

Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson

**Public Meeting**  
**Concurrent with Cities & Towns Advisory Committee**  
**Wednesday, March 18, 2020**  
**10:00am-1:30pm**  
***Lunch will be provided for committee members***

SCCDC Hearing Room  
1440 Guerneville Road  
Santa Rosa, California 95403

**Agenda**

1. **Call to Order and Roll Call**
2. **Public Comments for Items Not on the Agenda**
3. **Approval of Minutes from February 19, 2020 Meeting (pgs. 3-8)**  
The Committee will discuss and may take action to approve the minutes from February 19, 2020 or may recommend changes to these minutes.
4. **Assistant Director's Report – Tina Rivera**
5. **Public Hearing: CDBG and HOME Recommendations – Felicity Gasser (pgs. 9-81)**  
Staff will present recommendations for funding of FY2020-21 Capital Projects based on Committee Discussion from February 19, 2020 meeting and take comments from the public
  - a) Open public hearing
  - b) Close public hearing
  - c) Committee Discussion
  - d) Motion to approve or make changes

***Brief Lunch Break***

6. **FSS Action Plan – Martha Cheever and Thai Hilton (pgs. 82-117)**  
The Housing Authority Manager and Special Projects Coordinator will present the updated Action Plan for the Family Self-Sufficiency program for discussion and approval by the Community Development Committee
7. **Rapid Re-Housing Budget Update – Martha Cheever (pgs. 118-122)**



Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson

**8. Public Hearing: Housing Authority Five-Year Plan – Martha Cheever (pgs. 123-164)**

Staff will present a summary of the proposed changes to the Housing Authority Five Year Plan FY 2020-2025 and yearly Administrative Plan update. There will be opportunity for the public to comment on these proposals.

- a) Open public hearing
- b) Close public hearing
- c) Committee Discussion
- d) Motion to approve or make changes

**Adjournment**

**Next Regular Meeting**  
**Concurrent with Cities & Towns Advisory Committee**  
**April 15, 2020**  
**10:00 am-11:30am**  
Public Hearing Room  
1440 Guerneville Road  
Santa Rosa, CA

*Any writings or documents presented to a majority of the Community Development Committee regarding any item on this agenda will be made available for public inspection in the Sonoma County Community Development Commission office located at 1440 Guerneville Road, Santa Rosa, CA 95403 during normal business hours. Language services are available upon request.*

**DISABLED ACCOMMODATION:** If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Administrative Services Officer at (707) 565-7520, as soon as possible to ensure arrangements for accommodation.

Language Services are available upon request

Servicios de idiomas se pueden consultar previa solicitud



Telephone (707) 565-7500  
FAX (707) 565-7583 • TDD (707) 565-7555



Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson, MPP, JD, CHC

**Public Meeting and Workshop**  
**Concurrent with Cities & Towns Advisory Committee**  
Wednesday, February 19, 2020

**Minutes**

**1. Call to Order and Roll Call**

Oscar Chavez called the meeting to order at 10:09AM and roll was called  
Committee Members Present: Oscar Chavez, Stephanie Hiller, Betzy Chavez, Michael Regan, Willie Lamberson, Linda Garcia  
Committee Members Absent: Jessica Vega

CD Staff Present: Tina Rivera, Interim Assistant Director; Felicity Gasser, Equity and Compliance Manager; Martha Cheever, Housing Authority Manager; Angela Morgan, Finance Associate; Diedre Duncan, Affordable Housing Asset Manager; Maria Contreras, Affordable Housing Finance Specialist; Holly Kelley, Equity and Compliance Program Specialist; Valerie Johnson, Jason Gaddis, Housing Rehabilitation Specialist; Darrin O'Hara, Administrative Aide.

**2. Public Comments for Items Not on the Agenda**

No comments were made

**3. Approval of Minutes from January 15, 2020 Meetings**

Betzy Chavez moved to approve the minutes from January 15, 2020. Linda Garcia seconded:  
Ayes: Oscar Chavez, Betzy Chavez, Stephanie Hiller, Michael Regan, Willie Lamberson, Linda Garcia  
Nays: None  
Abstain: None  
Absent: Jessica Vega

**4. Staff Update: Continuum of Housing**

This item was postponed to the end of the agenda.

**5. Housing Authority Landlord Incentive Program & Risk Mitigation Pool**

Martha Cheever, Housing Authority Manager, asked for CD Committee approval of \$300K of Housing Authority Administrative funds to set up a landlord risk mitigation pool. She



Telephone (707) 565-7500  
FAX (707) 565-7583 • TDD (707) 565-7555  
Language Services are available upon request  
Servicios de idiomas se pueden consultar previa solicitud



## Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson, MPP, JD, CHC

expanding on the additional services and expansions made by the Housing Authority in the past year, and though these have been successful, clients trying to exit homelessness have more barriers when trying to be accepted into housing. The incentive would include a landlord lease signing bonus of up to \$1000, risk mitigation funds of up to \$1500 for damages beyond wear and tear and vacancy loss protection if damages identified requires that unit is not available. Because funding is limited, this will only be available for those seeking to exit homelessness verified by HMIS, IMDT or CE. Committee members asked for more specifics on the proposed budget and a timeline for reporting outcomes of the program. Martha agreed to bring a budget back to the subsequent meeting for Committee review.

No public comment was made about this item.

Linda Garcia moved to approve setting up the landlord risk mitigation pool with Housing Authority Administrative funds. Michael Regan seconded  
Ayes: Oscar Chavez, Betzy Chavez, Stephanie Hiller, Michael Regan, Willie Lamberson, Linda Garcia  
Nays: None  
Abstain: None  
Absent: Jessica Vega

### 6. FY2020-21 HOME and CDBG for Capital Projects Workshop

Felicity Gasser, Equity and Compliance Manager, gave a brief overview of the role of the Committees and staff in the decision-making process for CDBG and HOME funded projects. Felicity described where we are in the Consolidated Planning Process. Each year we have requirements to engage the public and have hearing to figure out what needs are in the community. Staff presented summaries of each project that applied for 2020-21 CDBG and/or HOME funding (see project summaries in 2/19 CD Committee Full Packet) Committee members had several questions for staff and applicants regarding their ability to leverage project funds, obtain financial and process support from their respective cities, project readiness, and whether the proposal would be eligible for the disaster funding allocation Sonoma County is expecting to receive in the spring.

#### Public Comment

Bert Bangsberg, Project Manager for Caritas Center and Housing, gave an update on the scale of the Caritas project and where the project was in the entitlement process. This center will include Nightingale program. He handed out a map to Committee members (see attached)



Telephone (707) 565-7500  
FAX (707) 565-7583 • TDD (707) 565-7555  
Language Services are available upon request  
Servicios de idiomas se pueden consultar previa solicitud



## Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson, MPP, JD, CHC

### 7. Continuum of Housing Update

Benjamin Wickham, Director of Affordable Housing, provided an update on the status of projects that have received funding recommendations from this Committee in the past: Since 2015, the number of affordable units constructed is 500 in five years. We're seeing now a pipeline that is growing and will deliver more units:

- Celestina in Sonoma Springs – over several years they were awarded \$3.7 million in CFH funds. Construction is completing soon and the development will be occupied soon – 40 units for seniors
- Robinson Road in Sebastopol - is actually completed and provides 11 units of permanent supportive housing. The project was funded with \$740K of CFH and CDBG funds
- Windsor Veteran's Village – started construction last summer and will provide 60 units of supportive housing for veterans. The project was funded with \$1.9 million in CFH.
- Altamira Apartments in Sonoma – is breaking ground on Monday, February 24<sup>th</sup>. The project will provide 48 units and was funded with over \$2 million in CFH, HOME, CDBG, and LMIHAF and funds from the City of Sonoma.
- Lantana will provide 48 single family affordable homes and is now under construction. The project was funded with \$500K of CFH and \$600K of TOT.

In total, approximately 225 units of affordable housing, 80 of which are permanent supportive housing, are all under construction or nearing completion. That's \$10 million investment from the county and accounts for almost half of the units created by the Commission in the past 5 years. Other projects underway will provide 100 units of low and units for extremely low-income residents.

Committee Members commended staff for these accomplishments, and expressed concern by the lack of transparency and accountability in the new leadership since Geoffrey Ross' resignation. As representatives of the Commission, Committee members want to see the same level of transparency from the interim leadership as they did from Geoffrey and Margaret, and they want to see that leadership in the room at these meetings.

### 8. Adjournment

Oscar Chavez adjourned the meeting at 12:01PM.



Telephone (707) 565-7500  
FAX (707) 565-7583 • TDD (707) 565-7555  
Language Services are available upon request  
Servicios de idiomas se pueden consultar previa solicitud



Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega  
1<sup>st</sup> Dist: Betzy Chavez (Vice Chair) 2<sup>nd</sup> Dist: Michael Regan 3<sup>rd</sup> Dist: Vacant 4<sup>th</sup> Dist: Willie Lamberson 5<sup>th</sup> Dist: Linda Garcia  
Interim Executive Director: Barbie Robinson, MPP, JD, CHC

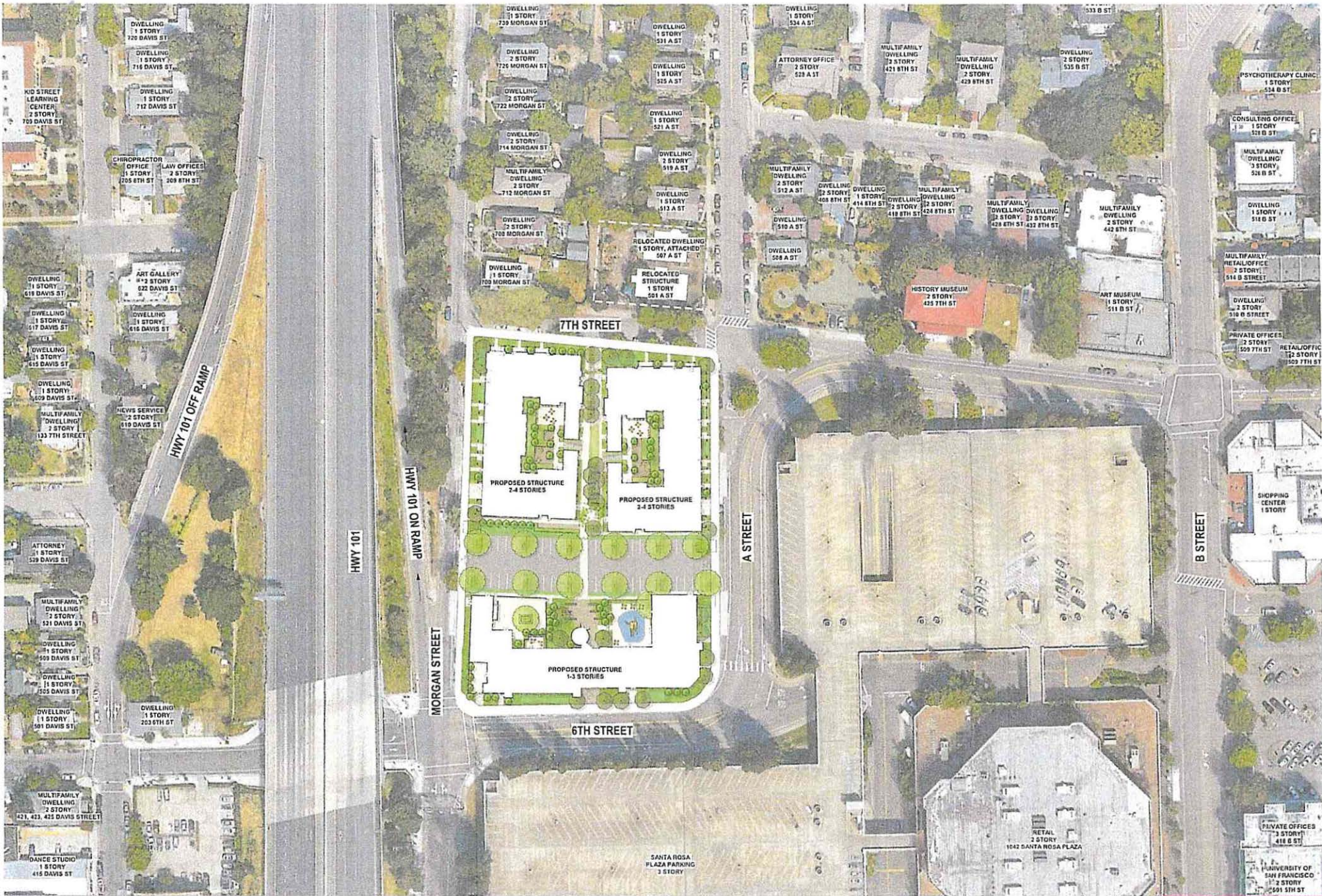
Respectfully submitted,

Holly Kelley, Equity and Compliance Program Specialist



Telephone (707) 565-7500  
FAX (707) 565-7583 • TDD (707) 565-7555  
Language Services are available upon request  
Servicios de idiomas se pueden consultar previa solicitud





# EXISTING + PROPOSED

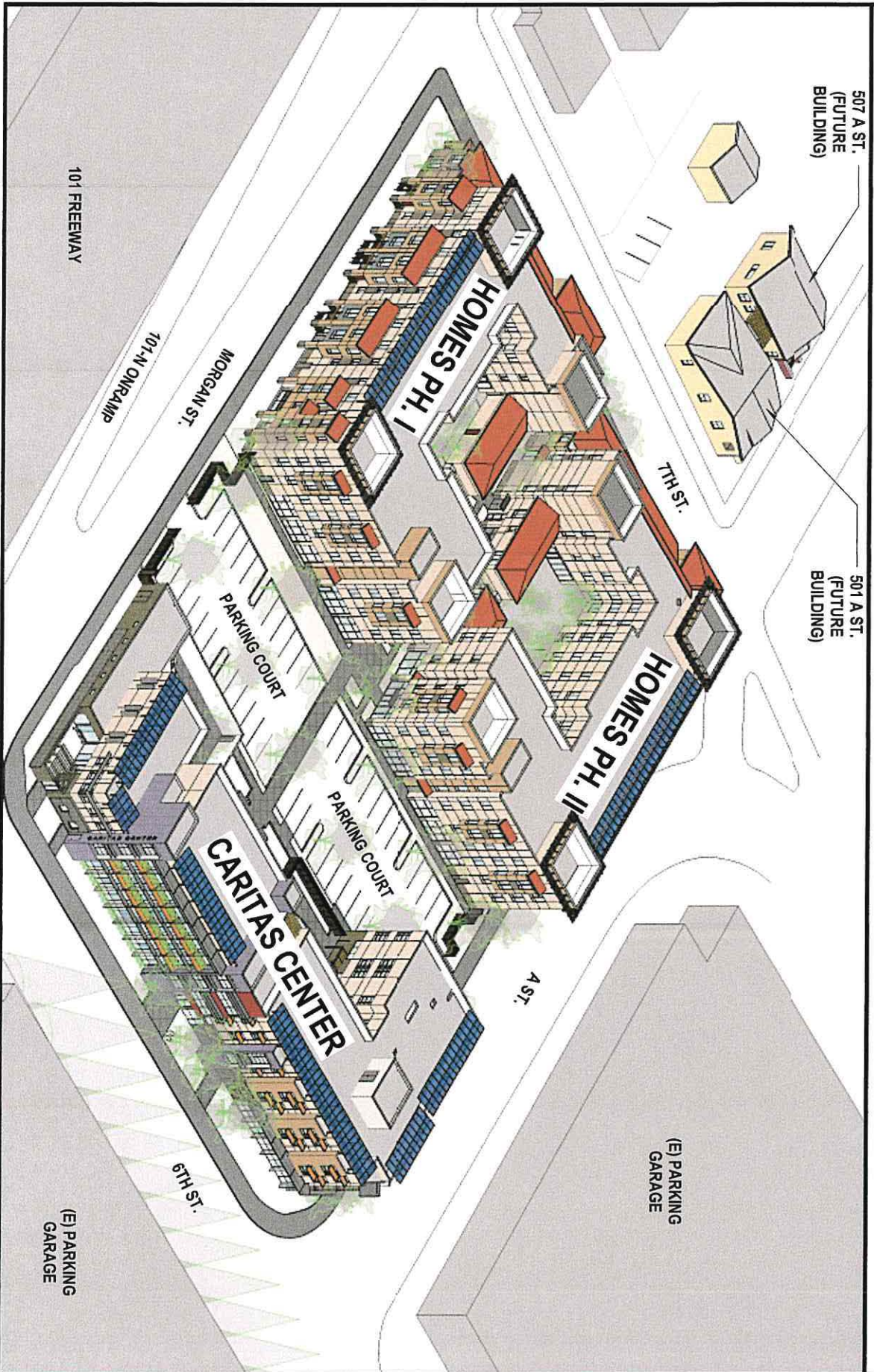


Caritas Village  
Santa Rosa, CA



# CARITAS VILLAGE

PLANNING DEPARTMENT SUBMITTAL - SEPTEMBER 18, 2018







**Sonoma County Community Development Commission**  
1440 Guerneville Road, Santa Rosa, CA 95403-4107

*Members of the  
Commission*

**Susan Gorin**  
Chair

**Lynda Hopkins**  
Vice Chair

**David Rabbitt**  
**Shirlee Zane**  
**James Gore**

**Barbie Robinson,**  
**MPP, JD, CHC**  
Interim Executive  
Director

Date: March 18, 2020

To: Community Development Committee and  
Cities & Towns Advisory Committee

From: Felicity Gasser, Equity & Compliance Manager

Subject: Item 5: CDBG & HOME for Capital Projects Staff Reports

---

### **Summary of FY 2020-2021 Funding Recommendations**

Staff recommends that to further the priorities set by your Committees last fall for the FY 2020-2021 Funding Cycle, the following set of Capital Project investments. Staff assessment is that the following projects will meet the policy goals of the Commission and will be able to comply with the regulatory requirements, especially meeting defined objectives of each funding source and timely spending of awarded funds. The chart below also summarizes which applicant projects staff recommends cannot be funded with FY 2020-2021 allocations. As noted, some of these projects may be eligible for funding under future annual funding cycles, or as program income is received or funds are reprogrammed mid-year. The Committee may want to consider the creation of a list of projects that should receive funding priority when additional resources become available.



**CDBG**

Sponsor	Project	Ask	Recommendation	Summary of Staff Rationale
<b>Accessibility and Infrastructure Projects</b>				
Cotati	West School St. Path of Travel	\$160,000	\$160,000	Project benefits a Low and Moderate income limited clientele and is shovel ready. Project would not be able to proceed without full funding.
Healdsburg	Sidewalk ADA	\$175,000	\$175,000	Project makes investments that improve connectivity and access to amenities in a low-mod income neighborhood. Funds can be spent within the timeliness provisions of the funding policies.
Sebastopol	City Hall ADA	\$120,000	\$0	Because of limited funding, staff does not recommend funding this project. City of Sebastopol has listed this as the second priority out of the two projects submitted for funding.
Sebastopol	Youth Annex ADA	\$180,000	\$180,000	Project would serve a limited clientele that utilizes the Youth Annex for recreational activities and City Council meetings. City of Sebastopol has listed this as the first priority out of the two projects submitted for funding.
Sweetwater Springs Water District	Sweetwater Springs Water Improvement	\$115,920	\$115,920	Project improves water pressure and quality for 60 homes in a low-mod area. Pressure will enable fire hydrants to be placed in area, and will improve water quality for district which is composed of over 2000 homes in a historically underserved area.
<b>Housing Projects</b>				
Bridge Housing	Cotati Station	\$900,000	\$0	See HOME Recommendation
Catholic Charities	Caritas Center	\$300,000	<del>\$0</del> <u>\$40,000</u>	Caritas Center provides wrap-around homeless and housing services, shelter and transitional housing, serving more than 325 people daily. The Sonoma County Community Development Commission has previously awarded predevelopment funds to the project <del>of which remain unexpended</del> <u>all of which has been expended, but not yet invoiced.</u> <del>and</del> staff recommends the expenditure of FY <del>2019-2020</del> <u>2020-2021</u> award towards the required NEPA Environmental Assessment (EA) prior to any additional funding recommendations.
Center for Social and Environmental Stewardship	Windsor Center	\$500,000	\$0	Project ineligible for CDBG and was evaluated for HOME funding. See HOME recommendation.
Rohnert Park	Essential Workforce Housing Program	\$350,000	\$350,000	Project buys down affordability for two single-family homes forever, meaning affordability will pass from one family to the next when the first homebuyer moves.
SCCDC	Housing Rehab Program	\$1,200,000	<del>\$364,317</del> <u>\$324,317</u>	Program provides low cost loans to assist low-income households for needed repairs that improve housing stability and decency while maintaining affordability.
Direct Delivery			\$40,000	Staff recommends this set-aside for anticipated environmental review and labor compliance direct delivery expenses
<b>Total</b>		<b>\$3,205,237</b>	<b>\$1,385,237</b>	
Available			\$1,385,237	Includes the estimated FY 20-21 CDBG allocation for capital projects of \$1,225,555 and available program income in the amount of \$159,682

## HOME

Sponsor	Project	Ask	Recommendation	Summary of Staff Rationale
BRIDGE Housing	Cotati Station Apartments	\$605,000	\$605,000	Project will create 73 new affordable units in an area of high opportunity and potential for environmental benefits (transit-oriented, walkable amenities and schools). The project also possesses a high level of readiness and leveraged funds. Staff recommends funding full HOME ask.
Burbank Housing	Caritas Homes	\$500,000	\$0	Project is a component of master plan to house a vulnerable population, create a shelter, and provide extensive county-wide services, the project would likely be very competitive for CDBG-DR funds and encourages the applicant to re-apply when funding has been secured. Due to the amount of oversubscribed HOME funding proposals, existing Commission funding toward the project, and need to complete an environmental assessment, staff recommends no funding for this cycle.
Center for Social and Environmental Stewardship	Windsor Center	\$500,000	\$0	This project would provide housing for 32 transition age youth at or below 80% AMI in the City of Windsor. Although, a worthy project, staff has determined that predevelopment costs for a housing project are not eligible for CDBG funding. Staff determined it was an eligible activity under the HOME program but the project did not rank highly when compared to other housing funding proposals. Staff encourages the applicant to apply for CDBG-DR funding expected to be available this year. Furthermore, staff encourages the applicant to re-apply for HOME program funds or County Fund for Housing when they have secured funding for the project.
Sonoma County Housing Authority	Tenant Based Rental Assistance	\$106,000	\$37,040	Funds will ensure that 17 vulnerable households maintain housing stability while securing access to long-term rental assistance or affordable housing units. Funds will be spent within the timeliness provisions of the funding policies. Housing Authority has carryover of funds from last year and combined with the amount recommended will amount to the full ask.
Reserve		\$101,967	\$101,967	It is a best practice to retain a reserve for cost over-runs or unforeseen costs associated with funded projects. Staff recommends holding these funds in reserve.
<b>Total Ask/Total Recommendation</b>		<b>\$1,740,965</b>	<b>\$672,005</b>	
Available			\$672,005	Includes the estimated FY 20-2021 HOME Allocation plus \$72,002 in Program Income

<b>Jurisdiction</b>	<b>Low/Mod Income Population (  &lt; 80% AMI)</b>	<b>Total Population</b>	<b>Percent of Population that is Low/ Mod Income</b>	<b>Percent of the County's Low/Mod Income Population</b>	<b>Percentage of the County's Total Population</b>	<b>6 year Allocation based on Low/Mod Population</b>	<b>FY 19 20 Award</b>	<b>FY 20 21 Staff Recommendation</b>	<b>Est. Balance of Funds Available</b>
Cloverdale	3,735	8,625	43.30%	3.56%	3.34%	\$256,320.00	\$ -	\$ -	\$256,320
Cotati	2,910	7,360	39.54%	2.77%	2.85%	\$199,440.00	\$ -	\$ 160,000	\$39,440
Healdsburg	4,715	11,475	41.09%	4.50%	4.44%	\$324,000.00	\$ 140,000	\$ 175,000	\$9,000
Rohnert Park	19,405	41,580	46.67%	18.50%	16.08%	\$1,332,000.00	\$		\$1,332,000
Sebastopol	3,470	7,455	46.55%	3.31%	2.88%	\$238,320.00	\$ 146,040	\$ 180,000	\$87,860
Sonoma	3,645	10,635	34.27%	3.48%	4.11%	\$250,560.00	\$ -	\$ -	\$250,560
Windsor	7,400	27,095	27.31%	7.06%	10.48%	\$508,320.00	\$ -	\$ -	\$508,320
Balance of Sonoma County	59,585	144,380	41.09%	56.82%	55.83%	\$4,091,040.00	\$ 876,949	\$ 870,237	\$2,343,854
<b>Total</b>	<b>104,865</b>	<b>258,605</b>	<b>40.55%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$7,200,000.00</b>	<b>\$ 1,280,989</b>	<b>\$ 1,385,237</b>	<b>\$5,911,499</b>

## Shaping Future Geographic Equity in the Unincorporated County

Over the coming Consolidated Planning period (2020-2025), the Commission will work in close coordination with marginalized and underserved communities and the stakeholders and partners that work with these communities to make investments that create housing in high opportunity communities and capital project investments that improve access to amenities, infrastructure, and services for those who have been historically underserved in Sonoma County. Below is a list of the 11 unincorporated communities that have the highest low to moderate income populations compared to the rest of the unincorporated county. It will be important to work closely with residents of these communities in particular:

Census Designated Place	Low/Mod Income Population (< 80% AMI)	Total Population	Percent of Population that is Low/ Mod Income	Percent of the County's Low/Mod Income Population	Percentage of the County's Total Population
Fetters Hot Springs-Agua Caliente CDP	2,775	5,010	55.39%	2.65%	1.94%
El Verano CDP	2,210	3,985	55.46%	2.11%	1.54%
Guerneville CDP	2,085	3,790	55.01%	1.99%	1.47%
Geyserville CDP	1,115	1,730	64.45%	1.06%	0.67%
Geyserville CDP	735	1,090	67.43%	0.70%	0.42%
Monte Rio CDP	710	1,005	70.65%	0.68%	0.39%
Fulton CDP	380	640	59.38%	0.36%	0.25%
Valley Ford CDP	140	155	90.32%	0.13%	0.06%
Cazadero CDP	135	225	60.00%	0.13%	0.09%
Bodega CDP	135	210	64.29%	0.13%	0.08%
Salmon Creek CDP	25	45	55.56%	0.02%	0.02%
<b>Total</b>	<b>10,445</b>	<b>17,885</b>	<b>58%</b>	<b>9.96%</b>	<b>6.92%</b>

### Committee Policy Direction

Direction on funding priorities from the Committees as adopted in the FY 2020-2021 Funding Policies is as follows:

- Preference for projects that create or preserve affordable housing
- Preference for infrastructure or public facilities that support creation or preservation of affordable housing
- Preference for infrastructure or public facilities that support low or moderate-income populations
- Preference for projects that demonstrate ability to spend grant funding within the applicable timeliness provisions.
- Preference for projects that demonstrate need with evidence.
- For Non-Housing Projects: preference for projects that leverage public funds to the greatest extent possible or projects that meet a particular community need that cannot be met by other funding sources.
- Preference for projects that prevent displacement in high opportunity areas.
- Preference for housing projects with deep income targeting and special needs populations.

- Preference for projects that alleviate the impact of climate change on low-income populations.
  - Examples include:
    - infill development
    - infrastructure to reduce environmental impacts in LMA communities including:
    - new energy-efficient housing construction
    - Considers mobility needs of low-income people
    - Projects that are aligned with local jurisdiction’s General Plan Climate Change Element & Equity Element

**For Housing Projects: preference for:**

- Projects that demonstrate funds will be leveraged against total development costs at least 7:1
- Projects demonstrating advanced readiness via (a) entitlements; (b) financing commitments; (c) permitting
- Project developers who can demonstrate previous success obtaining federal tax credits and/or state funding to develop housing within the last seven years
- Projects that can demonstrate existing support from other jurisdictions via letters of support, funding commitments, etc.

