipated County funds)
7. Status of project (site control, zoning, planned application date for tax credits, funding sources committed, etc.)

Housing Applications

Full applications for housing development using HOME or in-lieu funds are accepted on a year-round basis. Applications for housing development are not available in ZoomGrants. Contact HCD for an application.

Full applications should be submitted at such time that it is anticipated that County funds will be needed for the project within one year – or less, depending on the type of project, commitments from other funding sources and, if applicable, the application deadline for the Low-Income Housing Tax Credit (LIHTC) program.

County applications are reviewed and underwritten by HCD staff. Applications then are reviewed by the County’s Capital Loan Committee. The Capital Loan Committee may concur with staff recommendations for funding, or make other recommendations. Recommendations then are forwarded to the County Board of Supervisors for consideration of final funding awards.

Funding may be provisionally committed via “reservation,” which will earmark funds for a specific project for a specific time period when the applicant plans to apply for LIHTC for the project. The County does not make commitments (executed agreement) until all funding sources are committed and, if applicable; an allocation of LIHTC has been awarded by the State.

Project considerations include:

- Amount of request and percent of County funds to total project costs
- Project budget and status of financing commitments
- Project readiness³ and timeline
- Population to be served
- Program meets a community need

³ Examples of project readiness include: site control, all financing committed, available plans, specifications, drawings, and maps, meets current zoning, site plan review completed, permit readiness, etc.

- Applicant capacity and experience in managing construction projects
- Organizational and project financial capacity
- Commitment to comply with federal regulations, including income-qualifying beneficiaries per 24 CFR Part 5, compliance with the Davis-Bacon and Related Acts, and other federal and County requirements
- Property management experience and compliance with federal regulations
- Review of project's Sources and Uses, and projected operating proforma

To request an application, please contact Matt Kropke, Sr. Housing Program Specialist by email at mkropke@co.santa-barbara.ca.us or by phone at (805) 568-3533.

VI. County Contact Information

Community Development Block Grants and Affordable Housing Grants and Loans (HOME and In-lieu funds)

Division of Housing and Community Development
123 E. Anapamu St. 2nd Floor, Santa Barbara, CA 93101
Business hours: Monday – Friday, 8:00 A.M. – 5:00 P.M.

Matt Kropke, Housing Program Specialist
Email: mkropke@co.santa-barbara.ca.us
Phone: (805) 568-3533

Laurie Baker, Grants and Program Manager
Email: lbaker@co.santa-barbara.ca.us
Phone: (805) 568-3521

Dinah Lockhart, Deputy Director, HCD
Email: dlockhart@co.santa-barbara.ca.us
Phone: (805) 568-3523

NOFA information will be posted on the County’s HCD website at www.countyofsb.org/housing . Please check the website often for updated information and any NOFA Addendums.

NOFA information also will be posted on the public bulletin boards located in or outside the administration buildings in North and South County.

South County

County of Santa Barbara Administration
Building
105 E. Anapamu Street
Santa Barbara

North County

Joseph Centeno Betteravia Government Administration Building
511 E. Lakeside Pkwy
Santa Maria

See next page for information on CDBG programs in other jurisdictions in the County.

The Cities of Santa Barbara, Goleta, Lompoc and Santa Maria each receive a direct allocation of CDBG funds from HUD and each city issues its own NOFA.

Please contact the cities directly for more information.

Santa Barbara

Website: www.SantaBarbaraCA.gov/HumanServices

Phone: (805) 564-5461

Email: estotts@SantaBarbaraCA.gov

Goleta

Website:

<http://www.cityofgoleta.org/city-hall/neighborhood-services-and-public-safety/neighborhood-services/community-development-block-grant-program>

Phone: (805) 961-7554

Email: cdata@cityofgoleta.org

Lompoc

Website: www.cityoflompoc.com/comdev/

Contact: Trish Munoz 805-875-8270

Email: t_munoz@ci.lompoc.ca.us

Lompoc accepts applications for public services programs only.

Santa Maria

Website:

<https://www.cityofsantamaria.org/city-government/departments/community-development/special-projects/community-development-block-grant-cdbg-program>

Phone: (805) 925-0951 ext. 2118

Rosie Narez – rnarez@cityofsantamaria.org - ext. 2381

Alicia Vela – avela@cityofsantamaria.org – ext. 2469