



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

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Commission*

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Interim Executive  
Director

**MEMORANDUM**

**Date:** March 15, 2023

**To:** Community Development Committee (CD Committee)  
Cities and Towns Advisory Committee (CTAC)

**From:** Valerie Johnson and Veronica Ortiz-De Anda, Community Development Associates

**Subject:** Fiscal Year (FY) 2023-2024 Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Low- and Moderate-Income Housing Asset Fund (LMIHAF), and FY 2020-2021 CDBG Cares Act (CDBG-CV) Funding Recommendations

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**Summary of FY 2023-2024 and FY 2020-2021 Funding Recommendations**

The Community Development Commission (CDC) received twenty-six funding requests in response to the CDBG, HOME, ESG, LMIHAF and CDBG-CV Notice of Funding Availability (NOFA), issued in December 2022. Staff conducted a review and evaluation of each application received to determine eligibility for the funding requested and conformance with the Funding Policies and Consolidated Plan goals. Staff prepared a written report for each application deemed eligible and complete and made initial recommendations for funding, shown below.

At the request of the Committees, applications requesting funding for homelessness related services were presented to the Continuum of Care (CoC) Board on February 22, 2023. The CoC reviewed the funding applications and subsequently supported the recommendations as presented by staff. The table below reflects their funding recommendations for CDBG-CV, ESG, and LMIHAF homelessness services applications.

The following capital investment, fair housing, and public services awards would: 1) support furthering the priorities approved in the FY 2023-2024 Funding Policies (Funding Policies) approved by the CD Committee and CTAC on December 13, 2022 for the FY 2023-2024 funding cycle; 2) meet the five-year Consolidated Plan goals; and 3) reflect projects that will be able to comply with all regulatory requirements, especially meeting defined objectives and eligibility criteria of each funding source, and timely expenditure of funds awarded.



**CDBG – Funds Available From This Source: \$1,365,100**

<b>Applicant Non-Housing Capital and Economic Development Projects</b>	<b>Proposed Project</b>	<b>Requested Amount</b>	<b>Staff Funding Commendation</b>
City of Cloverdale	1st Street Sidewalk ADA Improvements	\$730,000	\$392,000
WeeCare, Inc	BOOST (Economic development)	\$258,000	\$258,000
	Total	\$988,000	\$650,000

<b>Applicant Housing Projects</b>	<b>Proposed Project</b>	<b>Requested Amount</b>	<b>Staff Funding Commendation</b>
Burbank Housing Corporation	Dry Creek Commons	\$1,115,164	\$259,144
Mid-Peninsula The Farm, LLC	Summer Oaks	\$1,115,164	None – Contingency Project
Sonoma County Community Development Commission	Countywide Housing Rehabilitation Programs	\$500,000	Program income
Spectrum Affordable Housing Corporation	Redwood Glen Apartments	\$576,188	\$200,000
	Total	\$3,306,516	\$459,144

<b>Applicant Public Services Set Aside</b>	<b>Proposed Project</b>	<b>Requested Amount</b>	<b>Staff Funding Commendation</b>
Fair Housing Advocates of Northern California	Fair Housing Education and Enforcement	\$85,000	\$85,000
Legal Aid of Sonoma County	HOME – Housing Justice Project	\$257,345	\$170,956
	Total	\$342,345	\$255,956

**HOME – Funds Available From This Source: \$643,871**

<b>Applicant Housing Projects</b>	<b>Proposed Project</b>	<b>Requested Amount</b>	<b>Staff Funding Commendation</b>
Burbank Housing	Dry Creek Commons (Healdsburg)	\$676,739	\$212,751
Mid-Peninsula The Farm, LLC	Summer Oaks (Sonoma)	\$676,739	\$343,120

JCL Development Corporation	Redwood Glen Apartments (Windsor)	\$445,388	No funding recommendation
Sonoma County Housing Authority	Tenant Based Rental Assistance	\$88,000	\$88,000
	Total	\$1,886,866	\$643,871

