

Brief Overview of the City of Lompoc CDBG and HOME Programs

CDBG PROGRAM REQUIREMENTS

I. Program Objectives

The primary objective of the Community Block Grant Program is the development of 'viable urban communities', which are achieved by providing the following

- * Decent Housing;
- * A suitable living environment; and
- * Expanded economic opportunities

which principally benefit low- and moderate-income persons and households.

The City is responsible for assuring that each eligible activity meets one of three national objectives:

1. Benefit to low and moderate income persons;
2. Aid in the prevention or elimination of slums and blight; and
3. Meet a need having a particular urgency (referred to as urgent need).

Federal legislation also requires that 70% of CDBG funds be used for activities that benefit low and moderate income persons. The following is an outline of the major eligible activities from current regulations.

II. Funding Priorities

The city of Lompoc is a member of the Santa Barbara Urban County Partnership, which is comprised of the County of Santa Barbara and three other member cities, including Buellton, Carpinteria, and Solvang. Activities funded with CDBG are directed towards addressing the housing and non-housing priorities and objectives identified in the 2010-2015 Consolidated Plan. Beginning in 2009, the Santa Barbara Urban County Partnership used a combination of community forums, community needs assessment surveys, and consultations with area experts on housing/community affairs to determine the 2010-2015 Consolidated Plan priorities and objectives under the CDBG program. The following priorities advance the congressional goals under CDBG of a) providing benefit to low- and moderate-income residents, b) removal of slum and blight, and c) meeting an urgent community need.

CDBG Capital Projects and Economic Development Priorities:

1. Support rehabilitation of public facilities and affordable housing that incorporates energy efficiency and conservation design measures
2. Support economic development that creates or retains jobs, including those for low- and moderate-income persons
3. Provide assistance for revitalization and enhancement by improving the physical character of neighborhoods, including complete streets, parks, and other public spaces
4. Provide assistance to low-income neighborhoods by funding critical community facilities such as community service centers or libraries, as examples
5. Address design barriers to providing community services to persons with mobility and other impairments as promoted under the Americans with Disabilities Act (ADA)
6. Maintain and upgrade existing low-income affordable housing stock
7. Develop and promote programs that create and sustain long term affordable housing for extremely low to low-income persons

CDBG Public Services

1. Promote and provide services that assist persons with special needs
2. Support public service programs for low- and moderate-income households including programs for housing and other community development needs
3. Promote and provide services that prevent discrimination and eliminate barriers to housing

Each year the City receives approximately \$500,000 annually in CDBG funds. Twenty percent (20%) is used for administrative purposes (includes a Fair Housing Enforcement Program administered by the Legal Aid Foundation of Santa Barbara County), fifteen percent (15%) for public services, and the remaining sixty five (65%) is used for Code Enforcement, Housing Rehabilitation, Economic Development and Capital Development Projects.

Significant projects currently funded (2010-2011) under the City's CDBG program include:

1. Code Enforcement Program in the low- and moderate-income census tract areas
2. The Emergency Repair Grant Program (administered through Catholic Charities) for extremely low income homeowners and mobilehome owners
3. The new Dick DeWees Community and Senior Center (under construction) at 1120 West Ocean Avenue

4. Housing Rehabilitation Revolving Loan Fund Program for single- and multi-family property owners
5. Lompoc Library HVAC Energy Efficiency Project at 501 East North Avenue
6. Public Service Grants Program to non-profit agencies, and other groups
The following list is not inclusive of all types of services that may be eligible under the CDBG Program:
 - * Job training and employment services;
 - * Health care and substance abuse services;
 - * Child care;
 - * Crime prevention

III. Ineligible Activities

- A. Buildings primarily used for the general conduct of government are not eligible for assistance.
- B. General government expenses are not eligible for assistance.
- C. CDBG funds may not be used in connection with political activities.
- D. Generally, CDBG funds may not be used to purchase equipment, furnishings, or personal property.
- E. Expenses associated with repairing, operating, or maintaining public facilities and services are ineligible except in certain instances.
- F. Generally, activities to subsidize or finance new residential construction are ineligible. This does not include activities in support of the development of low or moderate income housing (clearance, site assemblage, provision or site improvements, provision of public improvements and housing pre-construction costs).

BASIC REQUIREMENTS

- A. Projects must meet at least one of the following national objectives:
 1. Benefit low and moderate income persons
 2. Eliminate slums and blight
 3. Provide for community development needs having particular urgency
- B. At least 70% of CDBG funds must be used to principally benefit lower income person (can be carried out over a one to three year period).

DEFINITIONS/FUNDING RESTRICTION, ETC.

A. An extremely low income household means a household whose income is less than 30% of the median household income as determined by HUD and as adjusted for household size. A very low income household means a household whose income does not exceed 50% of the median family income and low/moderate income level is 80% of the median family income.

The income levels are as follows, depending on number of persons in the household:

Persons in Household	1	2	3	4	5	6
Low Mod Income	\$41,450	\$47,400	\$53,300	\$59,200	\$63,950	\$68,700
Very Low Income	\$25,900	\$29,600	\$33,300	\$37,000	\$40,000	\$42,950
Extremely Low Income	\$15,550	\$17,800	\$20,000	\$22,200	\$24,000	\$25,800

Median income for the Santa Barbara - Santa Maria - Lompoc area is \$71,400. (2010).

- B. Up to 20% of the annual allocation may be used for administration.
- C. Up to 15% of the annual allocation may be used for public services.
- D. A minimum of 70% of the annual allocation must benefit low mod income households.

The HOME Program in Brief

The HOME Program was established by Congress in 1990 and is the largest affordable housing subsidy program administered by the Department of Housing and Urban Development (HUD). The federal government distributes these funds to states and local governments based on a formula which considers population, poverty, and housing conditions.

The Santa Barbara County HOME Consortium includes the County of Santa Barbara as the lead agency and the six member cities of Buellton, Carpinteria, Goleta, Solvang, Lompoc, and Santa Maria to form a consortium for purposes of participating in the HOME program. Lompoc's housing activities funded through the HOME Consortium are directed towards addressing long-term priorities, objectives, and performance goals identified in the 2010-2015 Consolidated Plan.

In preparation of the 2010-2015 Consolidated Plan, the Santa Barbara County HOME Consortium used a combination of community forums, community needs assessment surveys,

consultations with area experts on housing/community affairs, and a housing needs assessment based on Comprehensive Housing Affordability Strategy (CHAS) data provided by HUD to determine housing priorities and objectives. The following housing priorities were established by the HOME Consortium for the 2010-2015 Consolidated Plan:

Priorities

1. Promote new construction/acquisition /rehabilitation of rental housing projects for lower income households including large, small, and special needs households, as well as homeless, disabled and elderly persons.
2. Promote projects that provide permanent supportive housing and Single Room Occupancy (SRO) units to address the needs of the homeless, households at imminent risk of homelessness and/or persons with special needs.
3. Promote homeownership opportunities for low-income first-time homebuyers.
4. Promote projects that incorporate universal design and accessibility standards to meet disabled person's specific needs
5. Promote projects that are in close proximity to employment centers, public transportation corridors, and public services and amenities.
6. Promote projects that incorporate innovative energy efficiency and conservation measures.

The City of Lompoc receives approximately \$210,000 in HOME funds each year. In order to fund projects in Lompoc, HOME funds may be reserved for several years for the same project in order to complete necessary financing.

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