**Awards should be made with holistic attention to the following distribution of investments:**

- Balance projects with fast results with funding predevelopment for projects that need early money to be successful
- Balance creation of new housing stock with maintaining existing housing stock and keeping people in their homes.
- Make investments in low- and moderate-income areas that haven’t had investments historically and in high opportunity areas that increase access for low and moderate-income people.

**Requested Action**

Staff requests that the Committee approve or make changes to the above recommendations to include the proposed Capital Projects funding awards in the FY 2020-2021 Draft Action Plan, which will be recommended for approval by the Board of Supervisors at the Public Hearing of the Community Development Committee and the Cities and Towns Advisory Committee at the April 15<sup>th</sup>, 2020 Public Hearing.

**CITY OF COTATI– WEST SCHOOL STREET PATHWAY PHASE 2**

Amount Requested: **\$160,000**

Funding Source: **CDBG**

Total Project Costs: **\$426,131**

Project Type: **Sidewalks**

Use of Funds Requested: **Construction**

*Project Description Summary from Applicant’s Submitted Application:*

City of Cotati is seeking \$160,000 in CDBG funding for construction costs for the West School Street Pathway Phase 2 Project, which has a total project cost of \$426,131. The Project is anticipated to start on or by July 1, 2020 and be completed by October 1, 2020. The Project extends an existing pathway used by the community to the Thomas Page Elementary School. The environmental review for this project has been completed.

*FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria*

*Is the application complete?*

Yes

*Eligible Activity:*

The project qualifies under the Matrix Code “03L Sidewalks” and meets a National Objective of serving Low and Moderate Income Limited Clientele because it removes architectural barriers that limit the accessibility of elderly persons or adults with severe disabilities, who are presumed to have low and moderate-incomes under CDBG regulations.

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Yes, the project will benefit low and moderate Limited clientele (LMC)

*Does the project Affirmatively Further Fair Housing?*

The needed improvements will remove barriers to accessibility between neighborhoods, services, amenities by eliminating multiple sidewalk gaps.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Yes, The City of Cotati is a governmental agency and is part of the Urban County Joint Powers Agreement and therefore an eligible recipient per CDBG regulations.

*Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?*

The City of Cotati has a history of successful management of similar projects using federal, state and local funds.

*If serving people who are homeless, does the project meet the standards of Home Sonoma?*

The project does not serve people who are homeless.

*For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?*

Yes, the project serves the City of Cotati which is located within the Urban County.

### **FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

#### **Funding Priorities**

1. *Creation or Preservation of Affordable Housing.*

Project will not create or preserve affordable housing.

2. *Infrastructure or Public Facility Supporting creation or preservation of affordable housing.*

This project is not a project in support of the creation or preservation of affordable housing.

3. *Infrastructure or Public Facility Supporting low or moderate-income populations.*

Yes, the project will remove architectural barriers enabling ADA compliant access along a pathway used by Low and Moderate Limited clientele (LMC) residents in the eligible service area.

4. *Projects that prevent displacement in high opportunity areas.*

This project will improve an area at risk of gentrification and displacement, but does not provide any displacement protections.

5. *Projects that alleviate the impact of climate change on low-income populations.*

Yes, this project considers the mobility needs of low-income people, looking at a variety of factors, including, providing neighborhood safety that promotes walking and biking.

#### **Readiness to Proceed**

*Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.*

The City of Cotati has requested the remaining funds needed to complete the project. All Pre-development work has been completed and the City anticipates completion within the next twelve months.



Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The NEPA Environmental Review was completed in July of 2018.

The project is considered ministerial and therefore exempt from CEQA.

Is the proposed project consistent with the General Plan?

The City Public Works Director/City Engineer submitted a letter stating that the project is consistent with the adopted General Plan.

Does the applicant possess site control?

The proposed project will be on city owned property.

**Need**

The City has received strong community support for the pathway during workshops and public hearings for City planning efforts including the City's Bike/Ped Master Plan updates and for annual updates of the City's 5-Year CIP as well as the annual City budget. Use of the trail by the community at large would be improved with completion of the pathway.

**Financial Feasibility**

The total project cost is \$426,131. The City is requesting the remaining \$160,000 to finish the project.

**Outcomes**

The project provides a safe community walking pathway and will eliminate bike and pedestrian collisions and close calls for community residents using this route.

The City of Cotati is committed to providing safe, ADA compliant and equal access to amenities and services for its residence in low-income neighborhoods and affordable housing developments by eliminating sidewalk gaps.

**Leverage and Meeting Community Need (Non-Housing Projects)**

The City of Cotati has allocated \$72,595 of its General Fund toward the project. There are two previous CDBG awards funding previous phases of this project: FY 16/17 \$110,000 and FY 18/19 \$85,000.

**FY 2020-2021 Urgent Community Needs**

**1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create ADA compliant and equal access to amenities. According to the 2017 American Community Survey, there are approximately 990 persons over the age of 65 and 534 persons with disabilities who reside in the City of Cotati.

2. **Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.** (*Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.*)

This project improves access to community assets including a well-used walking path and access to Thomas Page Elementary School, for people with disabilities.

### **Analysis**

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

### **Pros for the Project:**

- The project would eliminate sidewalk gaps and create a safe pathway.
- The project would benefit Low and Moderate Income Limited clientele and encourage physical activity.
- The project is ready to proceed.

### **Cons for the Project:**

The project meets only a single funding priority identified in the Commission's Funding Policies.

### **Consequences of no Funding:**

Reducing the extents of this phase would delay completion of future phases. Additionally, the main cost of this phase (Phase 2) is providing a safe crossing of W. School Street onto Richardson Lane and crossing an existing storm drain junction box.

### **Staff Recommendation**

This project is shovel ready and eligible for CDBG funds. **Staff recommends fully funding this project at \$160,000.**

**CITY OF HEALDSBURG– SIDEWALK ADA**

Amount Requested: **\$175,000**

Funding Source: **CDBG**

Total Project Costs: **\$175,000**

Project Type: **Sidewalks**

Use of Funds Requested: **Construction**

*Project Description Summary from Applicant’s Submitted Application;*

The City of Healdsburg is seeking \$175,000 in CDBG funding to remove 14 existing concrete sidewalk ramps at street intersections, while replacing them with ADA compliant ramps to improve pedestrian travel to approximately 1,685 residents, and the number of these people who are low or moderate income under the CDBG definition is 955. This means that 56.68% of the population is low or moderate income. The project is anticipated to start immediately following the completion of the environmental review.

***FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria***

*Is the application complete?*

Yes.

*Eligible Activity:*

The project qualifies under the Matrix Code “03L Sidewalks” and meets the National Objective of serving a Low and Moderate Income Area Benefit. Additionally the project meets the Low and Moderate Income Limited Clientele National Objective because it removes architectural barriers that limit the accessibility of elderly persons or adults with severe disabilities, who are presumed to have low and moderate-incomes under CDBG regulations.

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Yes, the project will benefit low and moderate-income individuals a service area (a census block group) where more than 51% of residents are low to moderate income. The service area has a low to moderate income population of 56.68% according to the 2011-2015 Low and Moderate Income Survey Data provided by HUD.

Does the project Affirmatively Further Fair Housing?

The project makes an investment in a low-income neighborhood that lacks connectivity on par with more affluent neighborhoods within the City of Healdsburg. The project reduces pedestrian travel barriers to commercial and civic locations, improving access to these amenities along the city's downtown along the western flank, the Foss Creek Trail and within the Foss Creek Development.

Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?

The applicant is a governmental agency and a member of the Urban County and therefore an eligible recipient per CDBG regulations.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

Yes, the City of Healdsburg has a history of successful management of projects using CDBG and other federal funds.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Does not apply to this project.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

This project serves a neighborhood in the City of Healdsburg, which is a part of the Urban County.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

1. Creation or Preservation of Affordable Housing.

Not applicable

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

Not applicable

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

4. Yes. This project will improve existing infrastructure in a Low and Moderate Income Service Area.

5. Projects that prevent displacement in high opportunity areas.

This project is will improve an area at risk of gentrification and displacement, but does not provide any displacement protections.

6. Projects that alleviate the impact of climate change on low-income populations.

This project considers the mobility needs of low-income people including:

- Improved linkages to public transportation
- Supports people with limited mobility who can't walk far or ride bikes.
- Provides neighborhood safety that promotes walking and biking.

### **Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

The project will have the plans prepared prior to entering into contract for use of CDBG funds. Staff recommends amending the environmental review currently underway to include these additional curb cuts and any future phases of this project, so that the project is ready to proceed with construction immediately upon being funded.

The project will require a public right-of-way permit to proceed.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

Per an environmental review assessment completed by Commission staff, environmental review will likely convert to exempt. Staff recommends including the planned work under this application in the NEPA currently being prepared for the first phase of this project, as a NEPA environmental review should include of all phases of a project. This will allow project construction to commence earlier than the stated schedule in the application.

This project is considered ministerial and therefore exempt from CEQA review. If awarded, the City of Healdsburg will need to provide a letter of confirmation.

Is the proposed project consistent with the General Plan?

Yes. The City of Healdsburg Interim Community Development Director provided a letter demonstrating this project's conformance to the City's General Plan.

Does the applicant possess site control?

Yes, the proposed construction will be in the public right-of-way.

### **Need**

ADA standards state that newly constructed or altered streets must contain curb ramps. The replacement of curbs without ramps will accommodate individuals with mobility challenges and will improve walking traffic and increase accessibility to city amenities including City Hall, the Foss Creek Trail and downtown Healdsburg.

## **Financial Feasibility**

The City plans to use engineering staff to fund the engineering work required for this project, which will be completed as in-kind support for the project. The CDBG funds are the only planned investment in this project, so the project is not relying on commitment of any other funding sources to complete this project.

## **Outcomes**

By replacing existing concrete sidewalk curbs with ADA compliant ramps the project will benefit individuals with special needs and encouraging walkable and healthier communities. Sidewalks provide numerous health, economic, and safety benefits to the community. The availability of sidewalks and travel along sidewalks is one of the most effective ways to encourage walking. The project will improve the walkability to the entire population within the service area. Walkable communities also offer many financial benefits, such as reduction in healthcare costs and physical incentive to inspire residents to walk and connect more, providing the means to making a vibrant and socially connected community.

## **Leverage and Meeting Community Need (Non-Housing Projects)**

CDBG funds would leverage City of Healdsburg in-kind staff time and make improvements to existing infrastructure, improving longevity and service of existing infrastructure in a low-income neighborhood. The in-kind staff work was not quantified in the budget.

## **Development Experience (Housing Projects)**

Not applicable.

## **FY 2020-2021 Urgent Community Needs**

### **1. Projects that serve the maximum number of people at the lowest income threshold.**

Project will benefit a service area in which 56.68% of residents, a total of 955 people are low to moderate-income residents (at or below 80% area median income), qualifying the area as CDBG eligible.

### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

This project improves access to important community assets in a low-income community that has a significant Latino/a/x population, with nearly 50% identifying as such. The median income is significantly lower than the rest of Sonoma County at \$29,000 per year. The unemployment rate is 6.8%, more than twice that of the County as a whole. More than 56% of households rent and of these renters, 57.3% have a high housing cost burden.

## Analysis

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

### Pros for the Project:

- The proposed project will replace 14 existing concrete sidewalks curbs with ADA compliant ramps; therefore, the project will greatly benefit individuals with special needs.
- The project serves a neighborhood with many economic challenges, and improves equity in access to community amenities.
- Project encourages physical activities such as walking, and running, promoting the well-being of a community.

### Cons for the Project:

- There is no committed monetary leverage. However, this project brings the level of services of this older neighborhood up to a level similar to that of other areas in the city.

### Consequences of no Funding:

If funding is not awarded, the City of Healdsburg will have to slowly phase this project to make all 14 sidewalk ramps ADA compliant as alternative funding becomes available.

## Staff Recommendation

Staff will be able to complete the environmental review as part of the previous phase of curb cuts. This project will be shovel ready by the beginning of Fiscal Year 2020-2021. **Staff recommends fully funding this project at \$175,000.**

**CITY OF SEBASTOPOL– ADA UPGRADES TO THE SEBASTOPOL CITY HALL**

Amount Requested: **\$120,000**

Funding Source: **CDBG**

Total Project Costs: **\$120,000**

Project Type: **Public Improvements**

Use of Funds Requested: **Predevelopment & Construction**

*Project Description Summary from Applicant’s Submitted Application:*

The City of Sebastopol is seeking \$120,000 in CDBG funding for ADA site improvements for the City-owned City Hall. City Hall is a vital place for community members to contact City Government. The City population has a vital and robust group of involved seniors and people with disabilities. Access to City employees would be enhanced and serve a greater number of people if ADA access was improved. In fact, City Hall is a site of multiple meetings and presentations which clearly would better serve our public with improved ADA features.

*FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria*

*Is the application complete?*

Yes

*Eligible Activity:*

The project qualifies under the Matrix Code “03Z Public Improvement”.

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Yes, the project meets a National Objective of serving a Low and Moderate Income Limited Clientele because it removes architectural barriers that limit the accessibility of elderly persons or adults with severe disabilities, who are presumed to have low and moderate-incomes under CDBG regulations.

*Does the project Affirmatively Further Fair Housing?*

By providing proper ADA access and services in this building, equal access and services are provided fairly to all segments of the population.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Yes, the City of Sebastopol is a governmental agency and part of the Urban County Joint Powers Agreement and therefore an eligible recipient per CDBG regulations.

*Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?*

The City of Sebastopol has a history of successful management of similar projects using federal, state and local funds.



*If serving people who are homeless, does the project meet the standards of Home Sonoma?*

The project does not serve people who are homeless.

*For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?*

Yes, the project serves the City of Sebastopol, which is located within the Urban County.

### **FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

#### **Funding Priorities**

1. *Creation or Preservation of Affordable Housing.*

Not applicable.

2. *Infrastructure or Public Facility Supporting creation or preservation of affordable housing.*

Not applicable.

3. *Infrastructure or Public Facility Supporting low or moderate-income populations.*

Yes, the goal is to remove architectural barriers at City Hall that limit the accessibility of elderly persons or adults with severe disabilities.

4. *Projects that prevent displacement in high opportunity areas.*

No.

5. *Projects that alleviate the impact of climate change on low-income populations.*

This project is aligned with the local jurisdiction's General Plan Climate Change Element & Equity Element, but does not provide climate change benefits called out in the Commission's funding policies.

#### **Readiness to Proceed**

*Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.*

The applicant expects to complete design work by December 2020 and the entire project by October 2021. The application does not contemplate the renewal of the environmental review, which may take some additional time.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

An environmental review was completed in January 2014 and included all of the locations in the accessibility study. Environmental reviews are typically good for 5 years, so the review will likely need to be refreshed or redone.

Is the proposed project consistent with the General Plan?

The City Planning Department submitted a letter stating that the project is consistent with the adopted General Plan.

Does the applicant possess site control?

Yes, the proposed project is on city owned property.

**Need**

The City of Sebastopol is committed to ensuring persons with disabilities can enjoy and participate at all levels of community living. Essential to participation is the ability to identify barriers that may prevent or eliminate community inclusion.

**Financial Feasibility**

The total project cost is \$120,000. The City is requesting the entire \$120,000 to complete the project, so the project will be able to proceed immediately upon being funded.

**Outcomes**

Project will improve ADA access to the Sebastopol City Hall for all persons with disabilities.

**Leverage and Meeting Community Need (Non-Housing Projects)**

CDBG funds would leverage City of Sebastopol in-kind staff time and improve existing infrastructure, increasing the longevity of existing infrastructure to benefit elderly persons or adults with severe disabilities.

**Development Experience (Housing Projects)**

N/A

**FY 2020-2021 Urgent Community Needs**

**1. Projects that serve the maximum number of people at the lowest income threshold.**

This project creates ADA compliant public facilities and equal access to amenities. According to the 2017 American Community Survey, there are approximately 1,780 persons over the age of 65 and 411 persons with disabilities in the City of Sebastopol.

2. **Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.** (*Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.*)

This project improves access to community assets (City Hall) for people with disabilities.

### Analysis

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

### Pros for the Project:

- The project would eliminate architectural barriers for people with limited mobility, and create equal opportunities.
- The project would benefit Low and Moderate Limited Clientele.

### Cons for the Project:

- The project meets only one priority identified in the Commission's Funding Policies.

### Consequences of no Funding:

With partial funding, the City will make more limited ADA upgrades. Without funding, this project will be put on hold indefinitely.

### Staff Recommendation

Because of the limited availability of funds and the Commission's priority for granting funding to projects that predominately serve low/moderate income areas, staff asked the City of Sebastopol to indicate which project it would prioritize between the two submitted for funding. The City of Sebastopol indicated that the Youth Annex is a higher priority because it serves more members of the public. **Based on the limited funding availability, and an effort to use CDBG funds for investments across various jurisdictions in relation to each area's low-income population, staff recommends \$0 of FY 2020-21 CDBG funding for the Sebastopol City Hall ADA upgrades project.**

Staff recommends using any funding awarded for the Youth Annex project to complete a renewed or updated environmental review that covers both projects so that the City Hall project may be further along in readiness for a future award cycle.

## **CITY OF SEBASTOPOL – ADA UPGRADES TO THE YOUTH ANNEX**

Amount Requested: **\$180,000**

Funding Source: **CDBG**

Total Project Costs: **\$180,000**

Project Type: **Public Improvements**

Use of Funds Requested: **Predevelopment & Construction**

### *Project Description Summary from Applicant's Submitted Application:*

The City of Sebastopol is seeking \$180,000 in CDBG funding for ADA site improvements at the Youth Annex Building, which serves as the site for City Council meetings and several recreational and cultural activities. The improvements would entail correct striping and signage at accessible parking, one curb cut with ADA-compliant warnings, construction of a compliant path from the sidewalk to the entrance of the building, and upgrading entrance and other exterior doors to maximum force and closing time. The project would also install side rails on the exposed side of the drinking fountain and replace with either a Hi/Low model or a model with a cup dispenser. Bathrooms on site will also be upgraded to be ADA compliant.

### *FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria*

#### *Is the application complete?*

Yes

#### *Eligible Activity:*

The project qualifies under the Matrix Code "03F Parks, Recreational Facilities" and meets a National Objective of serving a Low and Moderate Income Limited Clientele because it removes architectural barriers that limit the accessibility of elderly persons or adults with severe disabilities, who are presumed to have low and moderate-incomes under CDBG regulations.

#### *If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Yes, the project meets a National Objective of serving a Low and Moderate Income Limited Clientele because it removes architectural barriers that limit the accessibility of elderly persons or adults with severe disabilities, who are presumed to have low and moderate-incomes under CDBG regulations.

#### *Does the project Affirmatively Further Fair Housing?*

By providing proper ADA access and services in this building, equal access and services are provided fairly to all segments of the population.

#### *Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Yes, the City of Sebastopol is a governmental agency and part of the Urban County Joint Powers Agreement and therefore an eligible recipient per CDBG regulations.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

The City of Sebastopol has a history of successful management of similar projects using federal, state and local funds.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

The project does not directly serve people who are homeless.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

Yes, the project serves the City of Sebastopol, which is located within the Urban County.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

1. Creation or Preservation of Affordable Housing.

Not applicable.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

Not applicable.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

4. Yes, the goal is to remove architectural barriers at City Hall that limit the accessibility of elderly persons or adults with severe disabilities.

5. Projects that prevent displacement in high opportunity areas.

No.

6. Projects that alleviate the impact of climate change on low-income populations.

Yes, this project is aligned with local the jurisdictions General Plan Climate Change Element & Equity Element, but does not provide climate change benefits called out in the Commission's funding policies.

**Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

The applicant expects to complete design work by December 2020 and the entire project by September 2021.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

An environmental review was completed in January 2014 and included the Youth Annex site in the accessibility study. Environmental reviews are good for 5 years, so the review will likely need to be refreshed or redone.

Is the proposed project consistent with the General Plan?

The City Planning Department submitted a letter stating that the project is consistent with the adopted General Plan.

Does the applicant possess site control?

Yes, the proposed project will be on city owned property.

**Need**

The City of Sebastopol is committed to ensuring persons with disabilities can enjoy and participate at all levels of community living. Essential to participation is the ability to identify barriers that may prevent or eliminate community inclusion.

**Financial Feasibility**

The total project cost is \$180,000. The City is requesting the entire \$180,000 to complete the project, so the project will be able to proceed immediately upon being funded.

**Outcomes**

Project will provide improved ADA access to the Sebastopol Youth Annex for all persons with disabilities.

**Leverage (Housing Projects)**

N/A

**Leverage and Meeting Community Need (Non-Housing Projects)**

CDBG funds would leverage City of Sebastopol in-kind staff time and makes improvements to existing infrastructure, improving longevity and service of existing infrastructure to benefit elderly persons or adults with severe disabilities.

**Development Experience (Housing Projects)**

N/A

### **FY 2020-2021 Urgent Community Needs**

1. **Projects that serve the maximum number of people at the lowest income threshold.**
2. This project creates ADA compliant public facilities and equal access to amenities. According to the 2017 American Community Survey, there are approximately 1,780 persons over the age of 65 and 411 persons with disabilities in the City of Sebastopol.
3. **Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.** (*Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.*)

This project improves access to community assets (City Hall) for people with disabilities.

### **Analysis**

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

### **Pros for the Project:**

- The project would eliminate architectural barriers for people with limited mobility, and create equal opportunities.
- This project would upgrade and improve facilities for recreation and City Council meetings for all potential attendees

### **Cons for the Project:**

- The project meets only one priority identified in the Commission's Funding Policies.

### **Consequences of no Funding:**

With partial funding, the City will make more limited ADA upgrades. Without funding, this project will be put on hold indefinitely.

### **Staff Recommendation**

This project is for a CDBG eligible use and is ready to proceed. The City of Sebastopol submitted two projects for funding, and indicated that the Youth Annex is a higher priority because it serves more members of the public. **Staff recommends fully funding this project with \$180,000.**

**SWEETWATER SPRINGS WATER DISTRICT – OLD RIVER ROAD AND WOODLAND DRIVE WATER LINE IMPROVEMENTS PROJECT**

Amount Requested: **\$115,920**

Funding Source: **CDBG**

Total Project Costs: **\$2,740,638**

Project Type: **Water/Sewer Improvements**

Use of Funds Requested: **Predevelopment Costs**

*Project Description Summary from Applicant’s Submitted Application;*

Sweetwater Springs Water District is seeking \$2,740,638.00 in CDBG funding for two phases of a water main improvement project. The first phase, engineering design and environmental review, and the second phase is construction, which includes construction, project management, inspection and oversight in Guerneville, California. The estimated total project cost for Phase 1 is \$144,900 and for Phase 2 is \$2,595,738. The project is anticipated to start Phase 1 as soon as funding becomes available (estimated as 9/1/20). If funded, Phase 1 will be done by April 2021. Construction is anticipated start 6/1/21 and be completed by 12/31/21. Note that this assumes funding is identified for construction. The project replaces old undersized water mains with new, improved water mains sufficient to provide both domestic and fire flows, as well as significantly reduce ongoing maintenance costs. The project will replace approximately 5,374 feet of water main and will serve approximately 60 low income households directly, while improving the water pressure for more than 2,000 homes.

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

Is the application complete?

Yes

Eligible Activity:

03J Water/Sewer Improvements meeting a Low and Moderate Area Benefit

If applying for CDBG funds, does the proposed project meet a CDBG National Objective?

Yes, the project will benefit low and moderate-income individuals because the service area for the improvements encompass a census tract in which more than 51% of residents are Low to Moderate Income (LMI).

Using to the 2011-2015 Low and Moderate Income Survey Data provided by HUD the census tracts in the service area are as follows:

060971537041	LMI population of 64.08%
060971537042	LMI population of 51.54%
060971537043	LMI population of 52.89%
060971537044	LMI population of 56.16%



The census tracts in the service area have a combined population of 3,545 and 1,930 (54%) residents are low to moderate income.

*Does the project Affirmatively Further Fair Housing?*

The proposed project will make an investment in a low-income neighborhood to improve conditions and eliminate disparities in access to opportunity between residents of this neighborhood and the rest of the County. The needed water line improvements replaces aged substandard water lines with new lines that deliver better pressure and flows, improve water quality and improve firefighting ability in this fire-prone area.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

The applicant is a governmental agency and an eligible applicant and subrecipient per CDBG regulations.

*Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?*

Sweetwater Springs Water District has been in operation for 25 years and provides water treatment and distribution for 7,500 people in West Sonoma County from Rio Nido to Monte Rio. The District has had clean audits for many years, has an annual operating budget of approximately \$2.1 million and \$2.4 million in reserves. The District has experience with administering other federal funds including USDA G.O. bonds and has undertaken large capital projects previously.

*If serving people who are homeless, does the project meet the standards of Home Sonoma?*

This project does not serve people who are homeless.

*For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?*

This project serves unincorporated Sonoma County which is a member of the Urban County.

***FY 20-21 CDBG & HOME for Capital Projects Selection Criteria***

**Funding Priorities**

***1. Creation or Preservation of Affordable Housing.***

Not applicable – this is an infrastructure/public facility project supporting low or moderate income populations.

***2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.***

**3.** Not applicable – this is an infrastructure/public facility project supporting low or moderate income populations.

4. Infrastructure or Public Facility Supporting low or moderate-income populations.

Yes. This project improves existing infrastructure in a Low and Moderate Income Service Area.

5. Projects that prevent displacement in high opportunity areas.

No.

6. Projects that alleviate the impact of climate change on low-income populations.

This project reduces the environmental impacts on low to moderate income populations by improving the water pressure and reducing risk of fire damage, which climate change has increased in the wildland urban interface areas such as this.

## **Readiness to Proceed**

### Readiness to proceed:

This project is in its design phase and is ready to proceed with predevelopment work including design and environmental review. The site is zoned appropriately for the proposed activity and only a routine encroachment permit will be required once construction is scheduled to begin.

The project anticipates starting design and environmental work as soon as funding becomes available and estimates completion of predevelopment by April 2021. Once funding for construction is secured, it is anticipated that it will take six months to complete.

The only permission needed for the project is an encroachment permit from the County to do work in the public right-of-way.

### Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

An environmental review has not yet been started for this project. To proceed, an environmental review conducted by a qualified consultant will be necessary.

### Is the proposed project consistent with the General Plan?

Because this project is replacing existing infrastructure, it will not change anything that will impact the General Plan. The project is consistent with the Sweetwater Springs District board approved 2020-2025 Capital Improvement Program.

### Does the applicant possess site control?

Yes, the project is in the public right of way.

## **Need**

Census data shows that the population served within the limits of the proposed project qualify for as a low and moderate-income area. Water line repairs in the area have increased greatly over recent years due to aged infrastructure that is in poor condition. The material of the existing 2-inch and 6-inch water lines (galvanized iron) provides inadequate pressures, insufficient

domestic flows, inadequate flows for fire protection and reliability. Fire flows in the area should be approximately 1,000 gallons/minute. There are an inadequate number of fire hydrants in the overall area and based on line sizing and pipe conditions, fire flows are either non-existent (have to use water tender fire trucks that bring in their own water) or are extremely low (200 gallons per minute). Existing water lines in this area are known to have lead fittings. With this project, all existing water lines containing lead in the fittings will be removed from the system per EPA regulations requirements.

**Financial Feasibility**

The predevelopment phase (Phase I) of the project includes 80% of funding from CDBG and 20% of funding from existing district funds. Phase I will be able to be completed if the applicant is awarded CDBG funds.

For the construction phase (Phase II), the district has committed funds to pay for half of the cost. The district has applied for funding from the Drinking Water State Revolving Fund (DWSRF) that would help to fund the project. The District plans to apply for future rounds of CDBG as well.

Construction of the project can phased if funding is not available all at once.

**Outcomes**

Improved water pressure, flows, and reliability will be provided for 60 homes in a low-moderate income service area. Additional fire hydrants and new/upsized lines, fire flows are anticipated to meet minimum standards of 1,000 gallons per minute upon completion of the project. Leaded joints will be removed from the overall water system, thereby improving water quality both in the project area and in the overall water system that serves 2,000 homes.

