



## FY 2017-18 Notice of Funding Availability

The County of Santa Barbara, Division of Housing and Community Development (HCD) is pleased to issue this Notice of Funding Availability (NOFA) to inform nonprofit and other eligible organizations countywide about grant opportunities for fiscal year July 1, 2017 – June 30, 2018.

Estimated FY 2017-18 funds available:

-  CDBG for public services programs - \$161,240
-  CDBG for capital, economic development and other - \$1,348,289
-  HOME program funds - \$1,727,923
-  County in-lieu funds for affordable housing development - \$1,537,232

**Application Due Date: 5:00 P.M. Monday, January 9, 2017**

*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 HCD offices will be closed or have limited personnel  
December 26, 2016 through January 3<sup>rd</sup>, 2017.

***Sponsored by:***

County of Santa Barbara, Division of Housing and Community Development  
123. E. Anapamu St. 2<sup>nd</sup> Floor, Santa Barbara, CA 93101



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# I. FY 2017-2018 NOFA SCHEDULE

November 3, 2016	NOFA published
November 7, 2016	North County <u>CDBG Applicant</u> Training Board of Supervisors' Hearing Room 511 E. Lakeside Parkway, Santa Maria, CA.  10:30 A.M. – 12:00 P.M. CDBG Capital Projects 1:00 P.M. – 2:30 P.M. CDBG Public Services  <i>ATTENDANCE REQUIRED: Applicants must attend the training for each fund for which an application will be submitted. Attendee(s) must be the agency's executive director and/or staff responsible for CDBG program implementation</i>
November 9, 2016	South County <u>CDBG Applicant</u> Training Board of Supervisors' Hearing Room 105 E. Anapamu St., 4 <sup>th</sup> Floor, Santa Barbara, CA  10:30 A.M. – 12:00 P.M. CDBG Capital Projects 1:00 P.M. – 2:30 P.M. CDBG Public Services  <i>ATTENDANCE REQUIRED: Applicants must attend the training for each fund for which an application will be submitted. Attendee(s) must be the agency's executive director and/or staff responsible for CDBG program implementation</i>
<i>For CDBG Training RSVP, contact: Matt Kropke 568.3513 or <a href="mailto:mkropke@co.santa-barbara.ca.us">mkropke@co.santa-barbara.ca.us</a></i>	
<b>January 9, 2017 5:00 P.M.</b>	<b>Electronic Applications Due (through Zoom Grants)</b>
January 31, 2017	Human Services Commission's Allocations Sub-Committee will hear applicant presentations for CDBG Public Services funds.  <u>Time:</u> 9:00 A.M. – 12:00 P.M. <u>Location:</u> City Council Chambers, 1644 Oak St., Solvang.
February 3, 2017	Human Services Commission Allocation Sub-Committee deliberations. Sub-Committee will vote on funding recommendations.  <u>Time:</u> 9:00 A.M. – 12:00 P.M. or until done <u>Location:</u> St. Mark's Episcopal Church parlor room, 2901 Nojoqui Ave. Los Olivos
February 16, 2017	Capital Loan Committee will review HCD staff recommendations for CDBG capital and other eligible projects and make funding recommendations for consideration by the Board of Supervisors.  <u>Time:</u> 2:00 P.M. – 3:30 P.M. <u>Location:</u> Housing Authority of the City of Santa Barbara, 706 Laguna St.
April/May 2017	Board of Supervisors Hearing and final funding approvals. Date TBD.

## II. Introduction

The County's Division of Housing and Community Development (HCD) is pleased to announce the availability of grants and loans to support programs and projects that will serve Santa Barbara County residents. The purpose of these funds is to improve access to affordable housing, improve public facilities and infrastructure, and to increase the availability of community services for homeless and other low- to moderate-income (LMI) persons. Please read this document in its entirety and direct questions to the HCD staff listed at the end of this document.

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.

### Requirements Applicable to all Grants:

- A. Applications must be submitted via ZoomGrants, a web-based grants management system. A link to access ZoomGrants is provided on HCD's website at <http://cosb.countyofsb.org/housing/>.
- B. Attendance at application training is ***mandatory*** to apply for CDBG funds. See the training schedule provided in this NOFA. Applicants must attend a session for each of the grant programs to which they are applying. 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.

The purpose of the training is to:

- 1. Review HCD application requirements
  - 2. Train applicants on the use of ZoomGrants
  - 3. Provide information on federal program requirements and program eligibility
  - 4. Answer questions on the grant programs, application submittal and funding process
- C. All applications will undergo preliminary review by HCD staff to ensure that application requirements have been met and that the proposed programs are eligible under the relevant federal 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.