**HOME-CHDO Set Aside – Available Funds From This Source: \$128,775**

Applicant	Proposed Project	Requested Amount	Staff Funding Commendation
Mid-Peninsula The Farm, LLC	Summer Oaks (Sonoma)	\$135,347	\$128,775
	Total	\$135,347	\$128,775

**ESG – Funds Available From This Source: \$139,478**

Applicant	Proposed Project	Requested Amount	Staff Funding Commendation
Social Advocates for Youth	Street Outreach Program and Rapid ReHousing	\$81,929	No funding recommendation
Sonoma Applied Villages Services (SAVS)	SAVS Outreach 2023-2024	\$199,030	\$139,478
	Total	\$280,959	\$139,478

**LMIHAF – Funds Available From This Source: \$250,000**

Applicant	Proposed Project	Requested Amount	Staff Funding Commendation
Social Advocates for Youth	Rapid ReHousing	\$156,667	\$100,000
TLC Child and Family Services	TLC Transition Age Youth Rapid Re-Housing Program	\$212,920	\$100,000
West County Community Services	West County Homeless Prevention	\$150,000	\$50,000
	Total	\$519,587	\$ 250,000

**CDBG-CV Funds Available From This Source: \$1,195,855**

Applicant	Proposed Project	Requested Amount	Staff Funding Commendation
Fair Housing Advocates of Northern California	Fair Housing Education and Enforcement	\$25,000	\$25,000
Homeless Action Sonoma	Home and Safe Navigation Center	\$500,000	\$300,000

Social Advocates for Youth	Street Outreach Program and Rapid ReHousing	\$133,213	\$133,213
Community Action Partnership	Sloan House Woman's Shelter	\$82,155	\$82,155**
Sonoma Applied Villages Services (SAVS)	Horizon Shine Transitional Housing Shelter/Navigation Center	\$585,153	\$100,000
West County Community Services	West County Homeless Outreach	\$200,000	\$200,000
West County Community Services	Service Navigation, Health and Mental Health Services Project (Services)	\$700,000	\$213,851
City of Healdsburg	Northern Sonoma County Homeless Services Expansion	\$251,636	\$141,636
The Living Room	Sonoma County Homelessness Prevention Service	\$381,828	No funding recommendation
	Total	\$2,858,985	\$1,195,855

*\*\*The Continuum of Care Board approved a recommendation of \$82,177, this was a transposition error as the applicant only requested \$82,155 and cannot be awarded more than requested.*

### **CDBG Funds**

The eligible activities for the CDBG program include affordable housing projects, non-housing capital projects, and microenterprise assistance. The amount available for FY 2023-24 is \$1,109,144.

### **CDBG - Fair Housing Set Aside**

CDBG regulations allow a maximum of 15% of the annual CDBG grant award from (HUD) to be set aside for Public Services activities. The Funding Policies, as approved by the Committees, designate this set aside for Fair Housing Services and Housing Justice Programs. The amount available for FY 2023-24 is \$255,956.

### **HOME Funds**

Eligible activities for HOME funds include development or preservation of affordable housing and tenant-based rental assistance. The amount available for FY 2023-24 is \$643,871.

### **HOME Community Housing Development Organization (CHDO) Set Aside**

The HOME program requires 15% of the HOME annual grant award from HUD to be set aside for use by a CHDO. To be certified as a CHDO, the development sponsor must meet specific criteria in accordance with HUD regulations. Staff received one application for HOME-CHDO funds. The CHDO application submittal was reviewed by staff and meet the CHDO certification requirements. The amount available for FY 2023-2024 is \$128,775.

### **ESG & LMIHAF Funds**

Eligible activities for ESG funds include homelessness related services and rapid rehousing, while eligible activities for LMIHAF include homelessness prevention and rapid rehousing. The amount of ESG funds available are \$139,478 and LMIHAF funds available are \$250,000.