**Leverage (Housing Projects)**

This project proposes to leverage funds from the following sources:

Phase I

<u>Amount</u>	<u>Funding Source</u>	<u>Status</u>
\$28,980	Phase I - Sweetwater Springs District Funds	Committed

Phase II

<u>Amount</u>	<u>Funding Source</u>	<u>Status</u>
\$1,297,869	Phase II - Sweetwater Springs District Funds	Committed
\$1,297,869	Drinking Water State Revolving Fund (DWSRF)	Applied for funds

The District is seeking additional funds for completion of Phase II, including an application submitted to the Drinking Water State Revolving Fund and plans to apply for future rounds of CDBG.

### **Leverage and Meeting Community Need (Non-Housing Projects)**

CDBG funds would leverage use of Sweetwater Springs District funds and makes improvements to existing infrastructure, improving longevity and service of existing infrastructure to existing homes. An award of CDBG funds for predevelopment would improve the project's competitiveness for an award from the Drinking Water State Revolving Fund for Phase II of the project.

### **Development Experience (Housing Projects)**

Not applicable – this is not a housing project.

### **FY 2020-2021 Urgent Community Needs**

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project directly serves approximately 60 households in a Low and Moderate Income census tract in which at least 54% of households are low to moderate income. An additional 2,000 homes in this area will have improved water pressure as a result of the project.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The area served is a high poverty community with 18.4% of households living in poverty. The community is predominantly white, with 78% identifying as such. The unemployment rate is 7.1%, two times that of the rest of the county. Approximately 43% of households are renters and 59% of renters have a high housing cost burden. This project improves access to quality water, an important community asset.

### **Analysis**

Total development cost per home provided with improved water quality: \$45,677

Total hard cost per home assisted: \$43,262.30

### **Pros for the Project:**

- The project would improve water service for 60 homes, and water pressure for 2,000 additional homes in a Low-Moderate Income Area.
- The project serves an area with a significantly higher poverty rate than the rest of the County.
- The Applicant has a proven track records of successfully completing water improvement projects in its service area.
- The Applicant has committed significant local funds to this project.
- The project is ready to proceed with Phase I which will allow it to pursue funding opportunities for the construction phase (Phase II).

Cons for the Project:

- Project has limited impact on climate change and does not prevent displacement – two of the primary selection criteria goals.
- Project indicates a construction funding gap of \$1,297,869 for which it does not yet have funding commitments.

Consequences of no Funding:

If this application is not selected for funding, the Applicant would not be able to proceed with this project and existing water infrastructure will continue to age and diminish below state service standards.

**Staff Recommendation**

This project is eligible for funding and addresses addressing an underserved need in a Low-Moderate Income Area. The applicant is requesting funds for predevelopment which could be spent immediately. The amount of uncommitted funds for Phase II means that it is unknown exactly how long this would take to complete, but the project can be phased. **Staff recommends full funding for the Phase I request in the amount of \$115,920.**

**BRIDGE HOUSING CORPORATION– COTATI STATION APARTMENTS**

Amount Requested: **\$900,000**

Funding Source: **CDBG**

Total Project Costs: **\$47,429,724**

Project Type: **New Construction**

Use of Funds Requested: **Site Acquisition**

*Project Description Summary from Applicant’s Submitted Application:*

*“BRIDGE Housing Corporation is seeking \$900,000 in CDBG funding for the acquisition of Cotati Station Apartments, which has a total project cost of \$47,413,052. The project is anticipated to start [CDBG funded activity] on [date] and be completed by March 2022. The project will provide 74 units, 184 parking spaces, two commercial spaces, a fitness center, a .5 acre community park, serving approximately 37 low-/ 37 very low-/ 0 extremely-low-income households. Based upon the project's marketing report plus interest from Cotati-Rohnert Park Unified School District, Sonoma State University faculty and community interest the total 74 homes should be readily absorbed. This project will not only benefit the residents, but also the community members in Cotati because they will have access to a new park, more parking spaces for the SMART light rail station, and commercial space.”*

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

*Is the application complete?*

Yes

*Eligible Activity:*

Acquisition of Property

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Low/Mod Limited Client (LMC)

*Does the project Affirmatively Further Fair Housing?*

It increases access for individuals with protected characteristics to existing affordable housing in higher opportunity areas. Project will provide seventy-three (73) units of very low- and low-income housing, and one unrestricted manager’s unit.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Pursuant to the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies, as a 501(c)(3) non-profit organization that will undertake selected CDBG activities, the applicant is an eligible CDBG Subrecipient.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

BRIDGE Housing has developed 17,000 affordable housing units since 1983. They have the experience and capacity to successfully obtain necessary financing for housing development in compliance with federal, state and local requirements.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable - this project is not targeting the homeless population.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

Yes, this project is located in Cotati, which is a member of the Joint Powers Agreement.

### **FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

#### **Funding Priorities**

1. Creation or Preservation of Affordable Housing.

Yes, the proposed project will create seventy-three (73) new affordable housing opportunities.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

In addition to the affordable housing units, this project includes commercial spaces, a fitness center, a community park and additional parking for the SMART train.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

In addition to the low- and very low-income affordable housing units, this project will also create commercial spaces, a fitness center, a community park and additional parking for the SMART train.

4. Projects that prevent displacement in high opportunity areas.

This is an infill project on vacant parcels and will displace any persons.

5. Projects that alleviate the impact of climate change on low-income populations.

This project helps alleviate the impact of climate change by:

- Infill development
- Walkable paths
- Improving linkage to public transportation

#### **Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval

consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

A letter from the City of Cotati dated December 20, 2019 indicates all entitlements have been granted and building permits are ready for issuance. Additionally, the City awarded the project \$750,000 and unanimously supports the project. The project timeline proposes to commence construction by October of 2020.

Applying Permit Sonoma's readiness scoring form to the City's General Plan Consistency Certification, the project would have a comparable score of 1 [all entitlements (except building permit) are in place and valid].

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The proposal indicates the CEQA Environmental Impact Report (EIR) for the site is complete. Commission staff prepared an Assessment of Environmental Review Level Required and determined the project will require an Environmental Assessment to meet NEPA requirements. BRIDGE Housing has hired a consultant who has begun the review work.

Is the proposed project consistent with the General Plan?

Yes, the project is consistent with the City of Cotati General Plan.

Does the applicant possess site control?

Yes, the applicant provided an executed copy of a Real Estate Purchase Agreement and Joint Escrow Instructions with the owner to purchase the site by April 1, 2020.

## **Need**

The proposed project will consist of 74 new rental housing units addressing the housing shortage throughout Sonoma County. Cotati Station will provide affordable housing for 37 very low-income households, including eight (8) project-based vouchers, and thirty-six (36) low-income applicants. Four (4) of the units will be set aside for disabled households and one (1) for a special needs household.

A one-mile radius study using Census Tract Data indicates that over 51% of surrounding residents have annual incomes of \$25,000 to \$74,000 or equivalent to Sonoma County workforce housing incomes ranging from 30% AMI to 70% AMI. The community has indicated support via letters of interest included in this proposal. The proposal includes a market study, which demonstrates the need for the housing this project will generate. The proposed project will create new affordable housing units, an identified priority in the Sonoma County Housing Element and the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies.

## **Financial Feasibility**

The development budget includes federal, state, and private funding sources, including City of Cotati Affordable Housing Trust, CDBG, HOME, County Fund for Housing, and Low Income



Housing Tax Credits. If all identified project funding sources are successfully obtained the 30 year cash flow shows a positive cash flow starting in year one.

### Outcomes

Sonoma County has a housing shortage that is exacerbated after the recent fires in 2017 and 2019. The project proposes to create new affordable housing opportunities.

### Unit Mix

Type of Units	# of Units	Income Limits
(6) 1BR, (23) 2BR, (8) 3BR	37	≤50% of AMI
(17) 2BR	17	≤60% of AMI
(10) 3BR	19	≤70% of AMI
(1) 2BR	1	Unrestricted Manager Unit
<b>Total Units</b>	74	

### Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

Amount	Funding Source	Status
\$ 9,606,340	Permanent Lender	Uncommitted
\$ 750,000	City of Cotati Affordable Housing Trust	Committed
\$ 1,000,000	Sonoma County Community Development Commission	Uncommitted
\$ 900,000	County Fund for Housing (CFH) Sonoma County Community Development Commission	Uncommitted
\$ 605,000	Community Development Block Grant (CDBG)	Uncommitted
\$ 4,847,000	HOME Investment Partnership Program (HOME)	Uncommitted
\$ 11,298,230	California Housing Finance Agency (CalHFA Mixed Income Program)	Uncommitted
\$ 15,034,517	Investor Equity State Tax Credits	Uncommitted
\$ 2,638,638	4% Tax Credit Equity Low Income Housing Tax Credit Program	Uncommitted
\$ 750,000	BRIDGE General Partner Contribution	Committed
\$ 750,000	Deferred Developer Fee	Committed
<b>\$ 47,429,724</b>	<b>Total</b>	

The City of Cotati contributed \$750,000 of their Affordable Housing Trust fund monies to BRIDGE Housing for the Cotati Station project. The applicant seeks \$900,000 of CDBG for a portion of their acquisition costs. The City of Cotati approved the proposed project as a single

phase, confirmed by conditions of approval. If phased, the project would require additional City re-review, approval, public hearings and would significantly impact the project timeline. If the applicant obtains partial funding or no funding, it would delay the commencement of construction and leave a funding gap in the development budget.

The applicant also submitted a HOME application for \$605,000, this CDBG application is for \$900,000 and applicant anticipates the submittal of a CFH application of \$1,000,000. If they received all the requested local funding, each \$1 of CDC funds would leverage \$17.93 from other sources. The full amount of CDC subsidy requested would be \$34,315 per affordable unit.

### **Leverage and Meeting Community Need (Non-Housing Projects)**

Not applicable – this proposal is an affordable housing project

### **Development Experience (Housing Projects)**

In the last seven years, BRIDGE Housing has utilized tax credit financing on 37 housing projects, developing 3,504 units of housing.

### **FY 2020-2021 Urgent Community Needs**

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create seventy-three (73) new housing opportunities of which 37 units will be for very low income (50% of AMI), including 8 project-based vouchers, and 36 low income (70% of AMI) tenants with 4 units for disabled tenants and 1 for special needs.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The proposed project is located in Cotati just south of the SMART train station. The project is comprised of five parcels, three of which will be used to develop the housing project, commercial spaces and fitness center, and two of which will be used to develop a community park and SMART train overflow parking. The land use designation and zoning support the proposed multifamily affordable housing. The City of Cotati has committed their own Affordable Housing Trust fund monies and written a letter in support of the project. The project will help the City achieve their RHNA requirements for the 2014-2022 cycle.

The site is near a grocery store and shopping center as well as a few other businesses such as a gas station and car wash. The SMART train station will also ensure that public transit will be available nearby.

## Analysis

Total development cost per unit (if applicable): \$649,722

Total hard cost per unit (if applicable): \$382,832

### Pros for the Project:

- The project would create 73 new units of affordable housing plus 1 manager's unit.
- The project will have 37 units for very low income, 36 units for low income tenants of which 4 units would be for disabled tenants and 1 for a special needs tenant.
- The applicant proposes to obtain a non-competitive 4% tax credit allocation.
- The applicant has a proven track record of successfully completing projects involving affordable housing.
- The City of Cotati has contributed \$750,000 of Affordable Housing Trust fund monies to the project.
- Using Permit Sonoma's project readiness scoring, this project has a readiness score of 1, deemed consistent with the City of Cotati's General Plan, and the current land use designations support the proposed project.

### Cons for the Project:

- The application demonstrates a need for Project-Based Vouchers from the Sonoma County Housing Authority.
- The applicant represents a need for an additional \$1,000,000 CFH loan from the Commission.
- The applicant's requirement to complete the NEPA injects uncertainty into the project timeline and adds cost to the development budget.
- The applicant's numbers are not consistent throughout the application

### Consequences of no Funding:

If this application is not selected for funding, the project would be delayed until a new funding source could be obtained, but would not derail the project.

## Staff Recommendation

This project is a new construction affordable housing project, "shovel-ready" that meets the policy goals and objectives. Applicant submitted a funding application for both CDBG and HOME program funds and staff recommends to fully fund the HOME funding proposal. The project has a large number of uncommitted funds and encourages the applicant to apply for upcoming CDBG-Disaster Recovery funds and County Fund for Housing funding. **Staff recommends no funding for this Cotati Station Apartments funding proposal.**

## CATHOLIC CHARITIES OF THE DIOCESE OF SANTA ROSA – CARITAS CENTER

Amount Requested: **\$300,000**

Funding Source: **CDBG**

Total Project Costs: **\$43,000,000**

Project Type: **New Construction**

Use of Funds Requested: **Predevelopment Costs**

### Project Description Summary from Applicant's Submitted Application:

*“Catholic Charities requests \$300,000 for eligible pre-development costs for Caritas Center, which has an estimated cost of \$43 million. Near shovel ready, the Caritas Center Project is expected to begin construction by November 2020 and be completed in April of 2022.*

*The planned Caritas Center Project will fast track families and individuals into housing, integrating wrap-around homeless and housing services programs in a central location on the site of the current family emergency shelter and homeless day program facilities. The Caritas Center project is a separate, but primary project of Caritas Village, which will also include Caritas Homes, a 128 unit affordable housing development being funded, developed and operated by partner Burbank Housing.*

*Caritas Center's expanded scale and integration of services will significantly increase the number of very low-income individuals and families served on the site from the current 487 to 662, an increase of 40% (174). An infill development, proximate to the county's transportation hub, Caritas Center services will respond to the County-wide need for intensive homeless and housing services and include a 200 bed Family Emergency Shelter, 40 bed Nightingale Respite program for unsheltered individuals discharged from hospital, a Homeless Day Center serving 325+ daily, 20 units of Temporary Housing, host the Rapid Rehousing, Master Leasing, Housing Navigation and Stabilization, Coordinated Entry, and Homeless Outreach programs, and a Health Clinic operated by partner Santa Rosa Community Health.”*

### **FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

Is the application complete?

Yes, applicant submitted a complete application.

Eligible Activity:

Homeless Facilities

If applying for CDBG funds, does the proposed project meet a CDBG National Objective?

Low/Mod Limited Clientele (LMC)

Does the project Affirmatively Further Fair Housing?

The proposed project will increase accessibility to individuals in protected classes to existing affordable housing in higher opportunity areas. The project provides emergency housing, homeless services, rapid re-housing and referrals to affordable housing in high opportunity communities where people who have experienced homelessness can gain stability.

Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?

Pursuant to the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies, as a nonprofit, the applicant is eligible.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

Yes, with more than sixty-five years of experience Catholic Charities has a reputable record of providing public services, helping the most vulnerable and capability to administer public funding.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Yes, Catholic Charities has completely redesigned and aligned with Housing First principles at all Shelter, Homeless and Housing programs it operates. The project does meet the standards of Home Sonoma.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

While the City of Santa Rosa is not a member of the Joint Powers Agreement that serve the Urban County, the proposed project, through its utilization of Coordinated Entry, will serve clients countywide and is therefore eligible for funding.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

**1. Creation or Preservation of Affordable Housing.**

Although this proposal is not an affordable housing project, it is a component of the Caritas Village that will create permanent affordable housing units.

**2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.**

This proposal is for a public facility

**3. Infrastructure or Public Facility Supporting low or moderate-income populations.**

Yes, Catholic Charities is committed to help the most vulnerable in our community. With the Caritas Center they plan to expand their services to extremely low and very low-income families and individuals.

4. Projects that prevent displacement in high opportunity areas.

Project will not displace any persons.

5. Projects that alleviate the impact of climate change on low –income populations.

The project location is near transit hubs such as the SMART Station in Railroad Square, it will also have access to several CityBus Routes including routes that operate in 10 and 15 minutes increments improving linkages to public transportation and supporting people with limited mobility. Additionally, The Caritas Center would provide bicycle parking spaces.

### **Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

Applying Permit Sonoma’s readiness scoring form to the City’s General Plan Consistency Certification, the project would have a comparable score of 2 (entitlements are in process and project deemed consistent with the General Plan and Zoning).

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

In 2015, Catholic Charities obtained a NEPA Environmental Assessment prepared by AEM and certified by the City of Santa Rosa for the acquisition, demolition and rehabilitation of the site. On March 3, 2020 the City of Santa Rosa certified a full CEQA EIR. The project will be required to obtain a NEPA Environmental Assessment for the construction of the proposed project, the proposal indicates it may be completed by summer or fall of 2020.

Is the proposed project consistent with the General Plan?

Yes, the proposed project is consistent with the City of Santa Rosa General Plan.

A letter from the City of Santa Rosa dated August 23, 2018 indicates the subject property is comprised of multiple parcels which include the following zoning districts: R-3-10-H-SA (Multi-Family Residential-Historic Combining – Station Area Combining) and CN-H-SA (Neighborhood Commercial-Historic combining-Station Area Combining. The land use designations are as follows: Residential Medium Density (8-18 units per acre) and Mixed (Residential Medium Density Residential & Retail Business Services). Both of the zoning and land use designations support multi-family housing, supportive services and furthers their General Plan policies.

Does the applicant possess site control?

Yes, the applicant provided preliminary title report dated 8/16/2017 showing ownership of the site.

## Need

The proposed plan consists of construction of a new comprehensive family emergency shelter for families and individuals; the goal is to increase the number of current beds from 138 to 200nd to expand Catholic Charities' current Homeless Services Center to be able to provide daytime services to more households experiencing homelessness or who are at imminent risk of becoming homeless.

## Financial Feasibility

The development budget includes federal, local and private funding sources, including, CDBG funds, New Market Tax Credit equity program, and private donations. If all identified project funding sources are successfully obtained the project will be feasible.

## Outcomes

Among other outcomes Caritas Center will increase emergency housing for families by nearly 50%, provide emergency housing and services up to 650 individuals annually from the current 350, the Center will expand the Nightingale Program for homeless patients from 26 to 40 beds and it will increase the number of households being helped to find permanent housing.

## Unit Mix

Not applicable.

## Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

<u>Amount</u>	<u>Funding Source</u>	<u>Status</u>
\$960,000	Memorial Hospital (land donation)	Committed
\$750,000	Santa Rosa Housing Authority (seller credit)	Committed
\$500,000	City of Santa Rosa - Community Development Block Grant (CDBG)	Committed
\$250,000	City of Santa Rosa	Uncommitted
\$200,000	Sonoma County Community Development Commission – Community Development Block Grant (CDBG)	Committed
\$300,000	Sonoma County Community Development Commission – Community Development Block Grant (CDBG)	Committed
\$250,000	Sonoma County Community Development Commission – Community Development Block Grant (CDBG)	Uncommitted
\$21,143,000	Capital Campaign (donations)	Committed
\$5,950,000	Capital Campaign (pending donations)	Uncommitted
\$7,800,000	New Market Tax Credits	Uncommitted
\$2,000,000	Capitalized Land Lease	Committed
<u>\$2,897,000</u>	Developer Fees	Committed

**\$43,000,000 Total**

**Leverage and Meeting Community Need (Non-Housing Projects)**

Catholic Charities demonstrates significant leveraging of other funds while meeting the community needs by increasing services to the most vulnerable population. If applicant receives all of the requested local funding, each \$1 of CDBG funds would leverage to \$33.80 from other sources.

**Development Experience (Housing Projects)**

Not applicable

**FY 2020-2021 Urgent Community Needs**

**1. Projects that serve the maximum number of people at the lowest income threshold.**

The need for expanded and service enriched homeless and housing placement services proposed by Caritas Center is supported by Sonoma County's lack of safe, affordable, permanent housing inventory and the 2,951 persons identified as experiencing homelessness in Sonoma County (2019 Point In Time count).

**2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

This proposal is not a housing project but it is a component of the Caritas Village that will include permanent rental housing. The zoning and land use designations for this proposal are consistent with the City of Santa Rosa General Plan, however a General Plan Amendment is necessary to accommodate the proposed housing.

**Analysis**

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

**Pros for the Project:**

- Catholic Charities partnered with Burbank Housing for this Caritas Village project, contributing many years of combined experience to make it successful.
- Addresses current need to provide emergency services to the most vulnerable in our community, and increase the capacity of a key partner in HOME Sonoma County, Sonoma County's homeless system of care.
- Funds are part of a greater enterprise to centralize services for families, children, and homeless individuals.
- The City of Santa Rosa has contributed \$500,000 of CDBG funding to Catholic Charities for pre-development costs for the project.



- Caritas Village is proposed to include extensive services such as; Permanent Housing, Family Shelter, Medical Services, Nightingale Respite Shelter, Drop-In Center, and a Transitional Residency Program.
- The capital campaign demonstrates strong community support, raising over \$21M in 18 months.

Cons for the Project:

- Applicant is relying on a \$5,950,000 capital campaign to fill their funding gap.
- Project may raise opposition from the neighborhood due to its location being in a historic preservation district.
- The NEPA Environmental Assessment for this project is not completed, therefore extending the timeline to secure necessary funding and commencement of construction beyond the initial proposed schedule.

Consequences of no Funding:

- Catholic Charities states that the project would rely on capital campaign funding, private loans, and internal resources to fill the development budget gap. Not receiving a CDBG award would possibly delay but not derail the project from moving forward.

**Staff Recommendation**

The Caritas Center project meets a substantial need while addressing an underserved need countrywide. However; the Sonoma County Community Development Commission has previously awarded predevelopment funds to the project, \$300,000 of which has been spent by the project sponsor, but for which the Commission has not yet been invoiced. remain unexpended. Therefore, staff recommends partial funding for Caritas Village Catholic Charities expend a portion of its FY 2019-2020 award to complete the required NEPA Environmental Assessment (EA). The estimated amount of completing a NEPA Environmental Review is \$40,000. prior to any additional funding recommendations. **Staff recommends no funding \$40,000 for the Caritas Center Project.**

**THE CENTER FOR SOCIAL AND ENVIRONMENTAL STEWARDSHIP – WINDSOR CENTER**

Amount Requested: **\$500,000**

Funding Source: **CDBG**

Total Project Costs: **\$7,042,902**

Project Type: **New Construction**

Use of Funds Requested: **Predevelopment Costs**

*Project Description Summary from Applicant's Submitted Application;*

*“The Center for Social and Environmental Stewardship is seeking \$500,000 in CDBG funds to assist with predevelopment architectural, engineering, environmental, and various studies for a new residential development in Windsor. The project will serve transition-age youth exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution). The development is anticipated to contain 16 2-Bedroom 2-Bathroom units and one 1 Manager's studio unit. The 16 2-Bedroom units will serve 32 youth at or below 80% of AMI. Predevelopment activities will commence upon disbursement of funding award.”*

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

*Is the application complete?*

Yes, applicant submitted a complete application.

*Eligible Activity:*

Staff has determined that predevelopment costs for a housing project is not an eligible activity. The project is, however, eligible for HOME funding.

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Low/Mod Housing

*Does the project Affirmatively Further Fair Housing?*

The proposed project will create new affordable housing opportunities affordable to transition age youth at or below 80% Area Median Income (AMI). The project provides affordable housing in an area of opportunity to combat segregation and promote integration. The Center currently provides employment training, jobs, and transportation for transition age youth at the project location.

*Is the Applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Pursuant to the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies, as a 501(c)(3) nonprofit organization that will undertake selected CDBG activities, the applicant is an eligible CDBG Subrecipient.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

The applicant proposes to collaborate with MidPen Housing, a local and regional developer with over 45 years of experience creating affordable housing opportunities. With over 100 communities and 8,500 units in their portfolio, and a favorable national reputation, they have successfully housed individuals, special needs individuals, families, and seniors. MidPen Housing has the experience and capacity to successfully navigate the complex financing needs required for housing development and property rehabilitation.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable – this project does not target people experiencing homelessness.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

Yes, this project is located in the Town of Windsor, which is a member of the Joint Powers Agreement.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

**1. Creation or Preservation of Affordable Housing.**

Yes, this project will create 16 units of affordable housing.

**2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.**

Not applicable – this proposal is a housing project.

**3. Infrastructure or Public Facility Supporting low or moderate-income populations.**

Not applicable – this proposal is a housing project.

**4. Projects that prevent displacement in high opportunity areas.**

This project will not displace any persons or businesses.

**5. Projects that alleviate the impact of climate change on low-income populations.**

The project will be developed in an infill location, provide ride-sharing opportunities, access to public transportation and walkable access to services, and will use energy efficient construction.

**Readiness to Proceed**

Applying Permit Sonoma's readiness scoring form to the Town of Windsor's General Plan Consistency Certification, the project would have a comparable score of 3: More information needed to determine consistency & necessary entitlements.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The project will require CEST 58.5 (CDC consultant) review.

Is the proposed project consistent with the General Plan?

A letter from the Town of Windsor, dated January 23, 2020 states that this project appears to be consistent with the Town's General Plan and allowable density for the site, which is zoned as Medium Density Residential. While the Town of Windsor has not had an opportunity to fully analyze the proposal, the Town is generally supportive of housing development, particularly affordable units as proposed.

Does the Applicant possess site control?

Yes, the Applicant provided a copy of a Preliminary Title Report and fully executed Grant Deed to Circuit Rider Productions, aka The Center for Social and Environmental Stewardship.

**Need**

The proposed project will consist of 17 new housing units addressing the housing shortage throughout Sonoma County. Sixteen (16) units will be designated for tenants that meet the 80% Area Median Income (AMI) with one (1) unrestricted managers unit.

**Financial Feasibility**

The development budget shows that the project is in the early stages and has no secured funding at this time. The applicant's request for \$500,000 is specifically for predevelopment work. The applicant and MidPen Housing Corporation plan to fund the project from sources such as CDBG, the Town of Windsor, traditional financing, and fundraising. If all identified project funding sources are successfully obtained, the project budget shows a positive cash flow for years 1-14, budgeted replacement reserves, operating reserves, and a capitalized operating subsidy reserve.

**Outcomes**

The project will provide housing for vulnerable transition-age youth at or below 80% Area Median Income. The housing will provide these tenants with living skills, a rental history, and a sense of ownership in community. The project will be co-located with The Center's environmental program, where this population begins their workday.

**Unit Mix**

Type of Units	# of Units	Income Limits
(16) 1BR	16	≤80% of AMI
(1) Studio	1	Unrestricted Manger unit
<b>Total Units</b>	<b>17</b>	

**Leverage (Housing Projects)**

This project proposes to leverage funds from the following sources:

<u>Amount</u>	<u>Funding Source</u>	<u>Status</u>
\$ 500,000	Sonoma County Community Development Commission - Community Development Block Grant Program (CDBG)	Uncommitted
\$ 1,000,000	Town of Windsor	Uncommitted
\$ 1,638,450	First Mortgage	Uncommitted
\$ 3,904,452	Fundraising	Uncommitted

The applicant submitted a CDBG request of \$500,000. If they receive the requested amount of HOME or CDBG funds, each \$1 of CDC funds would leverage \$13.09 from other sources. The full amount of CDC subsidy requested would be \$31,250 per affordable unit.

### **Leverage and Meeting Community Need (Non-Housing Projects)**

Not applicable – this proposal is a housing project.

### **Development Experience (Housing Projects)**

Although, the applicant is not an experienced developer, they propose to collaborate with MidPen Housing Corporation, a housing developer with extensive experience with successful affordable housing developments and complex financing including tax credits and other financing options.

### **FY 2020-2021 Urgent Community Needs**

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create sixteen (16) new affordable housing units serving thirty-two (32) transition-age youth falling at or below 80% Area Median Income, plus one (1) unrestricted manager’s unit, so its target population is not at the lowest income threshold.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The proposed project is located near the Windsor’s Town Center. The site includes an employment-training center for transition-aged youth. The Windsor Center offers transportation and other services, and the project location is accessible to additional, unsponsored transportation and services.