### 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 sub-allocation of CDBG to award in their respective communities. Applicants will designate on their applications to which jurisdictions 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 partner cities:

Estimated FY 17-18 Allocation	\$1,074,934
County Administration (20%)	\$214,986
Estimated CDBG Available	\$859,948

Jurisdiction	Distribution	Pro Rata Share for Public Service Projects	Pro Rata Share for Capital Projects	Total
County	85.24%	\$137,447	\$595,605	
Buellton	3.08%	\$4,966	\$21,519	
Carpinteria	8.33%	\$13,438	\$58,224	
Solvang	3.34%	\$5,390	\$23,239	
<b>Total</b>	<b>100%</b>	<b>\$161,241</b>	<b>\$698,707</b>	<b>\$859,948</b>

*Notes:*

1. Amounts are subject to increase or decrease based on the congressionally approved budget, anticipated to be announced in the spring.
2. The estimated allocation does not include funds available from prior years; any prior year funds are included in the total amount available on page 1 of this document.
3. 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 agencies that provide assistance to low and moderate income individuals and families throughout the County. See Attachment Two for more information.

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

*Note that the Cities of 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 and Solvang. Each jurisdiction receives a sub-allocation of HOME funds that may either be awarded to an eligible project or program in their respective communities, or added to the County’s sub-allocation and made available to projects and programs that serve the entire County. The County administers the HOME program on behalf of the Consortium.

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

Estimates FY 17-18 Allocation	\$410,771
County Administration (10%)	\$41,077
Estimated HOME Available	\$369,694

Jurisdiction	Distribution	Pro Rata Share for Projects
County	71.53%	\$264,449
Buellton	2.60%	\$9,616
Carpinteria	7.13%	\$26,365
Goleta	15.82%	\$58,487
Solvang	2.92%	\$10,778
<b>Total</b>	<b>100%</b>	<b>\$369,694</b>

*Notes:*

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

The primary purpose of the HOME program is to provide decent affordable housing to lower-income households. HOME may be used to support the 1.) Development (acquisition, rehabilitation or new construction) of affordable rental or for-sale housing; 2.) Rehabilitation of owner-occupied housing; 3.) Homebuyer assistance programs [down payment and closing costs assistance].

- **Housing Development:** Applications for housing development (acquisition, rehabilitation 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 listed in the NOFA Schedule for housing

development funds 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 year or future years. Projects not made known to the County 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.
- **Homeowner rehabilitation and Homebuyer assistance:** Applicants wishing to apply for HOME funds to administer a homeowner rehabilitation program or homebuyer assistance program must contact HCD for an application. These applications are not available in ZoomGrants. Applications are due on the NOFA deadline noted in this document.

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/>

**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.

Estimated FY 17-18 Funds	\$1,537,232
<u>Housing Market Area</u>	<u>Funds for Projects</u>
South Coast	\$74,637
Santa Maria	\$1,155,190
Lompoc	\$32,501
Santa Ynez	\$274,903

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 Five for more information.

*Note: Applicants need 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.*

The County currently has a pipeline of proposed housing projects for HOME and in-lieu funds. To be added to the pipeline, a LOI or application must be submitted.

## IV. Electronic Application Grant Submission Process

Applications must be submitted via ZoomGrants (unless otherwise noted) and may be accessed on HCD's website at [www.countyofsb.org/housing](http://www.countyofsb.org/housing). Click on the link provided on the website to access the ZoomGrants applications.

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 at 866.323.5404 x 2 Monday - Friday 7:00 a.m. - 4:00 p.m. Pacific Time. Helpful tools are also available on their 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 to <http://countyofsb.org/housing/> and click on the link to the application. Complete one application for each fund source in which you are interested. For program questions, contact HCD staff listed at the end of this document. For ZoomGrants technical assistance, contact the phone number listed 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](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' sub-allocations 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 provides applicants with an opportunity to apply for County funds and/or one or more Urban County member cities' sub-allocation of funds. Each member city may make its own funding decisions for the use of its sub-allocations of CDBG funds, or 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 2016-17 Household Income Limits for CDBG programs – 80% AMI

No. persons in household	1	2	3	4	5	6	7	8
Max. Household Income	47,150	53,900	60,650	67,350	72,750	78,150	83,550	88,950

*HUD will publish FY 2017-18 income limits spring of 2017.*

*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>

### **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](mailto:mkropke@co.santa-barbara.ca.us)

Phone: (805) 568-3513

## 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](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 Clientele<sup>1</sup>), 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>

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<sup>1</sup> 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.