### **CDBG-CV Funds**

CDBG-CV funds have a balance of over \$1.19 million available for eligible activities, which are subject to the CDBG statutory regulations with an additional requirement that they be used for activities that will prevent, prepare for, or respond to Coronavirus.

### **Ineligible / Incomplete Applications**

All applications for funding must be for activities that comply with HUD regulations and be a CDBG, HOME, ESG, LMIHAF or CDBG-CV eligible activity. Applications are also required to include all information and attachments to be deemed complete, including all required signatures. As stipulated in the Funding Policies, incomplete or ineligible applications will not be considered for funding. Applicants are made aware of these requirements through the NOFA, the public technical assistance workshops, and individual technical assistance meetings with CDC staff. Two applications were deemed incomplete and staff notified these applicants prior to this meeting.

### **Contingency Projects**

The requests for funding awards exceed the grant funds available. Projects that most closely met the criteria outlined in the NOFA and Funding Policies were recommended for funding awards. Some other project applicants were deemed eligible, but were not recommended for funding due to the lack of funds. These projects are recommended to be included in the FY 2023-2024 Action Plan as “contingency projects”. A contingency project can be awarded funding if another project does not proceed within the required time period, and funds become available. These projects must still meet all eligibility requirements.

### **Program Income and Recaptured Funds**

CDBG and HOME related revenue is received through the repayment of principal and interest on loans, which is defined as “program income”. CDBG and HOME program income can be used to support CDBG and HOME eligible activities. Recaptured funds are funds that become available if a project does not proceed within the required time period, or if a project does not use the full award. CDBG program income is estimated to be \$500,000 in FY 2023-2024 and these funds are recommended to support the SCCDC’s Countywide Housing Rehabilitation programs, up to the full request of \$500,000. If CDBG program income is less than estimated, CDBG recapture funds are recommended to make up the difference, to fund the full amount of the request. HOME

program income is usually a very small amount annually and not enough to support a project. However, if HOME program income or HOME recaptured funds become available, they are recommended to support eligible contingency projects.

### **Brown Act**

All Commission and Board members are subject to the Brown Act and must publicly disclose any and all communications related to the business of the Committees or Board, which includes any communications with applicants or applicant sponsors. All applicants should be advised and reminded of this disclosure, which will occur at the public meetings.

### **CD Committee and CTAC Workshop**

The staff reports, applications and supplemental materials are attached to this report for the CD Committee and CTAC review in advance of the workshop. At the workshop the committees will review staff analyses of proposals submitted under the competitive funding categories, take testimony from the public and applicants, and provide feedback to staff that will be integrated into the draft FY 2023-2024 Action Plan and FY 2020-2021 Action Plan Substantial Amendment funding recommendations. All applicants must be present at the public workshop to be considered for funding.

### **Requested Action**

Provide staff with preliminary funding recommendations that will be integrated into the draft FY 2023-2024 Action Plan and FY 2020-2021 Action Plan Substantial Amendment, which will be published for a 30 day comment period and presented to the committees at concurrent public hearings on April 19, 2023.

**APPLICANT NAME:** City of Cloverdale

**PROJECT NAME:** Cloverdale 1st Street ADA Sidewalk Project

**AMOUNT REQUESTED:** \$730,000

**PROJECT DESCRIPTION:**

**Applicant-Provided Summary Description from Submitted Application:**

“The project will eliminate barriers to accessibility for disabled persons in Cloverdale by constructing 400 feet of accessible pathway along East 1st Street. First Street is a thoroughfare for pedestrians in route to schools, parks, and downtown. The project area is located within HUD-qualified Census tracts with substantial (30.5-61.1%) disabled community members. At this section, pedestrians must step onto the existing curb and walk along a dirt path or share the street with vehicle traffic, creating a significant barrier and safety hazard for disabled pedestrians and children. Improvements will remove barriers, such as missing sidewalk, non-compliant curb ramps and driveway cuts, trees and trip hazards by installing ADA-compliant sidewalk, curb ramps, and driveway cuts, crosswalk striping, and adjusting meter boxes and vault covers to grade.”