### **Analysis**

Total development cost per unit (if applicable): \$ 440,181

Total hard cost per unit (if applicable): \$ 414,288

Pros for the Project:

- The project would create sixteen (16) new units of affordable housing.
- Housing units will be dedicated to transition-aged youth who fall into the 80% Area Median Income category.
- In collaboration with the Applicant, MidPen Housing Corporation has a proven track record of successfully completing projects involving supportive housing.
- Although the Town of Windsor has not received a formal application for this project, it appears consistent with the Town of Windsor General Plan, and the current land use designations support the proposed project.

Cons for the Project:

- Permanent financing is not yet committed.
- Applicant is not experienced utilizing federal funding to finance development from CDC.
- Project is in the preliminary stages of development and has no funding commitments.
- Until applicant formally submits a project application to the Town of Windsor, the status of any necessary entitlements or environmental requirements are uncertain.
- Development finance structure does not identify the primary source of permanent financing.
- The organization does not demonstrate capacity to successfully run the necessary capital campaign based on its 2017 IRS filing.
- The project does not demonstrate that it can meet the HOME program's timeliness requirement.

Consequences of no Funding:

If this application is not selected for funding, the project planning would be delayed and the Applicant would rely on fundraising efforts to pay for predevelopment expenses.

**Staff Recommendation**

This project would address an underserved need in the county and targets a vulnerable youth population. Although, a worthy project, staff has determined that predevelopment costs for a housing project are not eligible for CDBG funding. However, staff determined it was an eligible activity under the HOME program but the project did not rank highly when compared to other housing funding proposals.

Staff encourages the applicant to apply for CDBG-DR funding expected to be available this year. Furthermore, staff encourages the applicant to re-apply for HOME program funds or County Fund for Housing when they have secured funding for the project. **Staff recommends no funding for this application.**

**CITY OF ROHNERT PARK– ESSENTIAL WORKFORCE HOUSING PROGRAM**

Amount Requested: **\$350,000**

Funding Source: **CDBG**

Total Project Costs: **\$1,730,000**

Project Type: **Acquisition**

Use of Funds Requested: **Acquisition of existing single-family homes**

*Project Description Summary from Applicant’s Submitted Application:*

*“The City of Rohnert Park seeks \$350,000 in CDBG funding to create two low-income affordable ownership units in partnership with Housing Land Trust (HLT) of Sonoma County. This project fits within the eligible activity of “homeownership assistance” and creates affordable units by subsidizing what low-income owners can pay and the sales price on homes in Rohnert Park. The City is already partnering with HLT on a similar program to make existing homes affordable to moderate-income households. The project leverages existing housing stock to create affordable housing which, thanks to HLT’s land trust model, remains affordable in perpetuity. Based on HLT’s market research, it costs an average of \$175,000 per home to cover the gap between what low-income owners can pay and market-rate costs. The project is anticipated to start July 1, 2020 and be completed by July 30, 2021. The project will provide two affordable units, serving two low-income households in the near-term, and when the homes turn over, many more in the long term.”*

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

*Is the application complete?*

Yes

*Eligible Activity:*

Homeownership Assistance

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Low/Mod Housing

Activity is undertaken for the purpose of providing permanent residential structures which will be occupied by low or moderate income households.

*Does the project Affirmatively Further Fair Housing?*

The proposed project affirmatively furthers fair housing by creating affordable for-sale homes in existing market-rate neighborhoods, thereby promoting integration of low-income households in areas they otherwise would be unable to afford.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

The City of Rohnert Park is an eligible applicant per CDBG regulations.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

The City of Rohnert Park will carry out this project in collaboration with Housing Land Trust of Sonoma County (HLT). HLT staff and existing programs will provide additional administrative capacity, allowing Rohnert Park to complete the stated project without assistance from the CDC.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable - this project is not targeting the homeless population.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

This project serves the Urban County—it is located in Rohnert Park, which is part of the Joint Powers Agreement.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

1. Creation or Preservation of Affordable Housing.

The proposed project will create two (2) new affordable homeownership opportunities for households with incomes at or below 80% of AMI. Following each of these acquisitions, the land will be deeded to HLT, who will then enter into a long-term ground lease with the low-income homebuyer. In this way, HLT will steward the property in perpetuity, maintaining affordability by only allowing the future sales price to increase by the amount of increase in published Area Median Income.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

Not applicable – this is a housing project.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

Not applicable – this is housing project.

4. Projects that prevent displacement in high opportunity areas.

This project involves the purchase of homes already listed on the secondary market; therefore, no one will be displaced in the process.

5. Projects that alleviate the impact of climate change on low-income populations.

This project alleviates the impact of climate change on low-income populations by allowing low-income households to purchase homes in high opportunity neighborhoods near amenities, including school, parks, transit and groceries, eliminating vehicle trips.



## **Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

The City of Rohnert Park will begin the site evaluation and acquisition process in June 2020. Rohnert Park has already committed \$200,000 toward this project, and HLT was awarded a grant of \$300,000 from the Sonoma County Community Development Commission to support the initial four (4) homes available to moderate income households.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

This project will involve the purchase of existing, approved residential property. Homebuyer Assistance is a CDBG activity that is Categorically Excluded Not Subject To Part 58, and will have no physical impact on the property with no rehabilitation or other construction.

Is the proposed project consistent with the General Plan?

This project does not contemplate any change in land use.

Does the applicant possess site control?

The applicant will pursue site control via acquisition following the award of funds. Site control will be obtained through a transfer of title at closing.

## **Need**

With current Sonoma County median home prices at more than \$625,000, most households making below 80% of Area Median Income (AMI) can never hope to buy a home on their own. According to US Census American Community Survey data from 2011-2015, 46.7% of Rohnert Park's population are at or below 80% of AMI. The Essential Workforce Housing Program provides ownership opportunities for these underserved households. Currently, HLT has 572 households on their program interest list, 352 of whom are in their current applicant pool. Of the 100 households HLT has housed to date, 89% are families with children, and 33% are at or below 80% AMI.

## **Financial Feasibility**

The project is based on the premise that City of Rohnert Park and HLT will collaborate to pay the difference between the market price of the subject homes and the amount of mortgage a household making 80% of AMI can afford. HLT already has qualified low-income home buyers and will assist them in obtaining a mortgage. With the award of these funds, the project will be feasible, and will sustain the ongoing affordability of these homes.

## **Outcomes**

This program provides stability for low-income families. There are no rent increases for homeowners, which will mitigate the need to move to a new address due to outside

circumstances, providing an improved quality of life. As a result, children will not have to change schools frequently, which results in better educational outcomes and higher graduation rates. Low-income families are integrated in existing middle-income neighborhoods, giving them access to better schools and services. The community will retain members of the essential workforce, including those working in the fields of education, law enforcement, public safety and health care.

**Unit Mix**

Type of Units	# of Units	Income Limits
(2) 2 Homes	2	<80% of AMI
<b>Total Units</b>	<b>2</b>	

**Leverage (Housing Projects)**

This project proposes to leverage funds from the following sources:

Amount	Funding Source	Status
\$1,020,000	Convention mortgages to homebuyers	Uncommitted
\$60,000	Housing Land Trust of Sonoma County In-Kind Project Management	Committed
\$350,000	Sonoma County Community Development Commission (CDC)	Uncommitted
\$300,000	Community Development Block Grant (CDBG) Sonoma County Community Development Commission (CDC) Transient Occupancy Tax (TOT)	Committed

The applicant submitted a CDBG request for \$350,000. If they receive the requested local funding, each \$1 of CDC funds would leverage \$1.66 from other sources. The full amount of CDC subsidy requested would be \$325,000 per affordable home.

The \$350,000 requested would provide two (2) additional homes at the low-income level.

**Leverage and Meeting Community Need (Non-Housing Projects)**

N/A – this proposal is a housing project

**Development Experience (Housing Projects)**

Although the applicant is not a developer nor utilizes tax credit financing but rather a local jurisdiction that collaborated with a local nonprofit with has a proven track record of successfully creating ownership housing opportunities throughout Sonoma County since 2002.

## FY 2020-2021 Urgent Community Needs

### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create 2 new permanently affordable homes for households at or below 80% AMI.

### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The proposed project is located in Rohnert Park; as noted above, close to 50% of Rohnert Park's population is at or below 80% AMI. This project creates ownership opportunities in areas of higher opportunity, offering improved access to community assets, including high quality schools, parks and transportation.

## Analysis

Total development cost per unit (if applicable): N/A

Total hard cost per unit (if applicable): N/A

## Pros for the Project:

- The project would create 2 new units of affordable ownership housing.
- Both units will be affordable to buyers making 80% of AMI or below.
- HLT has a proven track record of matching low-income homebuyers with quality homes, and maintaining affordability over the long term.
- The project leverages existing housing stock to create immediate homeownership opportunities for low-income buyers.

## Cons for the Project:

- The project will use a portion of annual CDBG funds while resulting in a limited number of affordable homes.

## Consequences of no Funding:

If this application is not selected for funding, the Applicant will not be able to proceed with the project, as there will be insufficient funds to buy down the purchase price of the subject homes.

## Staff Recommendation

Due to the creation of new affordable home ownership opportunities, length of their affordability and the leverage of existing housing stock, **staff recommends fully funding this project in the amount of \$350,000.**

**SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION – HOUSING REHABILITATION LOAN PROGRAM**

Amount Requested: **\$1,200,000**

Funding Source: CDBG

Total Project Costs: n/a

Project Type: **Housing Rehabilitation**

Use of Funds Requested: **Housing Rehabilitation**

*Program Summary*

The Sonoma County Community Development Commission’s Housing Rehabilitation Program serves extremely low-, very low- and low-income mobile homeowners and homeowners in need of housing rehabilitation work to remain stably housed or to age-in-place. The program also provides loans to small multifamily properties (up to 4 units) that rent to income-qualified renters. The CDBG funds provide low-interest loans made for improvements to legally sited mobile homes, single-family, and multifamily residential properties located within the unincorporated areas of Sonoma County, as well as in Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, Sonoma, and the Town of Windsor, and the staffing expenses associated with the housing rehabilitation activities. The CDBG funds may also be used to provide grants to low-income owners for mobile homes for the installation of earthquake-resistant bracing systems.

*FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria*

*Is the application complete?*

Because this is an internal program, no application was required.

*Eligible Activity:*

14A Rehab; Single-Unit Residential

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Low and Moderate Income Housing

*Does the project Affirmatively Further Fair Housing?*

Yes, the project maintains and preserves existing housing stock to reduce disproportionate housing needs. The program provides financing to low-income households for repairs needed to have decent and safe housing that remains affordable to them.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Yes, the program operator is the Sonoma County Community Development Commission, which is the agency that serves the Urban County, a CDBG recipient.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

The Sonoma County Community Development Commission has operated the Housing Rehabilitation Program for decades and has the administrative capacity to deliver this program. The Commission's program has a dedicated Housing Rehabilitation Specialist who works directly with contractors and clients, an Administrative Aide who screens applicants and underwrites the loans.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

This project serves the entire Urban County.

### **FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

#### **Funding Priorities**

1. Creation or Preservation of Affordable Housing.

The program preserves housing stock that is affordable, safe, and accessible for extremely low-, very low-, and low-income families and individuals, including those with special needs.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

Not applicable – this is a housing project.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

Not applicable – this is a housing project.

4. Projects that prevent displacement in high opportunity areas.

This project prevents displacement by improving existing housing stock in neighborhoods where housing prices have gone up, and lower-income homeowners are at risk of losing housing if they cannot make the needed repairs to retain decent and safe housing.

5. Projects that alleviate the impact of climate change on low-income populations.

This program improves energy efficiency in homes by installing new roofs, new windows, etc. that meet or exceed current energy standards. This will ensure that with more extreme temperatures in the future, assisted low-income households can use less energy and stay more comfortable in their homes. Also, preserving the existing housing stock uses fewer resources than building new housing, which provides cost savings, reduces waste, and preserves green space.

**Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The Sonoma County Community Development Commission has an existing NEPA environmental review for this program.

Is the proposed project consistent with the General Plan?

Not applicable.

Does the applicant possess site control?

This is not applicable. This is a loan program.

**Need**

The Housing Rehabilitation Loan Program has 20 applications currently in process and is actively working on ten qualified projects. This is a popular program with the community and experiences a steady interest with word of mouth and some limited outreach. The program preserves affordable homeownership units, prevents displacement, provides people with disabilities the accessibility they need and allows seniors to age in place.

**Financial Feasibility**

This project is not reliant on other funding sources and will proceed immediately if awarded funds.

**Outcomes**

Funding this project will result in improved housing quality and safety, as well as energy efficiency for all low-income households assisted.

**Unit Mix**

Not applicable.

### **Leverage (Housing Projects)**

The program does not leverage other financial resources, but the Housing Rehabilitation Loan Program leverages existing infrastructure and housing stock and is a low-cost way to preserve housing units.

As this is a loan program, the money is eventually repaid into the program. The majority of the loans are deferred and generally repaid upon change of ownership of the home.

### **Development Experience (Housing Projects)**

The Commission has many years of experience administering the Housing Rehabilitation Program and is well-positioned to continue operating the program.

### **FY 2020-2021 Urgent Community Needs**

**1. Projects that serve the maximum number of people at the lowest income threshold.**

All households served by this program are at or below 80% of Area Median Income.

**2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

This project does not expedite the creation of rental housing or improve access to important community assets.

### **Analysis**

Total development cost per unit (if applicable): Average cost: \$35,000

Total hard cost per unit (if applicable): Not applicable.

### **Pros for the Project:**

- Maintains housing safety, decency, and affordability for extremely low-, very low- and low-income homeowners and renters
- Meets multiple selection criteria, including preservation of affordable housing, preventing displacement, and alleviating the impacts of climate change.
- The program will be able to spend funds quickly and efficiently to preserve housing

### **Cons for the Project:**

- Other financial resources are limited and are quickly depleting

### **Consequences of no Funding:**

If this application is not selected for funding, the Housing Rehabilitation Program may exhaust local funds impacting the ability to operate consistently. The Commission has not yet determined its FY 2020-2021 budget, so staff does not know whether local funding will be

available for this program in the coming year. The program could move forward with partial funding, although it would result in fewer households assisted.

**Staff Recommendation**

This program is eligible for funding and addresses an underserved need countywide. Because of the limited funding available, staff is not recommending full funding for this project. **Staff Recommendation is to provide partial funding for this program in the amount of \$364,317, which will serve approximately 10 households.**



**BRIDGE HOUSING CORPORATION– COTATI STATION APARTMENTS**

Amount Requested: **\$605,000**

Funding Source: **HOME**

Total Project Costs: **\$47,429,724**

Project Type: **New Construction**

Use of Funds Requested: **Site Acquisition**

*Project Description Summary from Applicant’s Submitted Application:*

*“BRIDGE Housing Corporation is seeking \$900,000 in CDBG funding for the acquisition of Cotati Station Apartments, which has a total project cost of \$47,413,052. The project is anticipated to start [CDBG funded activity] on [date] and be completed by March 2022. The project will provide 74 units, 184 parking spaces, two commercial spaces, a fitness center, a .5 acre community park, serving approximately 37 low-/ 37 very low-/ 0 extremely-low-income households. Based upon the project's marketing report plus interest from Cotati-Rohnert Park Unified School District, Sonoma State University faculty and community interest the total 74 homes should be readily absorbed. This project will not only benefit the residents, but also the community members in Cotati because they will have access to a new park, more parking spaces for the SMART light rail station, and commercial space.”*

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

*Is the application complete?*

Yes

*Eligible Activity:*

Acquisition of Property

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Not applicable

*Does the project Affirmatively Further Fair Housing?*

It increases access for individuals with protected characteristics to existing affordable housing in higher opportunity areas. Project will provide seventy-three (73) units of very low and low income housing, and one unrestricted manager’s unit.

*Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?*

Pursuant to the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies, as a 501(c)(3) non-profit organization that will undertake selected CDBG activities, the applicant is an eligible HOME Developer.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

BRIDGE Housing has developed 17,000 affordable housing units since 1983. They have the experience and capacity to successfully obtain necessary financing for housing development in compliance with federal, state and local requirements.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable - this project is not targeting the homeless population.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

Yes, this project is located in Cotati, which is a member of the Joint Powers Agreement.

### **FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

#### **Funding Priorities**

1. Creation or Preservation of Affordable Housing.

Yes, the proposed project will create seventy-three (73) new affordable housing opportunities.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

In addition to the affordable housing units, this project includes commercial spaces, a fitness center, a community park and additional parking for the SMART train.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

In addition to the low- and very low-income affordable housing units, this project includes commercial spaces, a fitness center, a community park and additional parking for the SMART train.

4. Projects that prevent displacement in high opportunity areas.

This is an infill project on vacant parcels and will not displace any persons.

5. Projects that alleviate the impact of climate change on low-income populations.

This project helps alleviate the impact of climate change by:

- Infill development
- Walkable paths
- Improving linkage to public transportation

#### **Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval

consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

A letter from the City of Cotati dated December 20, 2019 indicates all entitlements have been granted and building permits are ready for issuance. Additionally, the City awarded the project \$750,000 and unanimously supports the project. The project timeline proposes to commence construction by October of 2020.

Applying Permit Sonoma's readiness scoring form to the City's General Plan Consistency Certification, the project would have a comparable score of 1 (all entitlements (except building permits) are in place and valid).

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

The proposal indicates the CEQA Environmental Impact Report (EIR) for the site is complete. Commission staff prepared an Assessment of Environmental Review Level Required and determined the project will require a full Environmental Assessment. BRIDGE Housing has hired a consultant and started the review work.

Is the proposed project consistent with the General Plan?

Yes, the project is consistent with the City of Cotati General Plan.

Does the applicant possess site control?

Yes, the applicant provided an executed copy of a Real Estate Purchase Agreement and Joint Escrow Instructions with the owner to purchase the site by April 1, 2020.

## **Need**

The proposed project will consist of 74 new rental housing units addressing the housing shortage throughout Sonoma County. Cotati Station will provide affordable housing for 37 very low-income households, including eight (8) project-based vouchers, and thirty-six (36) low income applicants. Four (4) of the units will be set aside for disabled households and one (1) for a special needs household.

A one-mile radius study using Census Tract Data indicates that over 51% of surrounding residents have annual incomes of \$25,000 to \$74,000 or equivalent to Sonoma County workforce housing incomes ranging from 30% AMI to 70% AMI. The community has indicated support via letters of interest included in this proposal. The proposal includes a market study, which demonstrates the need for the housing this project will generate. The proposed project will create new affordable housing units, an identified priority in the Sonoma County Housing Element and the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies.

## **Financial Feasibility**

The development budget includes federal, state, and private funding sources, including City of Cotati Affordable Housing Trust, CDBG, HOME, County Fund for Housing, and Low Income

Housing Tax Credits. If all identified project funding sources are successfully obtained the 30 year cash flow shows a positive cash flow starting in year one.

**Outcomes**

Sonoma County has a housing shortage that is exacerbated after the recent fires in 2017 and 2019. The project proposes to create new affordable housing opportunities.

**Unit Mix**

Type of Units	# of Units	Income Limits
(6) 1BR, (23) 2BR, (8) 3BR	37	≤50% of AMI
(17) 2BR	17	≤60% of AMI
(10) 3BR	19	≤70% of AMI
(1) 2BR	1	Unrestricted Manager Unit
<b>Total Units</b>	74	

This project proposes a total of eleven (11) HOME-assisted units.

**Leverage (Housing Projects)**

This project proposes to leverage funds from the following sources:

Amount	Funding Source	Status
\$ 9,606,340	Permanent Lender	Uncommitted
\$ 750,000	City of Cotati Affordable Housing Trust	Committed
\$ 1,000,000	Sonoma County Community Development Commission	Uncommitted
	County Fund for Housing (CFH)	
\$ 900,000	Sonoma County Community Development Commission	Uncommitted
	Community Development Block Grant (CDBG)	
\$ 605,000	HOME Investment Partnership Program (HOME)	Uncommitted
\$ 4,847,000	California Housing Finance Agency (CalHFA Mixed Income Program)	Uncommitted
\$ 11,298,230	Investor Equity State Tax Credits	Uncommitted
\$ 15,034,517	4% Tax Credit Equity	Uncommitted
	Low Income Housing Tax Credit Program	
\$ 2,638,638	BRIDGE General Partner Contribution	Committed
\$ 750,000	Deferred Developer Fee	Committed
<b>\$ 47,429,724</b>	<b>Total</b>	

The City of Cotati contributed \$750,000 of their Affordable Housing Trust fund monies to BRIDGE Housing for the Cotati Station project. The applicant seeks \$900,000 of CDBG for a portion of their acquisition costs. The City of Cotati approved the proposed project as a single phase, confirmed by conditions of approval. If phased, the project would require additional City review, approval, public hearings and would significantly impact the project timeline. If the applicant obtains partial funding or no funding it would delay the commencement of construction and leaving a funding gap in the development budget.

The applicant also submitted a CDBG application for \$900,000, this CDBG application is for \$900,000 and applicant anticipates the submittal of a CFH application of \$1,000,000. If they received all the requested local funding, each \$1 of CDC funds would leverage \$17.93 from other sources. The full amount of CDC subsidy requested would be \$34,315 per affordable unit.

### **Leverage and Meeting Community Need (Non-Housing Projects)**

Not applicable – this proposal is an affordable housing project

### **Development Experience (Housing Projects)**

In the last seven years, BRIDGE Housing has utilized tax credit financing on 37 housing projects, developing 3,504 units of housing.

### **FY 2020-2021 Urgent Community Needs**

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create seventy-three (73) new housing opportunities of which 37 units will be for very low income (50% of AMI), including 8 project-based vouchers, and 36 low income (80% of AMI) tenants with 4 units for disabled tenants and 1 for special needs.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The proposed project is located in Cotati just south of the SMART train station. The project is comprised of five parcels, three of which will be used to develop the housing project, commercial spaces and fitness center, and two of which will be used to develop a community park and SMART train overflow parking. The land use designation and zoning support the proposed multifamily affordable housing. The City of Cotati has committed their own Affordable Housing Trust fund monies and written a letter in support of the project. The project will help the City achieve their RHNA requirements for the 2014-2022 cycle.

The site is near a grocery store and shopping center as well as a few other businesses such as a gas station and car wash. The SMART train station will also ensure that public transit will be available nearby.

### **Analysis**

Total development cost per unit (if applicable): \$649,722

Total hard cost per unit (if applicable): \$382,832

### **Pros for the Project:**

- The project would create 73 new units of affordable housing plus 1 manager's unit.
- The project will have 37 units for very low income, 36 units for low income tenants of which 4 units would be for disabled tenants and 1 for a special needs tenant.
- The applicant proposes to obtain a non-competitive 4% tax credit allocation.
- The applicant has a proven track record of successfully completing projects involving affordable housing.
- The City of Cotati has contributed \$750,000 of Affordable Housing Trust fund monies to the project.
- Using Permit Sonoma's project readiness scoring, this project has a readiness score of 1, all entitlements (except building permit) are in place and valid.

### **Cons for the Project:**

- The application demonstrates a need for Project-Based Vouchers from the Sonoma County Housing Authority.
- The applicant represents a need for an additional \$1,000,000 CFH loan from the Commission.
- The applicant's requirement to complete the NEPA injects uncertainty into the project timeline and adds cost to the development budget.
- The applicant's numbers are not consistent throughout the application

### **Consequences of no Funding:**

If this application is not selected for funding, the project would be delayed until a new funding source could be developed, but would not derail the project.

### **Staff Recommendation**

Due to the project possessing a high level of readiness and due to its location in an area of opportunity, **staff recommends fully funding the project in the amount of \$605,000.**

**BURBANK HOUSING DEVELOPMENT CORPORATION –  
CARITAS HOMES, PHASE I**

Amount Requested: **\$500,000**

Funding Source: **HOME**

Total Project Costs: **\$36,693,065**

Project Type: **New Construction**

Use of Funds Requested: **Predevelopment Costs**

*Project Description Summary from Applicant’s Submitted Application;*

*“Burbank Housing is seeking \$500,000 in HOME funding for predevelopment expenses for Caritas Homes, Phase I, which has a total project cost of \$36,693,065, exclusive of a Capitalized Operating Subsidy Reserve (COSR) of \$5,414,760 (the State No Place Like Home award of \$11,625,380 is \$6,210,620 for development and \$5,414,760 for a COSR). The 64-unit affordable rental housing project is currently in the environmental assessment and pre-entitlement stage and expected to be completed in 2022. The project is part of the larger Caritas Village redevelopment project in downtown Santa Rosa being developed in conjunction with Catholic Charities. Approximately half of the newly constructed units will be reserved for chronically homeless individuals. It is anticipated that Caritas Homes, Phase I, would house about 111 residents at any given time.”*

**FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

*Is the application complete?*

Yes.

*Eligible Activity:*

Predevelopment costs - Project related Soft Costs reasonable and necessary costs associated with financing or development of new construction.

*If applying for CDBG funds, does the proposed project meet a CDBG National Objective?*

Not Applicable.

*Does the project Affirmatively Further Fair Housing?*

The proposed project will create new affordable housing opportunities in an area of opportunity to combat segregation and promote integration. Additionally, the proposed project will provide mixed-income housing designated to integrate racially and ethnically concentrated areas of poverty by creating affordable rents ranging from as low as 20% of Area Median Income (AMI) to 60% AMI in the downtown area with access to a transit-friendly location and accessible to other amenities suited for this type of project.

Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?

Pursuant to the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies, as a non-profit that will own and develop a HOME assisted project, the applicant is an eligible Developer.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

Burbank Housing is a local developer and managing company creating affordable housing opportunities throughout Sonoma County since 1980. With over 86 communities in their portfolio and a strong reputation they've been able to successfully house individuals, special needs individuals, families, seniors in rental and homeownership opportunities. They have the experience and capacity to successfully obtain necessary financing for housing development and property rehabilitation in compliance with federal, state and local requirements.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Yes, the project does meet the standards of Home Sonoma as confirmed by the Sonoma County Community Development Commission Public Services Funding Coordinator.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

While the City of Santa Rosa is not a member of the HOME consortium, the proposed project, through its utilization of Coordinated Entry, will serve clients throughout the County and is therefore eligible to compete for funding.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

1. Creation or Preservation of Affordable Housing.

The proposed project will create 64 new housing opportunities for households with incomes ranging from 20% - 60% of AMI and one resident manager.

2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.

Not applicable – this proposal is an affordable housing project.

3. Infrastructure or Public Facility Supporting low or moderate-income populations.

Not applicable – this proposal is an affordable housing project.

4. Projects that prevent displacement in high opportunity areas.

Project will not displace any persons.

5. Projects that alleviate the impact of climate change on low-income populations.



Project will be located near downtown bus stations and the downtown SMART train station, improving linkages to public transportation and supporting people with limited mobility.

## **Readiness to Proceed**

*Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.*

The Santa Rosa City Council took action on March 3, 2020, and approved the new land use designation/zoning of Transit Village Mixed Use which supports the multifamily housing and supportive services proposed. The projects have secured funding commitments from the Sonoma County Community Development Commission and State of California Housing & Community Development.

*Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).*

In 2015, Catholic Charities obtained a NEPA Environmental Assessment prepared by AEM and certified by the City of Santa Rosa for the acquisition, demolition and rehabilitation of the site. A full CEQA Environmental Impact Report was approved on March 3, 2020. The project will be required to obtain a NEPA Environmental Assessment for the construction of the proposed project, the proposal indicates it may be completed by summer or fall of 2020.

*Is the proposed project consistent with the General Plan?*

Yes, the project is consistent with the City of Santa Rosa General Plan. Applying Permit Sonoma's readiness scoring form to the City's General Plan Consistency Certification, the project would have a comparable score of 1 (all entitlements (except building permit) are in place and valid).

*Does the applicant possess site control?*

Yes, the applicant provided a copy of a fully executed Option Agreement and First Amendment to Option Agreement with Catholic Charities (current owner), extending the "Option Term" to December 31, 2020.