2016-17 Income Limits for CDBG programs – 80% AMI (Expected to be revised spring 2017 for FY 2017-18)

No. persons in household	1	2	3	4	5	6	7	8
Max. Household Income	47,150	53,900	60,650	67,350	72,750	78,150	83,550	88,950

**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 readiness<sup>2</sup> 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 2017 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 sub-allocations 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.

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<sup>2</sup> 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](mailto:mkropke@co.santa-barbara.ca.us)

Phone: (805) 568-3513

## 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](mailto:mkropke@co.santa-barbara.ca.us)

Phone: (805) 568-3513

## 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 new construction and rehabilitation of rental housing, new construction of homeowner housing, homeowner rehabilitation and homebuyer assistance. HOME funds also may be used for Tenant-Based Rental Assistance (TBRA), a security deposit and rental subsidy program.

The County is not accepting applications for TBRA in this funding cycle. TBRA was included in the County's 2016-17 NOFA and funds were provided for a two year period.

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 Lucy Graham by email at [lucygraham@co.santa-barbara.ca.us](mailto:lucygraham@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.

Submitting a LOI does not guarantee an award of funds and a full application will be required. However, the submission of LOIs will help the County better plan for the potential need for County 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 Lucy Graham by email at [lucygraham@co.santa-barbara.ca.us](mailto:lucygraham@co.santa-barbara.ca.us) or by mail to Housing and Community Development, Attn: Lucy Graham, Sr. Housing Program Specialist, 123 E. Anapamu St., 2<sup>nd</sup> floor, Santa Barbara, CA 93101.

### A. HOME Program

The County HOME Consortium, which includes the County, and the cities of 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](http://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 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 readiness<sup>3</sup> and timeline
- Population to be served
- Program meets a community need
- Applicant capacity and experience in managing construction projects
- Organizational and project financial capacity

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<sup>3</sup> 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.

- 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.

To request an application, please contact Lucy Graham, Sr. Housing Program Specialist by email at [lucygraham@co.santa-barbara.ca.us](mailto:lucygraham@co.santa-barbara.ca.us) or by phone at (805) 568-3533.

## VI. County Contact Information

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.

### PROGRAM CONTACTS:

#### ***Community Development Block Grants***

Matt Kropke, Housing Program Specialist  
Email: [mkropke@co.santa-barbara.ca.us](mailto:mkropke@co.santa-barbara.ca.us)  
Phone: (805) 568-3513

#### ***Affordable Housing Grants and Loans (HOME and In-lieu funds)***

Lucy Graham, Sr. Housing Program Specialist  
Email [lucygraham@co.santa-barbara.ca.us](mailto:lucygraham@co.santa-barbara.ca.us)  
Phone: (805) 568-3533

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NOFA information will be posted on the County’s website at [www.countyofsb.org/housing](http://www.countyofsb.org/housing) and on the public bulletin boards located in or outside the administration buildings in North and South County. Please check the website often for updated information and any NOFA Addendums.

#### 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.

This NOFA may not be altered, superseded, or otherwise modified.

The Cities of 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.

### **Goleta**

NOFA issue: December 9, 2016

Application Deadline: January 19, 2017

Phone: (805) 961-7554

Email: [cdata@cityofgoleta.org](mailto:cdata@cityofgoleta.org)

Website:

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

### **Lompoc**

NOFA issue: October 17, 2016

Mandatory Pre-Application Workshop: 11/7/16 (9-10 a.m.)

Application Deadline: 12/9/2016

Contact: Trish Munoz 805-875-8270

Email: [t\\_munoz@ci.lompoc.ca.us](mailto:t_munoz@ci.lompoc.ca.us)

Website: [www.cityoflompoc.com/comdev/](http://www.cityoflompoc.com/comdev/)

Lompoc accepts applications for public services programs only.

### **Santa Maria**

NOFA issue: October 14, 2016

Mandatory pre-application workshop for all FY 2017-18 applicants: Thursday, November 3, 2016

Application Deadline/CDBG Capital & HOME:

- Capital Proposals due: Tuesday, October 25, 2016
- Capital Project Applications Due: Friday December 30, 2016

Application Deadline/CDBG Public Services: Friday, December 9, 2016

Phone: (805) 925-0951 ext. 118

Email:

Rosie Narez – [rnarez@cityofsantamaria.org](mailto:rnarez@cityofsantamaria.org) - ext. 2381

Alicia Vela – [avela@cityofsantamaria.org](mailto:avela@cityofsantamaria.org) – ext. 2469

Website:

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