**PROJECT TYPE:** Non housing capital project - infrastructure -improvements (architectural barrier removal)

**PROPOSED USE OF FUNDS:**

Project management, engineering, design, and construction

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

This proposed project meets the low- and moderate-income limited clientele-presumed beneficiary (elderly, severely disabled persons) national objective of the CDBG program. The project area is located within HUD-qualified Census tracts with substantial (17.5%) severely disabled community members, 66% of the population are low- and moderate-income within the census tract.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies (If no, provide the specific reason)?**

Yes, this project meets the eligibility requirements of the CDBG policies as it proposes to remove architectural barriers that will exclusively benefit clientele that are presumed to be principally low and moderate income, including elderly and severely disabled persons.

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, this project addresses building infrastructure or public facilities that support low-income communities.

**THRESHOLD CRITERIA**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, the project is consistent with the City’s General Plan and meets several of Cloverdale’s policies and goals.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

The City of Cloverdale has a history of successful management of similar projects using federal, state, and local funds. As a small city, grants are essential to the city's ability to continue to address the needs of its residents. The city has staff well-experienced in managing grant funds of all sorts, including federal CDBG grants.

**SELECTION CRITERIA**

**Will the requested funds for the project be leveraged against the total development costs of the non-housing capital project?**

If this applicant receives all of the requested CDBG funds, each \$1.00 of CDBG funds would leverage \$0.03 from other sources.

**ESTIMATED PREDEVELOPMENT AND CONSTRUCTION BUDGET**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
CDBG Grant	\$730,000	Requested, not committed
In kind	\$25,000	Committed
<b>TOTAL PROJECT COST</b>	<b>\$755,000</b>	

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

The Cloverdale City Council has approved this as a priority project.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

If CDBG funds are awarded to the applicant, they state they will initiate the required environmental review (NEPA). The applicant anticipates having the NEPA environmental review completed by July 2023. Design work is expected to be completed by January 2024 with a project completion of January 2025.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

The applicant states its Public Works Department is responsible for the development and maintenance of the city’s infrastructure. The Public Works Department also provides engineering review and inspection of public improvements for new development projects and for public capital improvement and replacement projects.

**For non-housing projects, is there a documented and verifiable need for the project above and beyond existing facilities?**



Yes, the project will benefit residents with incomes at or below 80% Area Median Income. Additionally, the proposed project will benefit disadvantaged community members in the area surrounding the project site, including an approved 78-unit affordable housing development benefiting low and very low-income residents.

**For non-housing projects, can the project be expected to have a significant impact on the identified problem and result in one or more measurable indicator?**

Yes, the proposed project can be expected to have a significant impact on the identified problem and will result in one or more measurable outcomes. First Street is a main thoroughfare for pedestrians in route to Cloverdale highschool and middle schools, Cloverdale River Park, and downtown. The missing section of sidewalk along the south side of East 1st Street between Mulberry Street and Hazelden Drive represents a major impediment and architectural barrier for ADA accessibility and pedestrian movement. At this section, pedestrians must be able to step onto the existing curb and walk along a dirt path, otherwise they must share the street with vehicle traffic. As the project area is located within a HUD-qualified Census tract with substantial (17.5% disabled community members, 66% of the population are low- and moderate-income within the census tract. The current environment creates a significant barrier and safety hazard for disabled pedestrians and children. Additionally, the proposed project will benefit disadvantaged community members in the area surrounding the project site, including an approved 78-unit affordable housing development benefiting low and very low-income residents.

**Additional Information:**

Cloverdale has not accessed CDBG funds from the Urban County since completing their FY 2017-2018 grant funded project.