## **Need**

The proposed project will consist of 64 new rental housing units addressing the housing shortage throughout Sonoma County. Caritas Homes will be a 100% affordable project for households with incomes ranging from the deepest affordability of 20% of AMI to 60% of AMI. Approximately half of the units will be dedicated to chronically homeless individuals also identified as a priority in the Sonoma County Housing Element and the Sonoma County Community Development Commission FY 2020-2021 CDBG & HOME Funding Policies.

## Financial Feasibility

The development budget includes federal, state, local and private funding sources, including CDBG-DR, No Place Like Home, Low Income Housing Tax Credits, and Housing Choice Vouchers from the City of Santa Rosa (not yet committed to the project).

## Outcomes

Sonoma County has a housing shortage that was exacerbated after the recent fires in 2017. The project proposes to create new affordable housing opportunities of which thirty (30) units shall be permanent supportive housing for chronically homeless households.

## Unit Mix

Type of Units	# of Units	Income Limits
(15) Studios, (10) 1BR, (5) 2BR	30	≤30% AMI
(9) Studios, (4) 1BR, (2) 2BR	15	≤50% AMI
(7) Studios, (9) 1BR, (2) 2BR	18	≤60% AMI
(1) Studio	1	Unrestricted Manager Unit
<b>Total Units</b>	<b>64</b>	

## Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

<u>Amount</u>	<u>Funding Source</u>	<u>Status</u>
\$6,210,620	California Department of Housing and Community Development (HCD) No Place Like Home program (NPLH)	Committed
\$630,000	Federal Home Loan Bank of San Francisco (FHLBSF) Affordable Housing Program (AHP)	Uncommitted
\$14,209,876	4% Tax Credit Equity Low Income Housing Tax Credit program	Uncommitted
\$1,571,918	Sonoma County Community Development Commission (CDC) Partnership HealthPlan of California (PHC)	Committed
\$11,832,446	City of Santa Rosa – Community Development Block Grant-Disaster Recovery (CDBG-DR)	Uncommitted
\$2,238,206	Deferred Developer Fee	Committed

The applicant proposes to apply for CDBG-DR funding from the City of Santa Rosa in the amount of \$11,832,446 which would otherwise be a funding gap for the proposed project. If the applicant obtains partial funding or no funding of City of Santa Rosa’s CDBG-DR they intend to apply for additional local funds from City of Santa Rosa or Commission.

Additionally, due to the current federal fiscal year budget containing \$1 billion in new 9% tax credit resources for California communities impacted by the 2017 and 2018 wildfires, such as the Tubbs Fire of Sonoma County, Applicant intends to apply for 9% tax credits. If awarded, the project's funding gap could be cut in half.

The applicant submitted a HOME request for \$500,000. If they receive the requested local funding, each \$1 of CDC funds would leverage \$16.95 from other sources. The full amount of CDC subsidy requested would be \$32,888 per affordable unit. The Applicant described the need to obtain an allocation of Project-Based Vouchers (PBV) from the City of Santa Rosa Housing Authority to keep the rents restricted at 30% of Area Median Income for eligible households, meanwhile supporting the project feasibility, operating budget, and supportive services.

### **Leverage and Meeting Community Need (Non-Housing Projects)**

Not applicable – this proposal is an affordable housing project.

### **Development Experience (Housing Projects)**

Applicant has extensive experience obtaining federal tax credits and has successfully received tax credits for 60 projects. In the last seven years, applicant has received four 4% and four 9% tax credit awards and has obtained multiple funding awards from state, federal, and local agencies.

### **FY 2020-2021 Urgent Community Needs**

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project will create 64 new affordable housing opportunities of which 30 units will be deeply affordable at extremely low income 20% of AMI.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The proposed project is located in downtown Santa Rosa where the Catholic Charities Family Support Center is located and operated providing services such as; temporary housing to homeless families, emergency intervention and daytime drop-in services, intensive street outreach. The project is comprised of multiple parcels, which include the land use designations and zoning supported for the proposed multifamily housing and supportive services. The City of Santa Rosa Planning & Economic Development department determined the project to be consistent with the City's General Plan. Additionally, the project will further General Plan policies for affordable housing.

### **Analysis**

Total development cost per unit (if applicable): \$573,329

Total hard cost per unit (if applicable): \$331,406

### Pros for the Project:

- The project would create 64 new units of affordable housing.
- Approximately half of the housing units will be permanent supportive housing for chronically homeless households.
- The project will have deeply affordable units restricted for households with incomes ranging from 20% - 60% of AMI.
- This proposal will support phase II which will include an additional 64 rental units.
- Due to an increase in the current year fiscal federal budget, applicant intends to apply for a 9% tax credit allocation, which, if awarded, would cut their current financial gap in half.
- If Applicant is unsuccessful at obtaining 9% tax credit allocation, Applicant proposes to obtain a 4% tax credit allocation, providing some assurance of their proposed timeline.
- The Applicant has a proven track record of successfully completing projects involving supportive housing.
- Using Permit Sonoma's project readiness scoring, this project has a readiness score of 1, all entitlements (except building permit) are in place and valid.

### Cons for the Project:

- The project will be developed in phases, prolonging the completion of the project and full occupancy.
- The applicant represents a need for PBV's from the City of Santa Rosa.
- A large part of the permanent financing has not been committed or available yet.
- Project indicates a funding gap of \$11,832,446, injecting some uncertainty into the project timeline.
- The NEPA Environmental Assessment for this project is not completed, therefore extending the timeline to secure necessary funding and commencement of construction beyond the proposed schedule.

### Consequences of no Funding:

The requested funds are for predevelopment costs for the project, if the project is not awarded funding, it would increase the existing funding gap of over \$11 million dollars and risk rescinding existing funding awards from Commission PHC, CFH, and the No Place Like Home funds from the state. An award would allow the applicant to not rely so heavily on CDBG-DR to fill remaining gaps.

### Staff Recommendation

This project is a component part of master plan to house a vulnerable population, create a shelter, and provide extensive county-wide services, the project would likely be very competitive for CDBG-DR funds and encourages the applicant to re-apply when funding has been secured.

Due to the amount of oversubscribed HOME funding proposals, existing Commission funding awards to the project, and a large portion of proposed funding uncommitted for the project, **staff recommends no funding for Caritas Homes.**

## **SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION – TENANT BASED RENTAL ASSISTANCE**

Amount Requested: **\$37,040**

Funding Source: **HOME**

Total Project Costs: **\$106,000**  
**Assistance**

Project Type: **Tenant Based Rental**

Use of Funds Requested: **Tenant Based Rental Assistance**

### Program Summary

The Community Development Commission's Tenant Based Rental Assistance Program (TBRA) currently serves 17 households.

The households currently served include:

- 3 individuals with HIV/AIDS who are clients of Face 2 Face
- 12 seniors in a housing development in Rohnert Park that converted to market rate
- 2 senior households who live in mobile homes who were part of the Mobile Home Space Rent Assistance Program and whose landlords have historically not taken Housing Choice Vouchers

TBRA provides a two year contract to each household with the purpose of stabilizing them in existing housing or providing them with access to housing when they are experiencing homelessness or at risk of homelessness. TBRA is particularly useful if a household is not eligible for other housing assistance at the time that they are experiencing housing instability, homelessness or are at risk of homelessness. Last year, the TBRA program started with 38 households, and 21 were able to be stabilized with other forms of rental assistance.

\$37,040 will ensure that the 17 households currently receiving TBRA maintain stability in their housing while other rental assistance is secured or until a permanently affordable unit is identified for the client household. All households served are on fixed incomes and in need of permanent rental assistance or a permanently affordable unit in order to maintain housing stability. The Housing Authority is working with each household, often in coordination with case workers, to ensure that each household secures access to permanent affordable housing at the end of the term of the HOME TBRA and does not experience a gap in housing stability. The Housing Authority anticipates that 12 of the currently assisted households will be stabilized with permanent rental assistance within the next fiscal year.

### Project Description Summary from Applicant's Submitted Application:

#### **FY 20-21 CDBG & HOME for Capital Projects Threshold Criteria**

##### Is the application complete?

Because this is an internal program, no application was required.

Eligible Activity:

Tenant Based Rental Assistance is an eligible activity under the HOME program.

If applying for CDBG funds, does the proposed project meet a CDBG National Objective?

n/a

Does the project Affirmatively Further Fair Housing?

The project furthers Fair Housing by providing HOME tenant based rental assistance vouchers to very low and low-income households including seniors, people with disabilities, and people experiencing homelessness. Having this limited term rental assistance allows them to gain housing stability and access permanently affordable housing in neighborhoods of their choice.

Is the applicant an eligible applicant/sub-recipient/recipient per CDBG/HOME regulations?

The Sonoma County Housing Authority is eligible because it is an agency of the County of Sonoma, a HOME participating jurisdiction.

Does the application demonstrate administrative capacity or request assistance of the Community Development Commission to effectively deliver the proposed project?

The Sonoma County Housing Authority employs 14 individuals, with one position, the Special Programs Coordinator, assigned to the casework and management of the HOME Tenant Based Rental Assistance program.

If serving people who are homeless, does the project meet the standards of Home Sonoma?

Not applicable.

For CDBG applicants, does the project serve Urban County? For HOME applicants, is the project located in a member jurisdiction of the HOME consortium?

The project serves the County of Sonoma, a member jurisdiction of the HOME consortium.

**FY 20-21 CDBG & HOME for Capital Projects Selection Criteria**

**Funding Priorities**

**1. Creation or Preservation of Affordable Housing.**

Project provides tenant based rental assistance to individuals, allowing them access to the existing housing stock that would otherwise be unaffordable to them.

**2. Infrastructure or Public Facility Supporting creation or preservation of affordable housing.**

Not applicable.

**3. Infrastructure or Public Facility Supporting low or moderate-income populations.**

Not applicable.

4. Projects that prevent displacement in high opportunity areas.

This project prevents displacement by providing rental subsidy that allows households to retain or access housing in high opportunity areas.

5. Projects that alleviate the impact of climate change on low-income populations.

This project does not alleviate the impact of climate change on low-income populations.

**Readiness to Proceed**

Readiness to proceed: projects that appear ready to proceed to the construction and then occupancy stage in a timely fashion will also be provided a priority in the approval consideration process. This can be gauged by the status of land use entitlements as well as the degree to which other funding commitments have been secured.

The Sonoma County Housing Authority HOME Tenant Based Rental Assistance program is already active and funds would be used to complete the 24-month term of committed rental payments for 17 individuals on 24-month long contracts.

Environmental clearance in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA).

TBRA is categorically exempted from NEPA, so the preparation of the Environmental Review will require minimal time and will not impact the timeline in which funds are spent for this program.

Is the proposed project consistent with the General Plan?

Not applicable for tenant based rental assistance projects.

Does the applicant possess site control?

Not applicable for tenant based rental assistance program

**Need**

The program currently provides rental assistance for 17 households who are low-income, and who require rental assistance in order to maintain housing stability. Continued funding would allow the Sonoma County Housing Authority to fulfill their end of the 24-month long contracts with project participants, at which point the households assisted would access rental assistance on a restricted, affordable unit.

**Financial Feasibility**

\$106,000 covers the cost of housing assistance payments for the 17 households with current TBRA contracts. A projection of the anticipated rent payments was submitted by the Housing Authority to demonstrate how funds would be used.

## Outcomes

Program will provide tenant based rental assistance for 17 low-income, disabled or senior households experiencing homelessness or housing instability.

## Unit Mix

Not applicable.

## Leverage (Housing Projects)

This program leverages the casework of Face 2 Face and Linkages programs, ensuring that households receiving rental assistance also receive wrap-around services, helping them to maintain quality of life and remain housed. The program also leverages the capacity of the Housing Authority's rental assistance program to ensure compliance with the HOME regulations.

Because the Housing Authority was able to stabilize more people more quickly with the \$270,000 it was awarded in FY 2019-2020, it is able to use \$68,960 in funding awarded last year to meet the FY 2020-2021 program needs.

### FY 2020-2021 Urgent Community Needs

#### **1. Projects that serve the maximum number of people at the lowest income threshold.**

This project provides rental assistance for 17 households with extremely low- and very-low incomes.

#### **2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty. (Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)**

The project does not provide new rental housing opportunities or improve access to community assets in low-income communities.

## Analysis

Total development cost per unit (if applicable): Not applicable.

Total hard cost per unit (if applicable): Not applicable.

Average rental assistance paid per individual is \$21,000 per 24-month contract. The funds requested reflect that some households will be able to transfer to permanent assistance through the Housing Choice Voucher program or to an affordable unit before the end of the FY 2020-2021 Fiscal Year.

### Pros for the Project:



- Ensures housing stability for 17 extremely low- and very low-income disabled or senior households

Cons for the Project:

- Does not produce new housing units
- Does not meet climate change objectives

Consequences of no Funding:

Tenants who are currently stably housed and are on a path to receiving permanent rental assistance or be able to move into an affordable unit will lose housing stability and will be at risk of homelessness.

**Staff Recommendation**

Funding in the amount requested will ensure housing stability for 17 households currently receiving assistance. **Staff recommendation is to fund the TBRA program in the amount of \$37,040.**



**Sonoma County Community Development Commission**  
1440 Guerneville Road, Santa Rosa, CA 95403-4107

*Members of the  
Commission*

**Susan Gorin**  
Chair

**Lynda Hopkins**  
Vice Chair

**David Rabbitt**  
**Shirlee Zane**  
**James Gore**

**Barbie Robinson,**  
**MPP, JD, CHC**  
Executive Director

MEMORANDUM

Date: March 18, 2020

To: Community Development Committee

From: Thai Hilton, Special Programs Coordinator  
Martha Cheever, Housing Authority Manager

Subject: Update on Family Self Sufficiency (FSS) Program  
Adoption of Revised FSS Action Plan

---

The Family Self-Sufficiency (FSS) Program, as established by HUD, is designed to help Housing Authority assisted clients achieve financial independence, free of government aid. The Sonoma County Housing Authority (Housing Authority) has operated a Family Self Sufficiency program since 1993 and has had 186 graduates to date. Staffing for the program is funded through annual HUD grants and funding for financial incentives is available through the Housing Authority's Housing Assistance Payments budget.

In order to aid clients in achieving financial independence, Housing Authority staff works with each FSS participant to establish an Individual Training and Services Plan (ITSP). This written plan sets forth the supportive services that will be provided to the participant, the activities that must be completed by the participant, and time-frames for completion. This ITSP becomes an exhibit to the HUD required Contract of Participation entered into between the Housing Authority and the participant. Each Contract of Participation is set for five years and the participant is eligible to "graduate" from the program under one of the following circumstances: five years elapse and the participant meets all of the goals in their ITSP; a participant meets their goals in less than five years and requests early graduation; or a participant's earned income increases to three times the Fair Market Rent of the unit they qualify for.

To incentivize participants to increase their earned income the Housing Authority establishes an escrow account. This escrow account is funded as the participant increases their earned income. For many FSS participants, as their earned income increases, the rent portion they must pay increases and the Housing Authority's portion of rental assistance paid to the owner decreases. However, in the FSS program, an amount equal to the decrease in the Housing Authority's payment to the landlord is deposited in an escrow account which is payable to the participant upon their graduation from program. These funds can be used for anything the participant wishes.

A required element of the FSS program is a Family Self Sufficiency Action Plan (Action Plan). This document serves as a local guide to program implementation. As part of a Voluntary



Compliance Agreement with HUD, the Housing Authority has been tasked with updating its Action Plan to reflect non-discriminatory policies and practices and to document the Housing Authority's administration of the program including the administration of its FSS waitlist.. The only programmatic change that has been made to the Action Plan is the addition of a limited preference for families participating in the Housing Authority's Family Unification Program. This limited preference designates 6 (or 15%) of the Housing Authority's 38 FSS slots to participants of the Family Unification Program. This limited preference has been encouraged by HUD and positions the Housing Authority to be more competitive in future applications for additional vouchers.

This Action Plan has been reviewed and approved by the FSS Program Coordinating Committee, a Committee required by regulation, which assists the Housing Authority in securing public and private resources for the operation of the FSS program.

Requested Action: Review and approve the FSS Action Plan

Attachment: Draft FSS Action Plan

Sonoma County Housing  
Authority's Action Plan  
for the  
Family Self-Sufficiency Program

March 2020

## Chapter 1

### THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

#### PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

##### 1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This family self-sufficiency program is administered by the Sonoma County Housing Authority for the jurisdiction of the County of Sonoma.

##### 1-I.B. APPLICABLE REGULATIONS

Applicable regulations for public housing and HCV FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Public Housing Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects—General Provisions
- 24 CFR Part 966: Public Housing Lease and Grievance Procedures
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

##### 1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The family self-sufficiency (FSS) action plan is required by HUD. The purpose of the FSS action plan is to establish policies for carrying out the family self-sufficiency program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS action plan is a supporting document to the PHA Administrative Plan, and is available for public review as required by 24 CFR Part 903.

This family self-sufficiency action plan is set forth to define the PHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS Action Plan have been designed to ensure compliance with the consolidated Annual Contributions Contract (ACC) and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the FSS program. If such changes conflict with this plan, HUD regulations will take precedence. Administration of the FSS program and the functions and responsibilities of PHA staff shall be in compliance with the PHA's personnel policy and HUD's family self-sufficiency regulations, as well as all HCV regulations, in addition to federal, state, and local fair housing laws and regulations.

## **PART II. REQUIREMENTS OF THE FSS ACTION PLAN**

The PHA is currently implementing one FSS program for both Housing Choice Voucher (HCV) and Project Based Voucher (PBV) clients and will submit one action plan, the policies in which apply to participants of both programs.

### **Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]**

The PHA will review and update the action plan at least once a year, and more often if needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

### **1-IL.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]**

HUD regulations state that there are several components that must be included in the FSS action plan. At a minimum, the action plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

- Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)
- Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2)
- Eligible families from any other local self-sufficiency program who are expected to agree to executing an FSS contract of participation. (Chapter 2)
- A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)
- A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)
- Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)

- A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)
- A description of the PHA’s method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)
- A description of the PHA’s policies regarding program termination or withholding of services on the basis of a family’s failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)
- Assurances of noninterference with rights of non-participating families which state that a family’s election to not participate in the FSS program will not affect the family’s admission to the HCV program, nor will it affect their right to occupancy in accordance with its lease. (Chapter 4)
- Timetable for program implementation, including the schedule for filling FSS slots with eligible families. (Chapter 2)
- Certification of coordination, which is a certification that the development of services and activities under the FSS program has been coordinated with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers (formerly JOBS program), and any other relevant employment, child care, transportation, training, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities. (Chapter 4)
- Optional additional information, which involves such other information that would help HUD determine the soundness of the PHA’s proposed FSS program. (All Chapters)

**1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]**

As part of the required contents of the FSS action plan, family demographics of the housing choice voucher and project based voucher program participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). These data may later be used to help the housing authority and the program coordinating committee (PCC) to identify supportive service needs of the families expected to participate in the FSS program.

<b>Housing Choice Voucher/ Project Based Voucher (as of March 1, 2020)</b>	<b>Total Families</b>	<b>Percent of Total</b>
<b>All Families</b>	2728	100.00%
Single	1681	61.62%
Female HOH	1929	70.71%
Male HOH	799	29.29%
<b>Race</b>		
White	2388	87.54%

Black/African American	155	5.68%
American Indian/Alaska Native	111	4.07%
Asian	76	2.79%
Native Hawaiian/Other Pacific Islander	26	0.95%
<b>Ethnicity</b>		
Hispanic or Latino	443	16.24%
Not Hispanic or Latino	2285	83.76%
<b>Income</b>		
Extremely Low-Income	2239	82.07%
Very Low-Income	369	13.53%
Low-Income	120	4.40%
HOH Income from Wages	216	7.92%
Other Member Income from Wages	571	20.93%
HOH Income from TANF	193	7.07%
Other Member Income from TANF	8	0.29%
HOH Income from SSI	1515	55.54%
Other Member Income from SSI	492	18.04%
<b>Number of Children</b>		
0	2058	75.44%
1-2	487	17.85%
3-4	160	5.87%
5 or more	24	0.88%
<b>Total Number of Family Members</b>		
1-2	2198	80.57%
3-4	394	14.44%
5 or more	136	4.99%
<b>Persons with Disabilities</b>		
HOH Person w/ Disabilities (HUD)	1662	60.92%
Family Members w/ Disabilities	203	7.44%



## Chapter 2

### PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

#### INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of the PHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS action plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about the size of the PHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including the deadlines for program start-up and when the PHA is expected to have attained full enrollment.

Part IV: The Definitions of Terms Used in the PHA's FSS program: This section contains both HUD and PHA definitions for terms used in this policy document.

#### PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

##### 2-I.A. PURPOSE

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of housing assistance under the housing choice voucher program with public and private resources enabling families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, the PHA's goal in operating an FSS program is to match housing-assisted families with existing services so that they may reduce their dependency on housing, welfare, and other government subsidies and complete the contract of participation.

##### 2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]

In order to reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on Section 8, public, or any federal, state, or local rent or homeownership subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. As

with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

### **2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]**

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS action plan (as required in 24 CFR 984.201), provide comprehensive supportive services (as defined in 24 CFR 984.103), and operate in compliance with nondiscrimination and equal opportunity requirements.

## **PART II: SCOPE OF THE FSS PROGRAM**

### **2-II.A. PHAS REQUIRED TO OPERATE AN FSS PROGRAM**

The Housing Authority operates a voluntary FSS program.

#### **Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]**

Because the PHA's FSS program is voluntary, the PHA's Housing Choice Voucher FSS MMPS is 0.

### **2-II.B. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]**

The PHA estimates that 38 eligible FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, state, local, and private resources.

### **2-II.C. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]**

The PHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

### **2-II.D. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]**

The PHA will not combine its resources with any other PHA to deliver support services, have a joint action plan, or establish or operate a combined FSS Program.

## **PART III: PROGRAM OPERATION**

### **2-III.A. OVERVIEW**

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when the PHA is expected to have attained full enrollment. A timetable illustrating when the PHA intends to meet these deadlines is included as part of the required contents of the action plan.

### **2-III.B. PROGRAM IMPLEMENTATION DEADLINE**

### **2-III.E. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(ii)]**

The PHA will implement the FSS program within one year from the date of approval of either the FSS action plan by the HUD field office, or the FSS funding application by HUD.

The PHA has implemented its FSS program and will proceed according to the following timetable:

<b>Activity</b>	<b>Month and Date</b>
Conduct Outreach	January, 2020
Conduct Orientations	Beginning April, 2020
Conduct Individual Needs Assessment	Beginning April, 2020
Begin Contracting	May, 2020
Complete Contracting	When program is at capacity

## PART IV: DEFINITIONS

### 2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act, fair market rent, HUD, low-income family, public housing, public housing agency (PHA), secretary, and Section 8*, as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this family self-sufficiency action plan.

***Certification*** means a written assertion based on supporting evidence, provided by the FSS family or the PHA, which must be maintained by the PHA in the case of the family's certification, or by HUD in the case of the PHA's certification; made available for inspection by HUD, the PHA, and the public, as appropriate; and be deemed to be accurate, unless the secretary or the PHA determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

***Chief executive officer (CEO)*** means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

***Contract of participation (COP)*** means a contract in a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered into between the PHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional detail, see 24 CFR 984.303.

***Earned income*** means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

***Effective date of contract of participation*** means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

***Eligible families*** for the FSS program for the housing choice voucher FSS program, means current housing choice voucher program participants. Eligible families also include participants in the housing choice voucher program who are participants in other local self-sufficiency programs.

***Enrollment*** means the date that the FSS family entered into the contract of participation with the PHA.

***Family self-sufficiency program or FSS program*** means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

***FSS account*** means the FSS escrow account authorized by section 23 of the 1937 Act.

**FSS credit** means the amount credited by the PHA to the participating family's FSS account.

**FSS family or participating family** means a family that resides in public housing or receives assistance under the rental voucher programs that elects to participate in the FSS program and whose designated head of the family has signed the contract of participation.

**FSS-related service program** means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of *supportive services*.

**FSS slots** refer to the total number of rental vouchers that comprise the minimum size of a PHA's respective HCV FSS program.

**FY** means federal fiscal year (starting with October 1, and ending September 30, and designated by the calendar year in which it ends).

**Head of FSS family** means the adult member of the FSS family who is the head of the household for purposes of determining income eligibility and rent.

**Housing subsidies** means assistance to meet the costs and expenses of temporary shelter, rental housing, or homeownership, including rent, mortgage, or utility payments.

**Individual training and services plan (ITSP)** means a written plan that is prepared for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth the supportive services to be provided to the family member, the activities to be completed by that family member, and the agreed upon completion dates for the services and activities. Each ITSP must be signed by the PHA and the participating family member, and is attached to and incorporated as part of the contract of participation. An ITSP must be prepared for the head of the FSS family.

**JTPA** means the Job Training Partnership Act (29 U.S.C. 1579(a)) now known as the Workforce Investment Act or WIA.

**Knowledgeable professional** means a person who is knowledgeable about the situation, competent to render a professional opinion, and is not in a position to gain, monetarily or otherwise, from the PHA FSS program decision in the area to which they are certifying.

**Participating family** is defined as *FSS family* in this section.

**Program coordinating committee (PCC)** means the committee described in 24 CFR 984.202.

**Self-sufficiency** means that an FSS family is no longer receiving Section 8, public, or Indian housing assistance, or any federal, state, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds.

**Supportive services** mean those appropriate services that a PHA will make available or cause to be made available to an FSS family under a contract of participation. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in

homemaking and parenting skills; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that the PHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

*Unit size* or *size of unit* refers to the number of bedrooms in a dwelling unit.

*Welfare assistance* means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement and other employment-related services that do not provide basic income support; transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of the Social Security Act, to an individual who is not otherwise receiving assistance; amounts solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.

## Chapter 3

### PROGRAM ADMINISTRATION

#### INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement for the FSS program. It describes required and recommended PCC membership, in addition to the option for an alternative committee.



## **PART I. STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES**

### **3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS**

#### **[24 CFR 984.301(b)]**

The PHA will employ appropriate staff, including one or more FSS coordinators or program coordinators to administer its FSS program.

### **3-I.C. ADMINISTRATIVE FEES AND COSTS**

Funding for the FSS program is awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS).

#### **Housing Choice Voucher FSS Program**

Administrative fees are paid to the PHA for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

### **3-I.D. SUPPORTIVE SERVICES FEES AND COSTS**

As with administrative fees and costs, funding for supportive services fees and costs are now combined under one funding stream. Supportive services fees and costs include childcare expenses, transportation funds, and the costs of training, work equipment, or GED classes, among others. As with administrative fees and costs, funding will be awarded through a Grant Agreement and disbursed through HUD's Line of Credit Control System (LOCCS).

#### **Housing Choice Voucher Supportive Services**

In addition, the PHA will seek additional funds from HUD by submitting grant applications, or seek grants from other sources when available.

## **PART II: PROGRAM COORDINATING COMMITTEE**

### **3-II.A. OVERVIEW**

The PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the action plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of certain members as required by program regulations. In addition to these required members, the PCC may also include additional members recommended by regulation.

### **3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP**

#### **Required PCC Membership [24 CFR 984.202(b)(1)]**

For a housing choice voucher FSS program, the PCC membership must consist of representatives of the PHA and participants of the HCV program or HUD's public or Indian housing programs.

The PHAs representative to the program coordinating committee will be the FSS coordinator.

### **Recommended PCC Membership [24 CFR 984.202(b)(2)]**

Membership on the PCC may also include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

The PHA's FSS program coordinating committee membership will include staff from the following organizations:

- Rosa Junior College
- Freedom Mortgage
- Redwood Credit Union
- Napa and Sonoma Small Business Development Center
- Sonoma County YMCA
- Tenant representative
- Dede's Rentals

### **3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]**

The PHA will not utilize an existing entity as its program coordinating committee.

## Chapter 4

### SELECTING AND SERVING FSS FAMILIES

#### INTRODUCTION

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use in order to encourage participation and recruit eligible families for the FSS program. It also contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

#### PART I. INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE

##### 4-I.A. OVERVIEW

The FSS program offers incentives such as the FSS escrow account, case management, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, the PHA will also conduct outreach to recruit FSS participants from among eligible families. A family's participation in the FSS program will not affect their admission to the housing choice voucher programs. This part describes the PHA's policies regarding these issues.

##### 4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]

The PHA will offer the following services to its FSS participants as incentives to participate in FSS:

Incentive	Provided By	Description
FSS escrow account	SCHA	Savings account for participants that accrues money as the families earned income grows.
Case management	SCHA	One on one meetings to assist client set short and long term goals.
Information on and referrals to services	SCHA	Connecting client with agencies that can assist them in completing their goals and overcoming obstacles to their goals.

#### **4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)]**

The PHA will notify all eligible Housing Choice Voucher families when applications are being accepted for the FSS program using the following outreach locations, activities, methods, and languages, where appropriate. These points of contact and methods have been selected to ensure that both minority and nonminority groups are informed about the FSS program.

<b>Location/Activity</b>	<b>Staff/Partner</b>	<b>Method</b>	<b>Language</b>
Briefings/Orientations	PHA Staff Specialist	Flyer Provided Presentation	English/Spanish
Interims/Recertifications	PHA Staff Specialist	Flyer Provided Description	English/Spanish
Transfers/Portability	PHA Staff Specialist	Presentation Referral Form	English/Spanish
Lobby	PHA Staff Receptionist	Flyer Message Screen	English/Spanish

#### **4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]**

Participation in the FSS program is strictly voluntary. Housing Choice Voucher program participants will be notified in all literature and media presentations related to the FSS program that should they decide not to participate in the FSS program it will not affect their HCV housing assistance. This material will also specify that the family will retain the right to occupancy according to their lease and family obligations contract.

### **PART II. FAMILY SELECTION**

The PHA has adopted a limited preference for families and youth participating in the Family Unification Program (FUP). This preference will designate 15% of the FSS program for FUP families and FUP youth. No other preferences will be utilized when selecting families for participation in the FSS program. The PHA will use a random lottery system in order to place interested families on the FSS waitlist when a new waitlist is established. Once the new waitlist is established, all new applicants will be placed on the waitlist in order of the date and time of application. Eligible FSS applicants will be provided program orientation in accordance with the order in which they appear on the FSS waitlist for both the general FSS program and the limited FUP preference. The PHA will not screen families for motivation to participate in the FSS program.

Participants of the FSS program will be required to attend an FSS orientation session and indicate a willingness to undertake the obligations that may be imposed by the FSS contract of

participation. Reasonable accommodations must be made for individuals with mobility, manual, sensory, speech impairments, mental, or developmental disabilities.

The PHA will deny FSS participation to a family if the family owes the PHA, or another PHA, money in connection with HCV or public housing assistance. Families that owe money to a PHA who have entered into a repayment agreement and are current on that repayment agreement will not be denied FSS participation.

The PHA may refuse to select a family for participation in the FSS program a second time if that family previously participated unsuccessfully (i.e., the family participated, did not meet its FSS obligations, and was terminated from the FSS program) [Notice PIH 93-24, B-14].

#### ***Unavailable Support Services Selection Factor***

##### PHA Policy

If the PHA determines, after consulting with the family, that a missing service is essential to the family's needs, the PHA may skip that family (and other similar families) and offer the FSS slot to the next family for which there are available services [Notice PIH 93-24, B-8].

##### PHA Policy

### **PART III. ACTIVITIES AND SUPPORT SERVICES**

#### **4-III.A. OVERVIEW**

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of assistance under the housing choice voucher program with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program.

#### **4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS**

##### **[24 CFR 984.201(d)(8)]**

The PHA will meet with each FSS participant to determine the supportive services and activities appropriate for each participant family. Supportive services needs are identified by completion of a needs assessment with the FSS coordinator or case manager.

These results are used to modify the ITSP, if requested by the family.

#### **4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION**

##### **[24 CFR 984.201(d)(7)]**

The PHA's FSS program, through its partners on the Program Coordinating Committee and other community resources will provide the following activities and support services to FSS families:

<b>Support Service General</b>	<b>Support Service Specific</b>	<b>Source/Partner</b>
<b>Assessment</b>	Employment assessment	FSS Coordinator
<b>Education</b>	High School Post-secondary College	Santa Rosa Junior College Sonoma State University
<b>Training</b>	Skills Training	Santa Rosa Junior College Sonoma County Job Link
<b>Job Search Assistance</b>	Resume Preparation Interviewing Skills Workplace Skills Job Development Job Placement	Sonoma County Job Link Santa Rosa Junior College
<b>Micro and Small Business Development</b>	Training Technical Assistance	Napa and Sonoma Small Business Development Center
<b>Home ownership</b>	Training Planning Debt Resolution	Freedom Mortgage
<b>Child Care</b>	Toddler Care Preschool Care Afterschool Care	4Cs
<b>Financial Education</b>	Building/repairing credit Tax preparation Budgeting	Catholic Charities of the Diocese of Santa Rosa Redwood Credit Union
<b>Legal Services</b>	Representation Document Review Counsel or Advice	Leora Johnson LDA Legal Aid of Sonoma County Disability Services Legal Center

**4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(d)(12)]**

The PHA certifies that its FSS program has developed its services and activities in coordination with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers, Welfare to Work (formerly JOBS program), and any other relevant employment, child care, transportation, training, and education programs in the

applicable area. The implementation of these activities and services will continue to be coordinated in this manner in order to avoid duplication of activities and services.



## Chapter 5

### CONTRACT OF PARTICIPATION

#### INTRODUCTION

Each family that is selected to participate in an FSS program must enter into a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303].

This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

#### PART I: OVERVIEW AND FAMILY OBLIGATIONS

##### 5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals for an FSS family to meet while working to complete the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

##### 5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION

###### Individual Training and Services Plan

As part of the required contents of the FSS contract of participation (COP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Further, regulations require the establishment of an interim goal regarding independence from welfare assistance.

###### *Interim Goals*

The PHA will suggest to each family participating in the FSS program, regardless of whether the family is receiving welfare assistance at the time the contract of participation is being developed, that the family include an interim goal on its individual training and services plan for the family

to become independent from welfare assistance and remain welfare-free for at least one year before the expiration of the term of the contract of participation.

### ***Individual Training & Service Plans for Other than FSS Head***

An individual training and services plan is only required for the head of the FSS family. However, after consulting with the family, the PHA may permit additional family members to have an ITSP for family members aged 18 or over if they want to participate in the FSS program and supportive services are available [Notice PIH 93-24, G-16].

## **5-I.C. FAMILY OBLIGATIONS**

### **Compliance with Lease Terms**

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the housing choice voucher program assisted lease [24 CFR 984.303(b)(3)].

Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)].

An FSS family may be terminated from the FSS program if it has been evicted for repeated or serious violations of the lease unless they have prevailed in either the grievance hearing or the informal hearing process.

The PHA's FSS program will not terminate the FSS contract of participation for a one-time failure to comply with the terms of the lease unless the lease violation is deemed to be a serious violation.

### **Employment Obligation [24 CFR 984.303 (b)(4)]**

Another obligation set forth by the contract of participation is for the head of the FSS family to *seek and maintain suitable employment* during the term of the contract and any extension. Although other members of the FSS family may seek and maintain employment during the term of the contract, it is only a requirement for the head of the FSS family.

The obligation for the head of the FSS family to *seek employment* is defined in the regulatory language as meaning that the head of the FSS family has applied for employment, attended job interviews, and has otherwise followed through on employment opportunities. However, this definition still leaves room for policy decisions on the part of the PHA because it does not define the level of activity involved in "seeking."

There is no minimum period of time that an FSS head of household needs to be employed in order to meet its contract of participation requirements [Notice PIH 93-24, G-9].

The PHA uses the following definitions for purposes of the FSS program:

*Seek employment* means the head of household has applied for employment, attended job interviews, and otherwise followed through on employment opportunities as outlined in the individual training and services plan of his or her contract of participation.

*Maintain employment* means that the head of household will complete all of the obligations outlined in the individual training and services plan of his or her contract of participation (COP) and be employed full-time on the last effective day of the COP.

*Suitable employment* is any full-time employment that is obtained by the FSS head of household.

#### **5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT**

Consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the Project Based Voucher lease or the HCV-assisted lease), the PHA may:

- Withhold supportive services
- Terminate the family's participation in the FSS program

Per the alternative requirements listed in the *Federal Register* notice dated December 29, 2014, the PHA will terminate HCV assistance to a family due to the family's failure to meet its obligations under the contract of participation [FR Notice 12/29/14].

The contract of participation (COP) will be terminated before the expiration of the contract term if the participant fails to meet, without "good cause," their obligations as outlined in the COP. If the participant fails to meet its obligations outlined in the COP, the FSS coordinator, or their designee, will first meet with the family to reassess the need for supportive services or a change in the individual training and services plan (ITSP). Then, if a reassessment of supportive services or a change in the ITSP is not successful in bringing the family into compliance, the FSS coordinator will withhold supportive services for no more than 90 days until the participant meets their obligations outlined in the COP. Finally, if neither of these alternatives is successful, the FSS coordinator will terminate the COP for failure to complete the tasks, interim goals, or final goals of the ITSP in a timely manner, and thus failure to complete the obligations outlined in the COP.

The FSS coordinator will make an exception to the actions in terminating the COP if the participant can demonstrate "good cause" for the failure to meet its obligations as outlined in the COP.

For purposes of the PHA FSS program, *good cause* includes:

Family circumstances

Death in the family

Serious illness

Medical emergency

Mandatory court appearances

Involuntary loss of employment

Loss of head of household through death, incarceration, or removal from lease

Change in the ITSP improving progress toward economic self-sufficiency

Community circumstances

- Significant reduction in workforce (over 20 percent reduction in employment field)
- Significant interruption in service delivery (over 3 months interruption)
- Provider noncompliance with regulation
- Provider unable/unwilling to provide service
- Provider offering inferior service

## **PART II. CONTRACT SPECIFICATIONS**

### **5-II.A. OVERVIEW**

In addition to making clear the family’s obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

### **5-II.B. CONTRACT TERM [24 CFR 984.303(c)]**

The contract term is five years. This means that the family has no more than five years from the effective date of the contract of participation (COP) to fulfill their obligations as specified in the contract. This five year term requirement will be specified in the COP.

#### **Contract Extension [24 CFR 984.303(d)]**

While the term set forth in the contract of participation is for five years, contract extensions are possible. According to regulation, PHAs will for “good cause” extend the term of the contract for a period not to exceed two years for any FSS family that requests an extension of the contract in writing. The family’s written request for an extension must include a description of the need for the extension. *Good cause* means circumstances beyond the control of the FSS family, as determined by the PHA, such as a serious illness or involuntary loss of employment (further defined by PHA policy in Section 5-I.D.). Extension of the contract of participation will entitle the FSS family to continue to have amounts credited to the family’s FSS account.

### **5-II.C. MODIFICATION OF THE CONTRACT**

The contract of participation (COP) does have the ability to be modified, as long as the PHA and the FSS family mutually agree to modify it. This includes modifications in writing with respect to the individual training and services plans (ITSPs), the contract term (See Section 5-II.B. above), and designation of the head of the family [24 CFR 984.303(f)].

The COP may be modified by mutual agreement between the PHA and the head of household:

When modifications to the ITSP improve the participant’s ability to complete their obligations in the COP or progress toward economic self-sufficiency

When the designated head of the FSS family ceases to reside with other family members in the assisted unit, and the remaining family members, after consultation with the HCV program representative, designate another family member to be the head of household and receive escrow funds

When a relocating family is entering the FSS program of a receiving PHA and the start date of the COP must be changed to reflect the date the new COP is signed with the receiving PHA

#### **5-II.D. COMPLETION OF THE CONTRACT**

By regulation, the contract of participation is considered to be completed, and a family's participation in the FSS program is considered to be concluded when one of the following occurs [24 CFR 984.303(g)]:

- The FSS family has fulfilled all of its obligations under the contract of participation on or before the expiration of the contract term, including any extension thereof.
- 30 percent of the monthly adjusted income of the FSS family equals or exceeds the published existing housing fair market rent for the size of the unit for which the FSS family qualifies based on the PHA's occupancy standards. The contract of participation will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have individual training and services plans have not completed all the activities set forth in their plans.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this action plan.

#### **5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE**

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former FSS family whose head of family is employed. If the family still resides in HCV-assisted housing, these supportive services would be offered for becoming self-sufficient.

#### **5-II.F. TERMINATION OF THE CONTRACT**

The contract of participation may be terminated before the expiration of the contract term and any extension of the contract by the following [24 CFR 984.303(h)]:

Mutual consent of the parties

Failure of the FSS family to meet its obligations under the contract of participation without good cause

Failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA without continued assistance under portability

Family's withdrawal from the FSS program

Such other act as is deemed inconsistent with the purpose of the FSS program

Operation of law

In addition, the contract of participation is automatically terminated if the family's HCV assistance is terminated in accordance with HUD requirements [24 CFR 984.303(h)].

## **5-II.H. NULLIFICATION OF CONTRACT FOR UNAVAILABILITY OF SUPPORTIVE SERVICES [24 CFR 984.303(e)]**

In addition to termination, the contract of participation can also be ended ahead of time as a result of integral supportive services being unavailable. This, however, should only occur as a last resort:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.
- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services *are* determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall declare the contract of participation null and void.

Nullification of the contract of participation on the basis of unavailability of supportive services shall not be grounds for termination of HCV assistance.

## **5-II.I. GRIEVANCE PROCEDURES**

The grievance and informal hearing procedures for the FSS program will be the same as the grievance and hearing procedures adopted for the Housing Choice Voucher program in the PHA's Administrative Plan, respectively.

Adverse actions taken within the FSS program include:

- Denial of admission into the FSS program
- Denial of request for supportive services
- Denial of request to change the ITSP
- Denial of request to change the head of household
- Denial of request for interim disbursement of the escrow account
- Denial of request to complete the COP
- Denial of a request for extension to the FSS COP
- Denial of request for final distribution of the escrow account or any portion thereof

Withholding of support services

Termination of the FSS COP

Denial of transitional services

## Chapter 6

### ESCROW ACCOUNT

#### INTRODUCTION

The establishment of an escrow account is offered as a financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, but the part of the rent representing the increase is deposited into an account as an escrow credit. The funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit and disbursing the funds, and also covers the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

#### PART I. THE ESCROW ACCOUNT

##### 6-I.B. CALCULATING THE FSS CREDIT AMOUNT

For FSS families who are very low-income families, the FSS credit is the lesser of 30 percent of current monthly adjusted income less the family rent, or the current family rent less the family rent at the time of the effective date of the contract of participation. The family rent is obtained by disregarding any increases in earned income (as defined in 24 CFR 984.103) from the effective date of the contract of participation. For FSS families who are considered low-income families but not very low-income families, the FSS credit is calculated in the same manner but cannot exceed the amount computed for 50 percent of the median income [24 CFR 984.305(b)(1)].

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

##### **Determination of Family Rent and Total Tenant Payment**

For purposes of determining the FSS credit, *family rent* for the HCV program, *family rent* is 30 percent of adjusted monthly income [24 CFR 984.305(b)(1)].

##### **Increases in FSS Family Income [24 CFR 984.304]**

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent become deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family



during its participation in an FSS program may not be considered as income or a resource for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD, unless the income of the FSS family equals or exceeds 80 percent of the area median income (as determined by HUD, with adjustments for smaller and larger families).

#### **Cessation of FSS Credit [24 CFR 984.305(b)(3)]**

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, or when the contract of participation is terminated or otherwise nullified.

### **6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS**

#### **Disbursement at Completion of Contract [24 CFR 984.305(c)(1)]**

When the contract has been completed according to regulation, the amount in an FSS account in excess of any amount the FSS family owes to the PHA will be paid to the head of the FSS family. However, in order to receive the disbursement, the head of the FSS family must submit a certification (as defined in §984.103) to the PHA at the time of contract completion that, to the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

#### **Disbursement before Expiration of Contract Term**

FSS account funds may also be disbursed before the end of the contract term. If the PHA determines that the FSS family has fulfilled its obligations under the contract of participation before the expiration of the contract term and the head of the FSS family submits a certification that, to the best of his or her knowledge, no member of the FSS family is a recipient of welfare assistance, the amount in the family's FSS account in excess of any amount the family owes to the PHA will be paid to the head of the FSS family [24 984.305(c)(2)(i)].

In addition, the PHA will disburse FSS account funds before completion of the contract when the family has met all its obligations under the COP to date, including the completion of all ITSP interim goals and tasks to date, and:

Requested funds are needed in order to complete an interim goal or task within the COP and are not ongoing expenses.

**OR**

The family has demonstrated that the need for one-time payment of otherwise ongoing expenses such as rent, utilities, cell phone, car payments, car maintenance, insurance, or childcare is needed to complete an interim goal, a final goal, or a task related to such goals.

#### **Verification of Family Certification at Disbursement**

Interim disbursement may only occur after the family has completed certain interim goals and funds are needed in order to complete other interim goals. The PHA will require verification that the FSS family has completed certain interim goals, or has completed the contract of

participation, and that the FSS family is no longer a recipient of welfare assistance, as relevant, before making interim and final disbursements.

Final disbursement can only occur after the family has completed the contract of participation and all members are welfare-free as defined by regulation. Because of this, it follows that the PHA may require verification for the completion of interim goals or the contract of participation.

Before final disbursement of the FSS account funds to the family, the PHA may verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(3)].

The PHA will follow HUD's verification hierarchy set forth in Notice PIH 2010-19 to make these verifications. However, the PHA will use a *knowledgeable professional* as a third-party source to verify the need for interim disbursements.

#### **Succession to FSS Account [24 CFR 984.305(d)]**

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in the HCV-assisted unit, the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

#### **6-I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP**

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

#### **6-I.E. FORFEITURE OF FSS ACCOUNT FUNDS**

Amounts in the FSS account will be forfeited when the contract of participation is terminated, or when the contract of participation is completed by the family (see Section 5-II.D. of this action plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].

#### **Treatment of Forfeited FSS Account Funds**

In the housing choice voucher program, forfeited FSS account funds will be treated as program receipts for payment of program expenses under the PHA budget for the program, and will be used in accordance with HUD requirements governing the use of program receipts [24 CFR 984.305(f)(2)(i)].

Part II. Escrow Fund Accounting and Reporting

#### **6-II.A. OVERVIEW**

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes PHA policy for managing the account from the PHA perspective.

#### **6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS**

When establishing FSS escrow accounts, the PHA will deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account. The funds

held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation the PHA will credit the amount of the FSS credit(s) to each family's account on a monthly basis.

**Proration of Investment Income [24 CFR 984.305(a)(2)(ii)]**

Each quarter the full amount of the investment income for funds in the housing choice voucher FSS account will be prorated and credited to each family's subsidiary line item after the deduction of unpaid rent and other amounts due under the HCV-assisted lease.

**Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]**

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the HCV-assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA) before prorating the interest income. If the FSS family has fraudulently underreported income, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

**6-II.C. REPORTING ON THE FSS ACCOUNT**

The PHA will provide FSS participants an annual statement on the status of their FSS escrow account.

The report will include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period
- Any deductions made from the account for amounts due the PHA before interest is distributed
- The amount of interest earned on the account during the year
- The total in the account at the end of the reporting period

## Chapter 7

### PORTABILITY IN HOUSING CHOICE VOUCHER FSS PROGRAMS

#### INTRODUCTION

As with the case of portability in the HCV program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

In the event that an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of HCV program assistance.

#### PART I: PORTABILITY IN THE FSS PROGRAM

##### 7-I.B. DEFINITIONS

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means both:
  1. A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and
  2. A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.
- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

##### 7-I.C. RESIDENCY REQUIREMENTS

Families participating in an HCV FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the PHA will approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the contract of participation if needed for training, education, employment, support services, or to meet personal family needs.

After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(b)(2)].

#### **7-I.D. CONTRACT OF PARTICIPATION**

Once a family moves outside the initial PHA's jurisdiction, a determination will need to be made regarding whether the family will continue to participate in the initial PHA's FSS program or whether it will participate in the FSS program of the receiving PHA.

##### **Continued Participation in the FSS program of the Initial PHA**

The PHA may approve a relocating family's request to continue in its FSS program if the family demonstrates to the PHA's satisfaction that, notwithstanding the move, the relocating FSS family will be able to fulfill its responsibilities under the existing or modified contract of participation at its new place of residence.

Should the relocating family stay in the initial PHA's FSS program, there will be only one contract of participation. This will be the same contract as originally executed by the initial PHA [24 CFR984.306(c)(2)].

##### **Participation in the FSS Program of the Receiving PHA**

The PHA, as the receiving housing authority, will allow a relocating FSS family to participate in its FSS program so long as vacancies exist in its FSS program.

If a relocating FSS family is accepted into the PHA's FSS program, the PHA will enter into a new contract of participation with the FSS family for the term remaining on the contract with the initial PHA. The initial PHA will then terminate its contract of participation with the family [24 CFR 984.306(d)(2)].

## MEMORANDUM

Date: March 18, 2020

To: Community Development Committee

From: Martha Cheever, Housing Authority Manager

Subject: Housing Authority Rapid Rehousing & Landlord Incentive Budget

---

At the Community Development Committee Meeting on February 19, 2020, this Committee approved the establishment of a Rapid Rehousing and Landlord Incentive Program using Housing Authority Administrative Fee fund balance, State grant funding, and local funding sources. The Rapid Rehousing and Landlord Incentive Programs include the following items:

- Security Deposit Assistance (approximated at an average of \$3,274 per client)
- Landlord signing bonus of \$1,000
- Housing Transition support
- Basic Household Set-Up
- Risk Mitigation funds up to \$1,500 for damages to unit beyond normal wear and tear
- Vacancy loss protection for one month (approximated at \$2,500 per need)

Staff were asked to come back to the Committee to present a more detailed budget. Funding for the Rapid Rehousing Program will be made available to clients exiting homelessness who are working with either the Housing Authority's Housing Navigator or a consultant who is providing housing navigation services. More clients will receive housing navigation than funds are available for deposit assistance and landlord incentives. When funds are exhausted for these services, the housing navigators will work to obtain funding on a client-by-client basis from area non-profit organizations.

It is important to note that the per-person cost as noted on the following pages will vary depending upon each individual's unique circumstances. For purposes of security deposit assistance, staff used two times the payment standard for a one bedroom unit (\$1,637) for a total security deposit estimate of \$3,274.

Funding sources are as follows:

<b>Program Number</b>	<b>Funding Source</b>	<b>Purpose</b>	<b>Amount</b>	<b>Minimum # of Clients to be Served by Program</b>
1	Local Grant	Client Based Housing Navigation/Location Services	\$ 190,000	100
2	State Grant via DHS	Flexible Rapid Rehousing and Landlord Incentive Program for homeless persons with mental illness	\$ 100,000	23
3	Housing Authority Administrative Fee Reserves	Flexible Rapid Rehousing and Landlord Incentive Program for homeless persons with rental assistance vouchers	\$ 150,000	38
4	Housing Authority Administrative Fee Reserves	Risk Mitigation & Vacancy Loss Protection for recipients of rental assistance	\$ 150,000	83
5	State Grant via DHS	Flexible Rapid Rehousing and Landlord Incentive Program for persons participating in the DHS Whole Person Care Program	\$ 605,000	100

Anticipated cost estimates for each program are included below. Each program is broken down by funding source:

<b>Program No. 1 - Housing Navigation</b>		
Funding: Grant from Partnership HealthCare of California		
Consultant: Overland, Pacific & Cutler		
Services: Housing Navigation/Location Services		
Total Program Funding: \$190,000		
<b>Year 1</b>	<b># Clients</b>	<b>Cost Per Client</b>
\$95,000	50	\$1,900
<b>Year 2</b>	<b># Clients</b>	<b>Cost Per Client</b>
\$95,000	50	\$1,900

<b>Program #2 - Rapid Rehousing</b>		
Funded by State grant via DHS, expires 6/30/2020		
Restriction: Clients must have mental illness		
Services: Security Deposit, Landlord Incentives & Housing Transition Support		
Total Program Funding: \$100,000		
<b>Security Deposits</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Expected to Serve</b>
\$75,000	\$2,500	23
<b>Landlord Signing Bonus</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Expected to Serve</b>
\$15,000	\$1,000	15
<b>Housing Transition Support</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Expected to Serve</b>
\$10,000	\$5,000	2



<b>Program #3 Rapid Rehousing</b>		
Funded by Housing Authority Administrative Fee Reserves		
Restriction: Clients must have rental assistance voucher		
Services: Security Deposit & Landlord Incentives		
Total Program Funding: \$150,000		
<b>Security Deposits</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Expected to Serve</b>
\$125,000	\$2,500	38
<b>Landlord Signing Bonus</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Expected to Serve</b>
\$25,000	\$1,000	25

<b>Program #4 - Landlord Risk Mitigation Program</b>		
Funded by Housing Authority Administrative Fee Reserves		
Restriction: Clients must receive HA Rental Assistance		
Services: Repairs & Vacancy Loss Protection		
Total Program Funding: \$150,000		
<b>Risk Mitigation Funds</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Program can Serve</b>
\$125,000	\$1,500	83
<b>Vacancy Loss Protection</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Program can Serve</b>
\$25,000	\$2,500	10

<b>Program #5 - Whole Person Care Rapid Rehousing Program</b>		
Funded by State grant via DHA, expires 12/31/20		
Restriction: Clients must be participating in DHS Whole Person Care Program		
Services: Security Deposits, Application Fees, Establishment of Basic Household Needs, Landlord Incentives, Housing Transition Support		
Total Program Funding: \$ 605,000		
<b>Client Move-In Funds</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Available to Serve</b>
\$400,000	\$4,000	100
<b>Landlord Signing Bonus</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Available to Serve</b>
\$25,000	\$1,000	25
<b>Housing Transition Support</b>	<b>Anticipated Cost Per Client</b>	<b># of Clients Available to Serve</b>
\$180,000	\$4,500	40



**Sonoma County Community Development Commission**  
1440 Guerneville Road, Santa Rosa, CA 95403-4107

*Members of the  
Commission*

**Susan Gorin**  
Chair

**Lynda Hopkins**  
Vice Chair

**David Rabbitt**  
**Shirlee Zane**  
**James Gore**

**Barbie Robinson,**  
**MPP, JD, CHC**  
Executive Director

MEMORANDUM

Date: March 18, 2020

To: Community Development Committee

From: Martha Cheever, Housing Authority Manager

Subject: Public Hearing for the Public Housing Authority Annual Plan, Public Housing Authority Five Year Plan, and modifications to the Sonoma County Housing Authority Administrative Plan.

---

The Sonoma County Housing Authority (SCHA) administers the Housing Choice Voucher Program under contract with the U.S. Department of Housing and Urban Development (HUD). This program enables very low-income households to rent from private landlords at fair market rental rates and also provides rental assistance in the form of project-based vouchers, tying assistance to specific units.

Section 511 of the Quality Housing and Work Responsibility Act of 1998 requires that all housing authorities prepare a Public Housing Agency (PHA) Plan, which includes both a 5-Year Plan and an Annual Plan for each fiscal year. The PHA Five Year Plan lays out the Housing Authority's goals and strategies for serving the needs of low-income and very low-income families for the upcoming five year period (July 1, 2020 – June 30, 2025) and the PHA Annual Plan provides an annual status update on the Housing Authority's progress in meeting the goals outlined in the previous Five Year Plan. Combined, these PHA Plans provide HUD, program participants, and other interested parties information related the Housing Authority's accomplishments, progress, and strategies for serving the needs of low-income and very low-income families.