**Consequences of No Funding:**

The applicant states that if their funding award for CDBG is less than their full request, the project could be conducted in two consecutive phases.

**Staff Recommendation:**

Staff recommends partial funding the City of Cloverdale \$392,000. Cloverdale was last awarded funds in FY 2017-2018.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. CDBG funds will be used to reimburse eligible engineering, design, construction, and project management costs only.
2. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. Evidence that sufficient funds for this purpose are available from another source to pay for this work must be provided.

3. CDBG funding can be used to pay for ADA improvements only; specifically, the removal of pre-existing architectural barriers. CDBG funds may not be used for construction of new ADA-compliant facilities or improvements.
4. The use of CDBG funds will require the entire construction contract to comply with federal requirements for contract documents, contracting and labor standards. The general contractor and subcontractors performing the work are subject to Davis Bacon Prevailing Wages and must pay federal Davis Bacon prevailing wages for all contract activities.
5. Funds for all public facilities and improvements projects must be expended within 18 months of the date on which the Funding Agreement is offered for execution.

Attachment A: City of Cloverdale Funding Application - <https://share.sonoma-county.org/link/GaAI3fQnwk0/>

**APPLICANT NAME:** WeeCare, Inc

**PROJECT NAME:** BOOST

**AMOUNT REQUESTED:** \$258,000

**PROJECT DESCRIPTION:**

*Applicant-Provided Summary Description from Submitted Application:*

“The BOOST program provides specialized technical assistance and business support for Family Child Care Home providers who run home daycares for children ages 0-12. BOOST will expand economic opportunities for 43 daycare providers in Sonoma's Urban County by training them to use essential tools to make their operations more efficient. This will enable them to reach their full revenue potential and retain their positions in the childcare industry. Through BOOST, daycare providers will learn best business practices while supporting Sonoma County's Low- and Moderate-Income (LMI) families with essential childcare services.”

**PROJECT TYPE:**

The BOOST Program is classified as a Non-Housing Community Development project- economic development and services for microenterprises

**PROPOSED USE OF FUNDS:**

The funds will be used to pay personnel and operating costs needed to run the program.

**FUNDING POLICIES - (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, this project supports low-income community members. This program addresses the area of non-housing community development, by promoting the well-being and economic integration of lower-income persons through economic development assistance for microenterprises to increase job opportunities in the Urban County.

Childcare is a much-needed service, but paradoxically an under-resourced industry. The cost of caring for young children exceeds what many families can afford to pay. Childcare workers are left to bear the brunt of the disparity and frequently cover the cost of the difference with their salary. The average earning of a childcare worker in Sonoma County is \$18.16 an hour (Zippia, 2022), or about \$37,800 a year, qualifying them as low and moderate income persons.

**THRESHOLD CRITERIA:**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the program will benefit low- and moderate-income clientele up to 80 percent of area median income. BOOST will provide crucial business support to create stable, sustainable microenterprise daycares that low- and moderate-income families of Sonoma County can

access. BOOST's goal is to expand economic opportunities for low- and moderate-income persons; both the microenterprise daycare providers, and the low- and moderate-income families they serve. It can do this by helping to build and sustain a healthy childcare business model across the Urban County.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

Yes, the proposed project is an economic development project which is a Community Development Block Grant (CDBG) eligible project.

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

Yes, the BOOST program eliminates racially and ethnically concentrated areas of poverty as well as narrowing gaps that result in disproportionate housing needs for people in protected classes. The childcare workforce has been steadily declining for years due in part to low wages and financial challenges. The COVID-19 Pandemic hit the childcare sector particularly hard and further exacerbated the problem. With school closures and fears of health risks, childcare enrollment numbers dropped too drastically for many programs to stay afloat. The already decreasing childcare workforce only made matters worse. Unlike other sectors that could raise wages to attract talent, the childcare industry was left with no incentives to attract or retain its employees. This is because daycares typically serve a vulnerable, low-income earning pool of customers. Therefore, they are at a disadvantage because when their own costs go up, they cannot rely on raising prices on their families. If they charge too much, the families will take their business elsewhere, but if they charge too little, they will not be able to cover their expenses. Because of this, they must rely on other methods to operate soundly.

The target population for this program is low- and moderate-income microenterprise owners who run licensed Family Child Care Homes, also known as home daycares. This population is majority female and low-to-moderate income individuals, In California, 98% of daycare providers are women, 71% are people of color, and 60% are between the ages of 40 to 59 years old (Center for the Study of Child Care Employment, 2020).

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

This is the second time this applicant has applied for federal funds from the Sonoma County Community Development Commission (SCCDC) and therefore the SCCDC does not have any direct knowledge of the applicant's capacity to effectively deliver the proposed project, other than relying on the materials and information provided in the application.

The applicant states WeeCare is very familiar with different types of contracts, notably the procurement, compliance, monitoring, and reporting requirements at the state and federal levels. The following are two examples of the most recent government contracts:

WeeCare has worked with Cathedral City, CA, as a sub-recipient of CDBG funding to implement successful programs to benefit low-to-moderate income persons. In addition

WeeCare is currently contracted with the State of California to administer childcare subsidies to income-eligible families and is sponsored by General Child Care and Development expansion

funds through the Child Care and Development Block Grant for FY 2021-2022. WeeCare was awarded \$1.8 million to provide direct tuition subsidies for California children from birth to age three and school-aged children

WeeCare is hiring more staff to prepare for the work ahead. It is committed to assisting all families, especially low- and moderate-income families facing housing or employment instability, by providing safe and reliable childcare options.

**SELECTION CRITERIA:**

**Does the applicant describe the primary outcome/s of the activity?**

Yes, the applicant states that the four objectives of the BOOST program are:

- Increase microenterprise revenue
- Create low- and moderate-income jobs
- Equip daycare providers to care for children with special needs
- Support low- and moderate-income families with access to quality childcare

The outcomes of those objectives will be that each participating daycare will increase their capacity and/or reduce their expenses so that a healthy business model is achieved. They will also be able to care for more children and thus will need to hire additional staff to serve them. Additionally, daycare providers will have the tools and training to address special needs or challenging behavior of exceptional children. And finally, families with children enrolled in participating daycares will have reliable childcare that matches their unique needs at a price they can afford. This will allow parents to work or attend school with minimal disruption and provide a nurturing environment for their children.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, the applicant states that “The objectives will be measured by the following:

Objective 1: Increase daycare revenue

Projected number to be served: 43 daycares/year

Outcome 1: 80% of daycares will increase their capacity and/or reduce their expenses so that a healthy business model is achieved.

Objective 2: Increase the number of daycare providers able to care for children with special needs.

Outcome 2: 25% of daycare providers will receive specialized training in behavior management.

Objective 3: Create new low and moderate income jobs

Projected number to be served: 13 jobs created/year

Outcome 3: Participating daycare providers will be able to care for more children and 30% of them will need to hire additional staff to serve them.

Objective 4: Support low and moderate income families with access to quality childcare.

Projected number to be served: 602 low- and moderate-income households/year

Outcome 4: Of the families with children enrolled in participating daycares, 75% will report having reliable childcare that matches their unique needs.

**Does the applicant have experience providing the proposed services?**

Yes, the applicant proposes to serve low and moderate income daycare providers in the Urban County. The BOOST program is designed to accept participants based on a high-risk/high need assessments that reflect their personal situation and the area they serve. High-risk factors include income, housing ownership (renters vs. owners), race/ethnicity, and the impact of the COVID-19 pandemic. High need areas include zip codes with high populations of single-headed households, Black and Hispanic families with children under six years old, and schools with high participation in free lunch programs.