The draft PHA Five Year Plan includes the following goals:

- Expansion of rental assistance opportunities for low-income, vulnerable populations
- Continued partnership with local non-profit agencies to provide housing navigation to low-income and/or hard to serve populations
- Expanded collaboration with the Sonoma County Accessing Coordinated Care and Empowering Self-Sufficiency (ACCESS) program, an initiative developed to holistically support clients with complex needs.
- Expanding the supply of affordable housing
- Promotion of self-sufficiency for program participants
- Ensuring equal opportunity and affirmatively further fair housing



The 2020-2021 Annual Plan provides an update on the progress the Housing Authority made in accomplishing the goals established in 2015. Key accomplishments achieved by the Housing Authority from 2015-2020 include the following:

- Award of 145 new rental assistance vouchers - 15 new Veterans Affairs Supportive Housing vouchers, 120 new Mainstream Vouchers, and rental assistance to serve 10 chronically homeless persons through Continuum of Care grant funds.
- Deployment of 93 project based vouchers throughout the County
- 22 graduates of the Family Self Sufficiency program, 15 of whom are no longer in need of rental assistance
- Continued recognition by HUD as a High Performing Housing Authority

The Housing Authority's Administrative Plan (Local Policies) is a required attachment to the Annual Plan. These Local Policies differ from the Annual Plan in that they are the guidelines for program implementation and operation at a local level. The Housing Authority is proposing changes to the Administrative Plan to include required regulatory changes and to provide increased flexibility in the use of Project Based Vouchers. A summary of the proposed changes is included as an attachment to this memo.

As required by HUD, the proposed PHA Five Year Plan and Annual Plan are consistent with the HUD-required Five-Year Consolidated Plans of the County of Sonoma and the City of Petaluma, the two HUD entitlement jurisdictions in which the Housing Authority operates the Housing Choice Voucher Program.

Requested Action: Recommend approval of the PHA Annual, the PHA Five Year Plan, and modifications of the Sonoma County Administrative Plan to the Board of Commissioners

Attachments: PHA Five Year Plan

PHA Annual Plan

Summary of Changes to Sonoma County Housing Authority Administrative Plan

Redlined changes to Sonoma County Housing Authority Administrative Plan

## **Chapter 21 – Project Based Voucher (PBV) Program**

Changes proposed to align the Housing Authority’s PBV program with Housing Opportunity Through Modernization Act (HOTMA) of 2016. Changes outline the procedures by which the Sonoma County Housing Authority will select units to receive rental assistance through its Project Based Assistance Program for new construction projects, rehabilitated projects, and existing housing.

1. Updates the maximum PBV assistance allowed in a PBV project to allow that the maximum PBVs in a project may not exceed the greater of 25 units or 25% of the units in any PBV project.
2. Adds exceptions to the PBV project limit for certain household types
3. Clarifies that the Housing Authority may add units to a PBV HAP contract at any time during the term of the PBV HAP contract without engaging in a competitive process
4. Clarifies PBV tenant selection and waitlist organization for PBV projects
5. Provides that for certain PBV projects, the Continuum of Care Coordinated Entry System will be used for vacancy referrals.
6. Provides definitions for the PBV project cap exception categories
7. Provides that the Housing Authority may provide vacancy payments under HAP contract

## Chapter 21

### PROJECT BASED VOUCHER (PBV) PROGRAM

[24 CFR 983]

#### INTRODUCTION

The Sonoma County Housing Authority (Housing Authority) implemented a project-based assistance program as part of its Section 8 Housing Choice Voucher Program in 2004. Up to 20% of the Housing Authority's Annual Contributions Contract (ACC) may be made available for this program which attaches the funding to specific units rather than using it for tenant-based assistance. With HUD's approval, an additional 10% of the Housing Authority's Annual Contributions Contract (ACC) units may be made available under the Project Based Voucher program for units which are exclusively available to families eligible for supportive services or units exclusively available to elderly families. The Housing Authority will determine the availability of vouchers and the need for project-based assistance.

The Project-Based Assistance (PBV) Program attaches Section 8 rental assistance to selected units for a period of up to 20 years plus the allowable maximum 20 year extension pending the availability of funding. The Housing Authority implemented the PBV Program due to the difficult rental market of Sonoma County and its impact on the supply of affordable housing. Project-basing units under this program will create a stable, long-term resource of affordable housing and will help ensure the preservation of and continued access to the existing stock of affordable housing. The PBV Program will also serve as an additional marketing tool to attract owner participation in providing units for low-income participants. The following policy is established in compliance with the PBV Program Final Rule dated October 13, 2005 regarding 24 CFR Section 983, and the Housing Opportunity Through Modernization Act (HOTMA) of 2016 which outline the procedures by which the Sonoma County Housing Authority will select units to receive rental assistance through its Project Based Assistance Program for new construction projects, rehabilitated projects, and existing housing.

The Sonoma County Housing Authority's PBV Program will be consistent with the Housing Authority Annual Plan which includes a statement indicating the maximum number of total PBV units that will be placed under contract by the Housing Authority. No more than PBV assistance in any PBV project may not exceed the greater of -25 units or 25% of the units in any PBV project (see glossary for definition of project). If a project has 25 or fewer units, the Housing Authority may place every unit in the project under the PBV HAP contract. Other exceptions to the project limit may be available under any of the following circumstances:

- Project consists of ~~may receive assistance except for~~ single family dwellings (four or fewer units)
- Dwelling units are specifically designated for elderly families
- Dwelling units are specifically designated for veterans
- Dwelling units are designated for families requiring supportive services. Supportive services offered must be clearly identified and reasonably available to assisted residents

for a period of no less than one year beginning the first day of each resident's tenancy. PBV assisted residents are not required to participate in supportive services.

- Dwelling units are specifically designated for families which meet the definition of homeless under the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR §578.3.
- Project is in a census tract with a poverty rate of less than 20% (may be subject to a PBV cap of up to 40%)
- ~~, dwellings specifically designated for elderly, or dwellings specifically designated for disabled families.~~ Exception categories are further defined in Part G of this Chapter.

Note: For purposes of this Chapter the term "Owner" and "PBV Owner" are used interchangeably and both refer to "PBV Owner" as defined in the glossary.

#### **A. SELECTION OF PBV OWNER PROPOSALS**

The Housing Authority will select PBV proposals by either of the following two methods.

- 1) Request for Proposals (RFP) procedure in accordance with the provisions of this Chapter.
- 2) Non competitive award procedure in accordance with the provisions of this Chapter.

#### **B. PROCESS FOR SELECTING PBV UNITS BY MEANS OF A REQUEST FOR PROPOSALS (RFP)**

##### **Advertising Procedures**

The Housing Authority will advertise on its website and in a newspaper of general circulation, currently the **Press Democrat**, by publishing a public notice that indicates that the Housing Authority will accept applications from property owners for the purpose of selecting projects to be assisted under a PBV Program.

The advertisement will be published in a newspaper of general circulation one time and will remain on the Housing Authority's website until such time that the application period is closed. The notice will include the following information:

- Number of vouchers the Housing Authority will make available under the PBV program.
- Number of units in a building that may be project-based.
- Type of units (existing, new construction and/or rehabilitation) that will be considered for project-basing.
- Application Deadline (at least 30 days after the last published date of advertisement).
- Statement that participation in the program requires compliance with Fair Housing and Equal Opportunity requirements, and that the Federal Labor Standard provisions may be applicable for new and rehabilitation projects.

- The Housing Authority's selection policies as outlined below in Application Review.

## **Application Requirements and Evaluation Criteria**

### **Application Submission Deadline**

Owner applications will be accepted until the published deadline at the Housing Authority Office indicated on the RFP. This deadline will be a date at least 30 days after the publication date of the advertisement. The Housing Authority will date and time stamp all applications upon receipt. Applications received after the published deadline date will not be accepted for consideration under the RFP process. Postmarks are not acceptable.

### **Incomplete and Non-Responsive/Non-Compliant Applications**

If a supporting document required by the RFP is not under the control of the applicant and cannot be obtained within the filing deadline, the applicant must include a written explanation in the application detailing the cause of the delay and the anticipated date the document will be delivered. The Housing Authority will review the information provided and accept the application, but classify it as non-responsive pending receipt of the document. The application will be re-dated upon receipt of the document. In no case will documentation be accepted more than ten (10) days after the final deadline.

If the Housing Authority finds that an application is found to be non-responsive or non-compliant with the RFP, written selection criteria and procedures, or HUD program regulations, it will be rejected and returned to the applicant with notification stating the reason for rejection.

In cases where the application meets the minimum information requirements, but is defective through typographical or minor calculation errors, the application will be processed.

The Housing Authority reserves the right to reject applications at any time for misinformation, errors, or omissions of any kind, no matter how far they have been processed.

## **C. PROCESS FOR SELECTING UNITS ON NON-COMPETITIVE BASIS**

The Sonoma County Housing Authority may select, without competition, a proposal for project based housing assisted under a federal, State, or local government housing assistance, community development, or supportive services program that required competitive selection of proposals, where the proposal has been selected in accordance with such program's competitive selection requirements within 3 years of the PBV proposal selection date, and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive PBV assistance.



Additionally, the PHA may add units to an existing PBV HAP ~~Contract~~ at any time during the term of the PBV HAP contract without engaging in a competitive process ~~in order to preserve funding or provide additional resources to serve homeless families.~~

Non-Competitive proposals can be submitted to the Housing Authority at any time on a form provided by the Housing Authority. The Housing Authority will select proposals for PBV assistance on a non-competitive basis, in cases where one or more of the following circumstances exist:

- The project has been awarded funding through the CDC's HOME competitive selection process (This does not include HOME Tenant-Based Assistance awards).
- The project has been awarded 9% low-income housing tax credit (LIHTC) or other comparable LIHTC
- Any other federal, State or local government affordable housing program that awards funding for the development of new housing units or the rehabilitation of existing housing that is designed to be affordable to individuals and families at or below 80 percent of the area median income (based upon the family composition).

In cases where non-competitive awards are made by SCHA, the developer/owner must do all of the following:

- Demonstrate that the financial analysis of the earlier competitive selection proposal demonstrated project feasibility without PBV assistance.
- Clearly document the PBV proposal to demonstrate what circumstances have changed so that PBV assistance is now needed for project feasibility.
- Agree that all households to be assisted with PBV assistance must be at 30% AMI or below.
- Agree to take the lead in initiating and completing the required subsidy-layering review and environmental impact report per HUD rules.

The total number of PBV units awarded will be within the allowed maximum number per the Housing Authority Annual Plan. PBV awards are made in accordance with this policy and at the discretion of the CDC Executive Director.

The Housing Authority will publish the award of any units under the PBV Program in a newspaper of general circulation. Every effort will be made to publish the results of any awards under the PBV Program within 30 days of the award date.

#### **D. APPLICATION REVIEW AND AWARD PROCESS FOR COMPETITIVE PBV AWARDS**

##### **Application Review Panel**

The Executive Director of the Housing Authority, or his/her designee, will appoint a PBV selection panel of at least three people who will review, evaluate and select applications in

accordance with the provisions of this Chapter. The committee will score applications and submit its recommendations to the Executive Director within 45 days of PBV application period.

### **Application Review**

The Housing Authority will review all applications. Before selecting units, the Housing Authority will determine that each application is responsive to and in compliance with the Housing Authority's written selection criteria and procedures, and in conformity with HUD program regulation and requirements at 24 CFR 983 including the following items:

1. Evidence of site control.
2. Certification that the owner and other project principles are not on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs.
3. Proposed initial gross rents must not exceed 110% of the established Fair Market Rents (FMR) or any HUD-approved "exception payment standard" for the area where the housing is located.
4. Property must meet applicable eligibility requirements under Section 983 and HUD environmental regulations as per 24 CFR parts 50 and 58. (Does not apply for existing housing projects).
5. No rehabilitation or construction has commenced prior to the execution of the Agreement to Enter into a HAP Contract (AHAP), as evidenced by Housing Authority inspection. (Does not apply to existing housing).
6. Proposed number of units to be project-based does not exceed the greater of 25 units or 25% of the total units in the project (see definition of project in glossary), except in the case of a housing project for seniors or persons with disabilities or families that are receiving supportive services. In which case up to 100% of the units in such buildings may be proposed for PBV assistance.
7. The site is located in a census tract with a poverty rate of not more than 20%. Projects located in areas with higher poverty rates may also be considered, but the owner must submit justification for the need to project-base their development in such an area.
8. For rehab only: Housing units that exist on the proposal selection date, but do not substantially comply with the HQS on that date, and are rehabilitated, pursuant to an Agreement between the Housing Authority and owner, for use under the PBV program (as evidenced by Housing Authority inspection).
9. For existing housing only: Property meets the definition of "existing housing" for purposes of the PBV Program, if the units can be brought into HQS compliance within 45 days of proposal selection. All units must pass HQS before execution of the HAP contract.

10. Project meets requirements of Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Amendments Act of 1988.

11. For rehab and existing housing, current tenants must be low-income and meet income eligibility requirements for the Section 8 Voucher Program. The Housing Authority may not select a unit, or enter into an Agreement with respect to a unit, if the unit is occupied by persons who are not eligible for participation in the program.

PBV projects must comply with Section 983.57 regulations regarding site and neighborhood standards.

### **RFP Evaluation and Ranking Process**

Proposals that meet the requirements will be evaluated and ranked according to the rating and ranking factors described in the RFP. Additional points will be granted to projects which meet the following requirements:

- Outside an area or census tract of minority concentration (As defined by HUD)
- Outside an area or census tract of concentrated publicly supported housing of the same occupancy type of the proposal

A PBV Ranking List will be prepared according to points awarded to each proposal. The application scoring the highest points and that is responsive to and in compliance with the Housing Authority's written selection criteria and procedures, and HUD program regulations, will be awarded project-based vouchers up to the amount requested (and allowed per regulations and Housing Authority policy) for the particular development, but not to exceed the number of vouchers advertised as available for the program.

If, after awarding the highest scoring application, there are still vouchers available, the Housing Authority will award the next highest ranking applications until the available vouchers have been assigned. If the Housing Authority determines that an application is eligible for PBV funding but cannot be fully funded at the amount requested by the owner, the owner will be given the opportunity to receive partial funding.

If a proposal does not meet the requirements as indicated above, it will be designated as non-compliant and a notice to that effect, identifying the disqualifying factor, will be sent to the applicant.

### **Award of Funding**

The Housing Authority will give prompt written notice to the party that submitted a selected proposal. The Housing Authority will also give prompt public notice of such selection in a newspaper of general circulation, currently the **Press Democrat**, by publishing a public notice of the selection.

## **Tied Applications**

In the case of a tie score between two or more applications and not enough units available to award each tied application, the following factors will be considered to determine the application to be selected:

1. The application that will provide the most number of units to be project-based will be awarded.
2. The application with the earliest submittal date and time.

Applications meeting the requirements as described above will be awarded Project-Based Assistance in the order that they are received (or for RFPs, as of the date they are considered “complete”; see Incomplete and Non-Responsive/Non-compliant Applications) until the available PBV Vouchers are assigned. If the Housing Authority determines that an application is eligible for PBV funding but cannot be fully funded at the amount requested by the owner, the owner will be given the opportunity to receive partial funding.

## **E. APPLICATION FORMAT AND CONTENT**

The following guidelines apply to all projects submitted for PBV funding.

Owner applications are to be completed using the applicable forms provided by the Housing Authority and/or format described in the Request for Proposals.

The application will list ineligible properties and will state that properties awarded PBV must meet the property requirements as indicated in HUD regulations and as pertaining to each type of housing (new construction, rehabilitation or existing), including the site and neighborhood standards, zoning requirements, per unit minimum cost factor (rehab only), and other Federal Requirements.

The application will require that applications from owners must meet the requirements listed above and must contain the following information:

1. A detailed description of the housing project including:
  - a. The number of buildings in the project, and identification, by building, of the number of units by size (square footage), bedroom count and bathroom count.
  - b. A listing of amenities and services.
  - c. A detailed description of the supportive services provided (or to be provided) for the residents. Include information on the type of services, the frequency the services are offered, whether the services are provided on-site and whether there is a fee charged.
  - d. The poverty rate of the census tract in which the site/project is located.

- e. A description of the area in which the project is located, including a list of all employment centers, schools or colleges, public transportation, health facilities, and parks and recreational areas that are in the general area of the site/project and the distance of each from the site.
- f. The estimated dates for the commencement and completion of construction. (Does not apply for existing housing projects.)
- g. Architectural schematic level drawings of the proposed project including elevations, unit plans, and the site plan. (Does not apply for existing housing projects.)

For rehabilitation, the description must describe the property as is and must also describe the proposed rehabilitation.

- 2. Evidence of site control.
- 3. Evidence that the proposed new construction or rehabilitation is permitted by current zoning ordinances or regulations, or evidence to indicate that the needed rezoning is likely to be obtained and will not delay the project. (Does not apply to existing housing projects)
- 4. The current (does not apply to new construction) and proposed contract rent per unit, including units to be project-based, including an indication of which utilities, services, and equipment are included in the rent and which are not included. For those utilities that are not included in the rent, an estimate of the average monthly cost of each unit type for the first year of occupancy.
- 5. A statement identifying:
  - a. A list of the persons (families or businesses) occupying the property on the date of the submission of the application. If families, include their address, unit size, family size, current rent and approximate annual income. (Does not apply to new construction.)
  - b. The number of persons to be displaced, temporarily relocated or moved permanently within the building or complex; (Applies only to rehabilitation projects.)
  - c. The estimated cost of relocation payments and services, and the sources of funding; (Does not apply for existing housing or new construction projects)
  - d. The organization(s) that will carry out the relocation activities (Does not apply to existing housing or new construction); and
- 6. Information regarding the owner and other project principals, including:

- a. The identity of the owner and other project principals and the names of officers and principal members, shareholders, investors, and other parties having a substantial interest; and
- b. Certification showing that the above-mentioned parties are not on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs; and
- c. A disclosure of any possible conflict of interest by any of these parties that would be a violation of the Agreement or the HAP contract; and
- d. Information on the qualifications and experience of the principal participants.

Information concerning any participant who is not known at the time of the owner's submission must be provided to the Housing Authority as soon as the participant is known.

- 7. The owner's plan for managing and maintaining the units and identification of the proposed property management agent.
- 8. A Project Financing Plan with evidence of financing or lender interest and the proposed terms of financing. Financing Plans which are dependent upon future awards of funding from the Sonoma County Community Development Commission through a competitive process are not eligible (Does not apply for existing housing projects.)
- 9. Basic project financing schedules to include the following:
  - a. A sources and uses of funds table to include the required estimate of construction costs. (Does not apply to existing housing.)
  - b. A detailed estimate of anticipated project construction costs prepared by either a general construction contractor deemed reasonably qualified to construct the project or a professional cost estimating firm. (Does not apply to existing housing.)
  - c. A twenty (20) year operating period pro forma cash flow analysis presenting anticipated initial contract rents for all units, both assisted and unassisted through PBV. (Does not apply to existing housing.)
  - d. For existing housing only: Operating proforma statement and current year operating budget including estimated Section 8 subsidy amount.
- 10. The proposed term of the HAP contract; and
- 11. Such other information as the Housing Authority believes necessary as identified in the Public Notice, RFP/application, or in the selection and/or ranking criteria.

## **Other Requirements**

The application will inform applicants that the following items must be completed before the Housing Authority can execute an Agreement or Housing Assistance Payments Contract with any selected owner.

1. Establish the rents in accordance with Section 983.
2. Complete a subsidy layering contract rent review when required. Property must meet applicable eligibility requirements under Section 983, including eligible and ineligible properties, other Federal requirements, and site and neighborhood standards.
3. Obtain environmental clearance in accordance with Section 983. In cases of existing housing the responsible entity (“RE”) must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.
4. For rehabilitation projects, the owner must prepare work write-ups and, where determined necessary by the Housing Authority, specifications and plans. The Housing Authority has flexibility to determine the appropriate documentation to be submitted by the owner based on the nature of the identified rehabilitation. The work write-ups must address the specific work items identified by the Housing Authority.
5. For existing and rehabilitation projects, the owner must have an accessibility survey completed for the property. Accessibility survey should include all common areas and areas available to the general public, all walkways, parking areas, and units designated as accessible. If deficiencies exist a transition plan must be submitted.
6. Before an Agreement is executed for new construction units, the owner must submit the design architect’s certification that the proposed new construction reflected in the working drawings and specifications complies with housing quality standards, local codes and ordinances, and zoning requirements.

## **F. FACTORS FOR SELECTING APPLICATIONS**

The following factors will be used by the Housing Authority to select applications for the PBV Program:

- Site
- Design
- Previous Experience of Owner and Participants in Development, Marketing and Management of Affordable Low-income Housing
- Feasibility of the Project as a Whole (including likelihood of financing and marketability)
- Local Objectives

- Units are Located Outside Areas/Census Tracts of Minority or Poverty Concentration as defined by HUD
- Design exceeds the requirements for ADA accessible units identified in 24 CFR § 8.22 and 24 CFR 983
- Design meets the requirements for Design and Construction in 24 CFR § 100.205

#### **G. OTHER PROGRAM GUIDELINES**

The following guidelines apply to all projects awarded with project-based assistance.

##### **Contract Term**

The initial term of the Housing Assistance Payment Contract may be up to 20 years and is subject to future availability of appropriations and future availability of funding under the Housing Authority's Annual Contribution Contracts.

##### **Vacancy Payments [24 CFR 983.352(B)]**

At the discretion of the Housing Authority, the HAP contract may provide for vacancy payments to the owner for a Housing Authority-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the moveout month. The amount of the vacancy payment to the owner will be equal to the contract rent in effect at the time of the vacancy for a period not to exceed 60 days. The HAP contract with the owner will contain the terms under which vacancy payments will be made.

##### **PBV HAP Contract Extension**

The Housing Authority may agree to enter into an extension of the HAP contract at the time of the initial HAP contract execution or anytime before the expiration of the contract if the Housing Authority determines an extension is appropriate to continue providing affordable housing for low-income families. The maximum term for an extension of the HAP contract is 20 years. The Housing Authority may allow multiple extensions, however, such extensions shall not exceed 20 years, cumulatively. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

The Housing Authority will provide the owner 12-month's notice of the expiration of the PBV HAP contract, and invite the owner to submit a letter requesting an extension. The Housing Authority may extend the term of the contract administratively, without an open competition, for one or more additional terms of up to 20 years total if the Housing Authority determines an extension is required for the project to continue providing housing for low-income families at or below 50% AMI.



Extension of PBV HAP contracts will be considered on a case by case basis, including whether (a) to extend for a full 20 years or a shorter timeframe, and (b) the project is able continue housing families at or below 50% AMI with a smaller number of PBVs than originally approved (i.e. reduce the number of PB units at the property). When determining whether or not to extend an expiring PBV contract, for how long, and the number of units, the Housing Authority within its sole discretion will consider several factors including, but not limited to:

- The total HAP cost of the contract extension and the amount of available budget authority;
- The staffing capacity of the Housing Authority to continue administering the PBV contract;
- The condition of the contract units;
- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities;
- Evidence of financial needs of the property (including an examination of operating, reserve, and other budgets and financial documentation);
- Demonstrated need of the minimum number of project based vouchers required to achieve long-term affordability of the housing including (i) financing debt for rehabilitation activity, (ii) meeting the contractual obligation to rent to households at or below 50% of AMI, and (iii) covering a reasonable operating deficit;
- Current demand for the units by households with tenant based or project based assistance; and
- Whether the funding could better serve extremely low-income households at another property seeking PBV assistance (or new construction project), or in the tenant based voucher program.

### **Tenant Selection & Waitlist Organization**

Many of the policies and provisions of the tenant-based voucher regulations also apply to the PBV program. This includes requirements related to determining eligibility and waiting list preferences. The Housing Authority will centrally maintain project-specific waitlists for developments with project based vouchers. During times of open waitlist, applicants will be selected for placement on each waitlist according to a random lottery. Placement on the waitlist will be assigned ~~according to a randomly assigned applicant ID number~~ utilizing randomizing software. When vacancies in project based units occur, tenants will be selected according to their assigned waitlist position. Those with preferences as identified in Chapter 4 of this Administrative Plan, will be referred first and in order of their waitlist position. When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the Housing Authority will first refer families who require such features to the owner in the order of their ~~applicant ID number~~ position on the waitlist. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

HUD regulations mandate that the Housing Authority apply income targeting requirements that require 75% of the families admitted to the Section 8 Housing Choice Voucher Program (including PBV) be families whose annual income does not exceed 30% of Area Median Income

(AMI). Consequently, the Housing Authority may require the residents of units selected to be project-based to meet this income requirement.

Applicants who will occupy vacant or turnover units with PBV assistance are selected from the appropriate PBV waiting list. If there are vacant or turnover units specified for a specific population (i.e. disabled or elderly, household size) and there are no applicants on the PBV waitlist needing that type of unit, the Housing Authority may draw names from its Section 8 waitlist. At times the Housing Authority HCV and PBV waitlists are open simultaneously, the Housing Authority must ensure that applications for all open waitlists are made available.

Families that have previously been issued a tenant based voucher and are interested in leasing a vacant project based unit may surrender their tenant based voucher and move into the project based unit, without having to reapply to the SCHA waiting list. All other eligibility factors, including income targeting apply. At the end of the project based lease term, the family may be eligible to receive another tenant based voucher if they want to move and tenant based vouchers are available to be issued (see Family Choice to Move with Continued Assistance on page 21-11 for more information).

In addition to site-based waiting lists for each PBV property, the Housing Authority shall maintain a separate wait list for units designated for assistance through the Continuum of Care's Coordinated Entry System (CES). These units are required to be used to house homeless families that are in the CES for housing assistance referral. When vacancies occur at the PBV properties in these designated units, the owner shall request a suitable referral from the Coordinated Entry System. Once the owner has reviewed the application and accepted the referral for housing assistance, the owner shall refer the family to the Housing Authority's initial eligibility team for program eligibility determination and leasing. Families will only be placed on this waiting list if they are deemed suitable for occupancy by the owner and immediately processed for intake.

This waiting list will not have a preference designation since all additions to the list will immediately be designated for specific units within the PBV portfolio. The only qualifier will be the date and time of the applicant's addition to the CES wait list.

Units eligible for CES assistance and priority are as follows:

- Palms Inn Apartments – 3345 Santa Rosa Avenue, Santa Rosa, CA

Note: This list may be modified from time to time to reflect new units added to the CES portfolio with PBV designations

#### **Disapproval By Landlord [24 CFR 983.251(E)(2)]**

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waitlist or any other PBV waitlists. Rejection by the PBV owner, however, shall be grounds for removal from the PBV site-based waitlist.

Upon request, the owner shall provide the Housing Authority with the basis for which an applicant was denied admission.

## **Moves**

### **Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]**

If the Housing Authority determines that a family is occupying a wrong size unit, based on the Housing Authority's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the Housing Authority must promptly notify the family and the owner of this determination, and the Housing Authority must offer the family the opportunity to receive continued housing assistance in another unit.

If the Housing Authority offers the family a tenant-based voucher, the Housing Authority must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the Housing Authority).

If the Housing Authority offers the family another form of assistance that is not a tenant-based voucher, such as another PBV unit, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the Housing Authority, or both, the Housing Authority must terminate the housing assistance payments for the unit at the expiration of a reasonable period, generally 30 days from the date of the offer to accept the offer and move out of the PBV unit.

If the family does not move out within this 30-day time frame, the Housing Authority will terminate the housing assistance payments at the expiration of this 30-day period. The Housing Authority may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

### **Family Choice to Move with Continued Assistance**

A family who resides in a Project Based Voucher unit for at least twelve (12) months may move with continued assistance with a tenant-based Housing Choice Voucher or its equivalent if and when one is available. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the Housing Authority. If the family wishes to move with continued tenant-based assistance, the family must contact the Housing Authority to request the rental assistance prior to providing notice to terminate the lease. If the family terminates the lease in accordance with these requirements, the Housing Authority will offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If a voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the Housing Authority will give the family priority to receive the next available opportunity for continued tenant-based assistance. If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

## **Rent Calculation**

HUD regulations provide that the PBV rents must be rent reasonable in relation to rents charged in the private market for comparable unassisted units in the area. The Housing Authority will use its standard Rent Reasonableness determinations (See Chapter 11).

Contract rents are limited to 110% of the established FMR or HUD-approved “exception payment standard” and include the utility allowance for both the initial rent and annual adjustments.

For certain tax credit units, the rent limits are determined differently than for other PBV units. The Housing Authority will follow HUD regulations in determining rent limits for these units.

The Housing Authority will provide PBV assistance only in accordance with HUD subsidy layering regulations (24 CFR 4.13) and other requirements. When a subsidy layering review is conducted, the Housing Authority may not enter an Agreement or HAP contract until HUD or an independent entity approved by HUD has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax credits.

NOTE: When determining comparability, the units in the building receiving a Low Income Housing Tax Credits (LIHTC) shall not be used since these units are considered to be assisted units.

## **Exception Categories**

(a) Homeless. The units are specifically made available to house individuals and families who meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) and contained in the Continuum of Care Interim Rule at 24 CFR §578.3. The definition of homeless is included below for convenience:1 (i) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

• An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

• An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or

• An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution; (ii) An individual or family who will imminently lose their

primary nighttime residence, provided that: (iii) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(iv) Any individual or family who:

- The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
- No subsequent residence has been identified; and
- The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks needed to obtain other permanent housing;
- Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 1437e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)), or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);
- Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
- Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or
- Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- Has no other residence; and
- Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

(b) Veterans. The units are specifically made available to house families that are comprised of or include a veteran. A veteran is an individual who has served in the United States armed forces. The PHA may further define "veteran" in its Administrative Plan for purposes of determining if the units are eligible for this exception. For example, a PHA may choose to include in its definition of "veteran" an individual with an "other than dishonorable" discharge

status who is ineligible for healthcare provided through the Veterans Health Administration. PHAs have discretion in establishing verification of eligibility.

HUD-awarded vouchers specifically designated for project-based assistance out of HUD-VASH appropriated funding are already excluded from the program cap and are not to be included under this 10 percent exception category. See Attachment F of this notice for additional information.

(c) Supportive services. The units provide supportive housing to persons with disabilities or to elderly persons. For the purpose of this exception, supportive housing means: A project that makes supportive services available for all of the PBV assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such supportive services need not be provided by the owner or on-site, but must be reasonably available to the families receiving PBV assistance in the project. A PBV assisted tenant must not be required to participate in the supportive services as a condition of living in an excepted unit. Such supportive services may include (but are not limited to):

- meal service adequate to meet nutritional need;
- housekeeping aid;
- personal assistance;
- transportation services;
- health-related services;
- case management;
- child care;
- educational and employment services;
- job training;
- counseling; or
- other services designed to help the recipient live in the community as independently as possible.

In accordance with 24 CFR §983.354, with the exception of an assisted living facility, the owner of a PBV project may not require the assisted family to pay charges for meals or supportive services, and non-payment of such charges by the family is not grounds for termination of tenancy. In the case of an assisted living facility (as defined in 24 CFR §983.3) receiving PBV assistance, owners may charge families for meals or supportive services. These charges may not be included in the rent to owner or the calculation of reasonable rent.

(d) Poverty rate of 20 percent or less. The units are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates. A project that qualifies for the increased project cap at the time of HAP contract execution continues to qualify for the exception for the length of the contract regardless of changes in the poverty rate for the census tract in which the project is located.

# HUD-50075-HCV-5Y



**Sonoma County Community Development Commission**

## HOUSING AUTHORITY OF THE COUNTY OF SONOMA

### CA085

### FY 2020 – 2025 PHA 5 Year Plan

Public Comment Period: February 2, 2020 – March 18, 2020

Public Hearing: March 18, 2020

Board Approval: April 7, 2020

HUD Submission Deadline: April 16, 2020

HUD Approval: Pending



**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** Form HUD-50075-5Y is to be completed once every 5 PHA fiscal years by all PHAs.

<b>A.</b>	<b>PHA Information.</b>																																
A.1	<p><b>PHA Name:</b> <u>Sonoma County Housing Authority</u>      <b>PHA Code:</b> <u>CA085</u></p> <p><b>PHA Plan for Fiscal Year Beginning:</b> (MM/YYYY): <u>07/01/2020</u></p> <p><b>PHA Plan Submission Type:</b> <input checked="" type="checkbox"/> 5-Year Plan Submission      <input type="checkbox"/> Revised 5-Year Plan Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="width: 20%;">Participating PHAs</th> <th rowspan="2" style="width: 10%;">PHA Code</th> <th rowspan="2" style="width: 20%;">Program(s) in the Consortia</th> <th rowspan="2" style="width: 20%;">Program(s) not in the Consortia</th> <th colspan="2" style="width: 30%;">No. of Units in Each Program</th> </tr> <tr> <th style="width: 15%;">PH</th> <th style="width: 15%;">HCV</th> </tr> </thead> <tbody> <tr> <td>Lead PHA:</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program		PH	HCV	Lead PHA:																							
Participating PHAs	PHA Code					Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program																									
		PH	HCV																														
Lead PHA:																																	



<b>B.</b>	<b>5-Year Plan.</b> Required for <u>all</u> PHAs completing this form.
<b>B.1</b>	<b>Mission.</b> State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years.  The Sonoma County Community Development Commission exists to open doors to permanent housing and opportunity.

**Goals and Objectives.** Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low-income, and extremely low- income families for the next five years.

**5-Year Goals and Objectives for FY 2020-2025**

**PHA Goal: Maintain High Performer SEMAP score**

Objective: Maintain the Housing Authority’s status as High Performing Agency

**PHA Goal: Expand rental assistance opportunities for low-income, vulnerable populations**

Objective: Apply for new rental assistance funding as HUD opportunities become available through the Mainstream Voucher Program, Continuum of Care, Veterans Assistance Supportive Housing, Family Unification Program, or any other opportunity deemed appropriate.

**PHA Goal: Continue to partner with local non-profit agencies to provide housing navigation to low-income and/or hard to serve populations**

Objective: Connect clients of special rental assistance programs with housing navigation services by continuing partnerships with local supportive services agencies. Special program clients include, but are not limited to the Reentry Pilot Program, the Move-On program, the VASH program, and the Mainstream Voucher program, and any other program deemed appropriate.

**PHA Goal: Expand collaboration with the Sonoma County Accessing Coordinated Care and Empowering Self-Sufficiency (ACCESS) program, an initiative developed to holistically support clients with complex needs.**

Objective: Develop a referral based system in order to provide rental assistance resources for some of the most vulnerable residents in the community who have been identified by the ACCESS program.

Objective: When client is willing, have client sign a Release of Information allowing Sonoma County governmental “safety net” organizations to work collaboratively in assisting client to maintain stable housing.

**PHA Goal: Expand the supply of affordable housing**

Objective: Expand the availability of the Project Based Voucher program to allow for 20% of the Housing Authority’s Annual Contribution Contract units, or 564 vouchers, to be available for project basing in order to create and maintain affordable housing in Sonoma County.

Objective: With HUD approval, utilize the 10% exception to the Project Based Voucher program to allow an additional 282 project based vouchers (beyond the 564) be made available for permanent supportive housing and/or homeless dedicated housing.

Objective: Increase rental units available to program participants by gaining 10 new private market landlords or 30 new available units per fiscal year

**PHA Goal: Promote self-sufficiency**

Objective: Increase the Family Self-Sufficiency Program to a minimum of 35 families

Objective: Designate 15% of Family Sufficiency Program to serve clients of the Family Unification Program

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing.**

Objective: Provide bi-annual Fair Housing and Equal Opportunity training to all Housing Authority staff

Objective: Monitor all project based housing partners to ensure they are adhering to Equal Opportunity and Fair Housing practices

Objective: Continue the use of a lottery based waitlist to ensure that all applicants have an equal opportunity to receive assistance

**Progress Report.** Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

**PHA Goal: Maintain High Performer SEMAP score.** The Section 8 Management Assessment Program (SEMAP) enables HUD to identify housing authority capabilities and deficiencies related to the administration of the program. Grading is based on 15 different indicators. Despite a significant loss of available rental units due to three natural disasters during the preceding five years, the SCHA has continued to be rated a High Performing PHA by HUD. A high score indicates that the PHA is effectively utilizing the Section 8 program to provide decent, safe and affordable housing and qualifies the PHA to apply for and receive additional vouchers as they become available.

**PHA Goal: Apply for new vouchers as available.** The SCHA has applied for new vouchers each time they have been made available. During calendar year 2018, the SCHA applied for, and was awarded 50 Mainstream vouchers and 5 Veterans Affairs Supportive Housing Vouchers (VASH). In calendar year 2019, SCHA was awarded an additional 70 Mainstream Vouchers and an additional 5 VASH vouchers. SCHA also applied for an additional 75 Family Unification Program (FUP) vouchers and is awaiting notification of award.

In addition to vouchers that are made available to Housing Authorities through traditional HUD Public and Indian Housing (PIH) Notices of Funding Availability (NOFA), the SCHA also applied for, and was awarded, new and renewal Special Needs Assistance Program grants from HUD through the Continuum of Care. Through these grants, SCHA provides rental assistance for homeless families, individuals, and youth with disabilities. During calendar year 2018, the SCHA was awarded a new Continuum of Care grant to provide tenant-based rental assistance to homeless persons with chronic health conditions who are working with Federally Qualified Healthcare Centers. Through this new grant, permanent housing is being provided to fifteen to twenty households on an annual basis.

The SCHA has continued its successful partnerships with supportive service agencies through the Continuum of Care and Family Unification programs. These partnerships assist some of the hardest to serve clients, including persons with disabilities, homeless families, senior citizens, victims of domestic violence, former foster youth, and families in the process of reunifying with their children. On average, the SCHA assists 3,000 households each month through its various rental assistance programs.

**PHA Goal: Expand the supply of affordable housing.** During the preceding five years, the SCHA implemented several strategic initiatives to expand the supply of housing available to voucher recipients. One initiative implemented was an increase in the number of project-based vouchers available in order to both expand and maintain the supply of affordable housing within the jurisdiction. In December of 2018, SCHA awarded 93 project based vouchers to developments throughout Sonoma County; 82 of the vouchers awarded were awarded to existing developments in order to maintain and preserve existing affordable units.

Additionally, in 2018, the Housing Authority hired a full-time landlord liaison to work directly with local landlords. The goal of this initiative has been to expand housing opportunities for SCHA clients. In 2019, the Housing Authority partnered with the Sonoma County Department of Human Services to hire an additional landlord liaison to attract local landlords. Enhanced

landlord engagement efforts include a designated Housing Authority phone number and email address for landlords, improved landlord marketing materials, increased direct meetings with local landlords, and increased participation in local realtor events, housing fairs, local property management associations, and the California Apartment Association. Through these efforts the SCHAs continues to mitigate misconceptions many landlords have regarding participants of rental assistance programs thereby expanding the supply of units available to voucher holders in all areas of Sonoma County.


**PHA Goal: Promote self-sufficiency.** Each year the SCHAs has applied for and received grant funding from HUD for a Family Self-Sufficiency (FSS) Program Coordinator. In 2019 the SCHAs FSS program was rated “Excellent” on HUD’s new FSS Performance Measurement System. During the period of 2015 - 2019, 22 FSS participants graduated from the program, all of whom were employed at the time of their graduation. 15 of these FSS graduates are no longer receiving rental assistance.

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing.** The SCHAs has continued its commitment to ensuring equal opportunity and affirmatively furthering fair housing. In 2018, it was determined that the combination of a continuously open waitlist and residency preference had resulted in only applicants from within the SCHAs jurisdiction being provided an opportunity to access the programs and services available through the Housing Authority. In order to ensure that the waitlist is administered in an equitable fashion and to affirmatively further fair housing, significant changes were made to the Housing Authority’s preferences and waitlist process during calendar year 2019. Following robust community engagement, the SCHAs closed and cancelled its existing waitlist which had in excess of 27,000 applicants on it. Concurrent to the closure and cancellation, SCHAs eliminated its residency preference. Following the cancellation of the waitlist, extensive outreach was conducted and a new waitlist was developed utilizing a lottery based system.

**Violence Against Women Act (VAWA) Goals.** Provide a statement of the PHAs goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.

The Housing Authority is committed to complying with the Violence Against Women Act by ensuring that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence, and shall not be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence.

The PHA will provide resource information to HCV applicants and participants about the resources and programs available for victims of domestic violence.

<p><b>B.5</b></p>	<p><b>Significant Amendment or Modification.</b> Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan.</p> <p>Significant amendments or substantial deviations/modifications are defined as discretionary changes in the plans or policies of the PHA that fundamentally change the mission, goals, objectives, or plans of the agency and which require formal approval of the Board. An exception to this definition will be made only for changes that are adopted to reflect HUD regulatory requirements and such changes shall not be considered significant amendments or substantial deviations.</p> <p>If a significant amendment or substantial deviation/modification to the PHA Plan occurs, the SCHA will submit a revised PHA Plan that has met full hearing process requirements.</p>
<p><b>B.6</b></p>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) provide comments to the 5-Year PHA Plan?</p> <p>Y   N  <input type="checkbox"/> <input type="checkbox"/>   </p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
<p><b>B.7</b></p>	<p><b>Certification by State or Local Officials.</b></p> <p><a href="#">Form HUD 50077-SL</a>, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>

# Instructions for Preparation of Form HUD-50075-5Y 5-Year PHA Plan for All PHAs

---

## A. PHA Information [24 CFR §903.23\(4\)\(e\)](#)

A.1 Include the full PHA Name, PHA Code, , PHA Fiscal Year Beginning (MM/YYYY), PHA Plan Submission Type, and the Availability of Information, specific location(s) of all information relevant to the hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table.

## B. 5-Year Plan.

B.1 **Mission.** State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years. ([24 CFR §903.6\(a\)\(1\)](#))

B.2 **Goals and Objectives.** Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low- income, and extremely low- income families for the next five years. ([24 CFR §903.6\(b\)\(1\)](#)) For Qualified PHAs only, if at any time a PHA proposes to take units offline for modernization, then that action requires a significant amendment to the PHA's 5-Year Plan.

B.3 **Progress Report.** Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan. ([24 CFR §903.6\(b\)\(2\)](#))

B.4 **Violence Against Women Act (VAWA) Goals.** Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. ([24 CFR §903.6\(a\)\(3\)](#))

B.5 **Significant Amendment or Modification.** Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan.

### B.6 Resident Advisory Board (RAB) comments.

(a) Did the public or RAB provide comments?

(b) If yes, submit comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. ([24 CFR §903.17\(a\)](#), [24 CFR §903.19](#))

---

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year PHA Plan. The 5-Year PHA Plan provides the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families and the progress made in meeting the goals and objectives described in the previous 5-Year Plan.

Public reporting burden for this information collection is estimated to average .76 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

---

**Certification by State or Local  
 Official of PHA Plans Consistency  
 with the Consolidated Plan or  
 State Consolidated Plan  
 (All PHAs)**

U. S Department of Housing and Urban Development  
 Office of Public and Indian Housing  
 OMB No. 2577-0226  
 Expires 2/29/2016

**Certification by State or Local Official of PHA Plans  
 Consistency with the Consolidated Plan or State Consolidated Plan**

I, \_\_\_\_\_, the \_\_\_\_\_  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

\_\_\_\_\_  
*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of  
 Impediments (AI) to Fair Housing Choice of the

\_\_\_\_\_  
*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State  
 Consolidated Plan and the AI.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Signature	Date



Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI.

---

There is a great, unmet need for housing in Sonoma County which is detailed in the two Consolidated Plans covering the jurisdiction of the PHA. These needs are identified by income, family type and specific housing problems. The PHA and the Consolidated Planners of the jurisdiction work as partners to identify and address the housing needs of the low-income residents of Sonoma County and will work in concert in the development of the 2020 Consolidated Plan.

1. The Sonoma County 2015 Consolidated Plan states that affordable housing and assisting the County's homeless are high priorities. Specific goals related to these priorities are to make market rate housing units affordable to low income persons through the provision of rental subsidies and to implement strategies for homelessness prevention and intervention county-wide. Activities included within the PHA Five Year Plan are consistent with the priorities contained in the Sonoma County Consolidated Plan, which include providing decent, affordable housing for low-income persons, and coordinated efforts to assist those experiencing homelessness to gain housing.
2. The Consolidated Plan for the City of Petaluma states that 42% of low-income renter households within the City are rent burdened. Activities included in the PHA Five Year Plan are consistent with the initiatives contained in the City of Petaluma Consolidated Plan which include providing decent, affordable housing for low-income persons and expanding economic opportunities for low-income persons.

The most recent Analysis of Impediments to Fair Housing study (AI) found that the lack of affordable housing was a primary barrier faced by persons of protected classes within the jurisdiction of the PHA.

Activities and specific goals included in the PHA Five Year Plan which are consistent with the Consolidated Plan and Analysis of Impediments to Fair Housing include:

- a. Applying for additional vouchers as available
- b. Collaboration with local homeless services providers to reach the most vulnerable members of the community
- c. Expanding the supply of affordable housing
- d. Promoting self-sufficiency
- e. Partnering with local supportive services agencies to provide vulnerable clients seeking to exist homelessness housing location and stabilization services
- f. Ensuring equal opportunity and affirmatively further fair housing.

# HUD-50075-HCV ANNUAL PLAN



**Sonoma County Community Development Commission**

## HOUSING AUTHORITY OF THE COUNTY OF SONOMA

CA085

FY 2020 PHA Annual Plan

Public Comment Period: February 2, 2020 – March 18, 2020

Public Hearing: March 18, 2020

Board Approval: April 7, 2020

HUD Submission Deadline: April 16, 2020

HUD Approval: Pending



<b>Streamlined Annual PHA Plan (HCV Only PHAs)</b>	<b>U.S. Department of Housing and Urban Development Office of Public and Indian Housing</b>	<b>OMB No. 2577-0226 Expires 02/29/2016</b>
--	---	---

**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.																																			
A.1	<p>PHA Name: <u>Sonoma County Housing Authority</u>      PHA Code: <u>CA085</u>            PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/01/2020</u>            PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)            Number of Housing Choice Vouchers (HCVs) _____            PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission      <input type="checkbox"/> Revised Annual Submission</p> <p><b>Availability of Information.</b> In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> <b>PHA Consortia:</b> (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 25%;">Program(s) not in the Consortia</th> <th style="width: 15%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program																																
Lead HA:																																				

<b>B.</b>	<b>Annual Plan.</b>
<b>B.1</b>	<p><b>Revision of PHA Plan Elements.</b></p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p> <p>In June, 2019, The Sonoma County Housing Authority discontinued its Homeownership Program.</p>
<b>B.2</b>	<p><b>New Activities</b></p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project Based Vouchers.</p> <p>(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.</p> <p>The PHA intends to expand its Project Based Voucher program to allow up to 20% of its Housing Choice Voucher program to be utilized as Project Based Vouchers. This expansion would allow for 564 Housing Choice Vouchers (20% of the PHA's ACC) to be utilized for Project Based Vouchers, an increase of 323 vouchers. The PHA will also amend its Administrative Plan to allow for an additional 10%, or 282, of its Housing Choice Vouchers to be utilized under the exception provision of the Housing Opportunity Through Modernization Act of 2016 (HOTMA) for units that meet the exception criteria.</p>
<b>B.3</b>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<b>B.4</b>	<p><b>Civil Rights Certification</b></p> <p><a href="#">Form HUD-50077</a>, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<b>B.5</b>	<p><b>Certification by State or Local Officials.</b></p> <p><a href="#">Form HUD 50077-SL</a>, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>

**Progress Report.** Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.

Below is a report on the PHA's progress in achieving the goals and objectives described in the 2015 5-Year Plan

**PHA Goal: Maintain High Performer SEMAP score.** The Section 8 Management Assessment Program (SEMAP) enables HUD to identify housing authority capabilities and deficiencies related to the administration of the program. Grading is based on 15 different indicators. Despite a significant loss of available rental units due to three natural disasters during the preceding five years, the SCHA has continued to be rated a High Performing PHA by HUD. A high score indicates that the PHA is effectively utilizing the Section 8 program to provide decent, safe and affordable housing and qualifies the PHA to apply for and receive additional vouchers as they become available.

**PHA Goal: Apply for new vouchers as available.** The SCHA has applied for new vouchers each time they have been made available. During calendar year 2018, the SCHA applied for, and was awarded 50 Mainstream vouchers and 5 Veterans Affairs Supportive Housing Vouchers (VASH). In calendar year 2019, SCHA was awarded an additional 70 Mainstream Vouchers and an additional 5 VASH vouchers. SCHA also applied for an additional 75 Family Unification Program (FUP) vouchers and is awaiting notification of award.

In addition to vouchers that are made available to Housing Authorities through traditional HUD Public and Indian Housing (PIH) Notices of Funding Availability (NOFA), the SCHA also applied for, and was awarded, new and renewal Special Needs Assistance Program grants from HUD through the Continuum of Care. Through these grants, SCHA provides rental assistance for homeless families, individuals, and youth with disabilities. During calendar year 2018, the SCHA was awarded a new Continuum of Care grant to provide tenant-based rental assistance to homeless persons with chronic health conditions who are working with Federally Qualified Healthcare Centers. Through this new grant, permanent housing is being provided to fifteen to twenty households on an annual basis.

The SCHA has continued its successful partnerships with supportive service agencies through the Continuum of Care and Family Unification programs. These partnerships assist some of the hardest to serve clients, including persons with disabilities, homeless families, senior citizens, victims of domestic violence, former foster youth, and families in the process of reunifying with their children. On average, the SCHA assists 3,000 households each month through its various rental assistance programs.

**PHA Goal: Expand the supply of affordable housing.** During the preceding five years, the SCHA implemented several strategic initiatives to expand the supply of housing available to voucher recipients. One initiative implemented was an increase in the number of project-based vouchers available in order to both expand and maintain the supply of affordable housing within the jurisdiction. In December of 2018, SCHA awarded 93 project based vouchers to developments throughout Sonoma County; 82 of the vouchers awarded were awarded to existing developments in order to maintain and preserve existing affordable units.

Additionally, in 2018, the Housing Authority hired a full-time landlord liaison to work directly with local landlords. The goal of this initiative has been to expand housing opportunities for SCHA clients. In 2019, the Housing Authority partnered with the Sonoma County Department

of Human Services to hire an additional landlord liaison to attract local landlords. Enhanced landlord engagement efforts include a designated Housing Authority phone number and email address for landlords, improved landlord marketing materials, increased direct meetings with local landlords, and increased participation in local realtor events, housing fairs, local property management associations, and the California Apartment Association. Through these efforts the SCHA continues to mitigate misconceptions many landlords have regarding participants of rental assistance programs thereby expanding the supply of units available to voucher holders in all areas of Sonoma County.

**PHA Goal: Promote self-sufficiency.** Each year the SCHA has applied for and received grant funding from HUD for a Family Self-Sufficiency (FSS) Program Coordinator. In 2019 the SCHA’s FSS program was rated “Excellent” on HUD’s new FSS Performance Measurement System. During the period of 2015 - 2019, 22 FSS participants graduated from the program, all of whom were employed at the time of their graduation. 15 of these FSS graduates are no longer receiving rental assistance.

**PHA Goal: Ensure equal opportunity and affirmatively further fair housing.** The SCHA has continued its commitment to ensuring equal opportunity and affirmatively furthering fair housing. In 2018, it was determined that the combination of a continuously open waitlist and residency preference had resulted in only applicants from within the SCHA’s jurisdiction being provided an opportunity to access the programs and services available through the Housing Authority. In order to ensure that the waitlist is administered in an equitable fashion and to affirmatively further fair housing, significant changes were made to the Housing Authority’s preferences and waitlist process during calendar year 2019. Following robust community engagement, the SCHA closed and cancelled its existing waitlist which had in excess of 27,000 applicants on it. Concurrent to the closure and cancellation, SCHA eliminated its residency preference. Following the cancellation of the waitlist, extensive outreach was conducted and a new waitlist was developed utilizing a lottery based system.

**B.7 Resident Advisory Board (RAB) Comments.**

(a) Did the RAB(s) provide comments to the PHA Plan?

Y N

(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.

## Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

**A. PHA Information.** All PHAs must complete this section. ([24 CFR §903.23\(4\)\(e\)](#))

**A.1** Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

**PHA Consortia:** Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

**B. Annual Plan.** All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

**B.1 Revision of PHA Plan Elements.** PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

**Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(1) and 24 CFR §903.7(a)(2)(i)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. (24 CFR §903.7(a)(2)(ii))

**Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.** A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

**Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

**Rent Determination.** A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

**Operation and Management.** A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e)(3)(4)).

**Informal Review and Hearing Procedures.** A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

**Homeownership Programs.** A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

**Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.** A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

**Substantial Deviation.** PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

**Significant Amendment/Modification.** PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD’s website at: Notice PIH 1999-51. (24 CFR §903.7(r)(2)(ii))

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

**B.2 New Activity.** If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark “yes” for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark “no.” (24 CFR §983.57(b)(1) and Section 8(13)(C) of the United States Housing Act of 1937.

**Project-Based Vouchers (PBV).** Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

**B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. (24 CFR §903.11(c)(3), 24 CFR §903.7(p))

**B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

**B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15)

- B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(r\)\(1\)](#))
- B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. ([24 CFR §903.13\(c\)](#), [24 CFR §903.19](#))

---

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality



## Civil Rights Certification

### Annual Certification and Board Resolution

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official, I approve the submission of the 5-Year PHA Plan for the PHA of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the public housing program of the agency and implementation thereof:*

The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990, and will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those program, addressing those impediments in a reasonable fashion in view of the resources available and working with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.

---

PHA Name

---

PHA Number/HA Code

---

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

---

---

Name of Authorized Official

---

Title

---

Signature

---

Date

---

**Certifications of Compliance with  
PHA Plans and Related Regulations  
(Standard, Troubled, HCV-Only, and  
High Performer PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including  
Required Civil Rights Certifications**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or \_\_\_ Annual PHA Plan for the PHA fiscal year beginning \_\_\_\_\_, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

---

PHA Name

---

PHA Number/HA Code

\_\_\_\_\_ Annual PHA Plan for Fiscal Year 20\_\_\_\_\_

\_\_\_\_\_ 5-Year PHA Plan for Fiscal Years 20\_\_\_\_\_ - 20\_\_\_\_\_

---

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

---



---

Name of Authorized Official	Title
Signature	Date

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI.

---

There is a great, unmet need for housing in Sonoma County which is detailed in the two Consolidated Plans covering the jurisdiction of the PHA. These needs are identified by income, household type and specific housing challenges. The PHA and the Consolidated Planners of the jurisdiction work as partners to identify and address the housing needs of the low-income residents of Sonoma County and will work in concert in the development of the 2020 Consolidated Plan.

1. The Sonoma County 2015 Consolidated Plan states that affordable housing and assisting the County's homeless are high priorities. Specific goals related to these priorities are to make market rate housing units affordable to low income persons through the provision of rental subsidies and to implement strategies for homelessness prevention and intervention county-wide. Activities included within the PHA Five Year Plan are consistent with the priorities contained in the Sonoma County Consolidated Plan, which include providing decent, affordable housing for low-income persons, and coordinated efforts to assist those experiencing homelessness to gain housing.
2. The Consolidated Plan for the City of Petaluma states that 42% of low-income renter households within the City are rent burdened. Activities included in the PHA Five Year Plan are consistent with the initiatives contained in the City of Petaluma Consolidated Plan which include providing decent, affordable housing for low-income persons and expanding economic opportunities for low-income persons.

The most recent Analysis of Impediments to Fair Housing study (AI) found that the lack of affordable housing was a primary barrier faced by persons of protected classes within the jurisdiction of the PHA.

Activities and specific goals included in the PHA Five Year Plan which are consistent with the Consolidated Plan and Analysis of Impediments to Fair Housing include:

- a. Applying for additional vouchers as available
- b. Collaboration with local homeless services providers to reach the most vulnerable members of the community
- c. Expanding the supply of affordable housing
- d. Promoting self-sufficiency
- e. Partnering with local supportive services agencies to provide vulnerable clients seeking to exist homelessness housing location and stabilization services
- f. Ensuring equal opportunity and affirmatively further fair housing.