BOOST will measure and track its participants' various demographic and population characteristics to ensure accurate reporting and to measure the program's effectiveness. WeeCare will submit quarterly reports to the SCCDC to evaluate the success of the objectives and ensure the communities being served are those that need it most. If reports indicate that the desired populations are not being reached and/or served, WeeCare will adjust its methodology to make the program more accessible and equitable to all providers and families in need.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the applicant states “ Sonoma County has over 26,000 children ages 0-5 years old (U.S. Census, 2020). This young age is a critical time in a child’s development. As First 5 Sonoma County explains, there are many benefits of early care and education that happen before a child enters kindergarten. Being exposed to quality early care promotes crucial brain development, socialization skills, school readiness and even shapes future factors like health outcomes and employment opportunities as adults (2022).

According to U.S. Census data, there are about 18,400 households with a child under 6 years old in Sonoma County (2020). That means there are about 18,400 households that potentially need full or part time childcare to support their family’s well-being. Without this type of support, many parents – particularly mothers – cannot join or rejoin the labor force. This makes childcare a two-generation support for working families, giving kids a future-learning jump start while also helping parents return to the workforce. (U.S. News and World Report, 2022). We live in an era where dual incomes are a necessity to make ends meet. Therefore, with working families as the norm, childcare has become an essential service family, and the workforce at large, depend on. For single parents, reliable childcare is a must. Sonoma County has 7,240 children who live with a single parent (U.S. Census, 2021). In particular, renter households with low-income and significant other costs, (like caring for a child), are at a high risk of becoming homeless (National Alliance to End Homelessness, 2022). Providing childcare to this vulnerable population can prevent homelessness and encourage their upward economic mobility.”

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

Not applicable

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG income eligibility and track other required demographic and quantitative data?**

WeeCare has an application process that documents household size, ethnicity, and annual income of each participant receiving the CDBG benefit. It confirms each participant’s low- and moderate-income status and that a provider’s daycare (which is also their residence) is located within the Urban County’s boundaries.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 - January 21, 2023	July 1, 2022 - June 30, 2023
<b>Number of microenterprise daycares served</b>	43		
<b>Number of jobs created</b>	13		
<b>Number of families served</b>	602		
<b>Number of unduplicated clients</b>	658		
<b>List the estimated percentage of the target population served in each of the income categories below:</b>			
<b>Household Income</b>	<b>List the total estimated percentage of the households served in each of the income categories below</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>	
<b>Extremely Low (Below 30% AMI)</b>	0	0	

<b>Very Low (Between 31% - 50% AMI)</b>	25%	25%
<b>Low (Between 51% -80% AMI)</b>	75%	75%
<b>Moderate (Over 80% AMI)</b>	0	0

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

This applicant has not been funded by the Urban County CDBG program and does not include data for past or current households served.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$Not provided
<b>Total program budget</b>	\$516,000
<b>Percent of program to organization budget</b>	
<b>Amount of CDBG request</b>	\$258,000
<b>Percent of CDBG request of program budget</b>	50%
<b>Unduplicated number proposed to be served with program</b>	658
<b>Program cost per person/household</b>	\$784.19
<b>CDBG cost per person/ household</b>	\$392.09

**ADDITIONAL INFORMATION:**

BOOST thoroughly evaluates each daycare provider's business before, during, and after the program. WeeCare is capable of capturing thousands of data points and will create reports and live dashboards. The preliminary evaluation will be used as a baseline to compare a daycare's progress throughout the program. The Care Coaches who assist the daycare providers use a centralized database to observe local trends and will communicate with the providers through app push notifications, text, or by phone. This means they can verify that a daycare provider has successfully received, read, and comprehended the information. With real-time data and feedback, Care Coaches can make nimble adjustments as needed.

BOOST will obtain qualitative data via quarterly anonymous feedback surveys so participants, both providers, and families, can freely respond to questions about their experience. Family participants will have a similar pre and post-test collection of data that records income, employment, and frequency of childcare use.



**CONSEQUENCES OF NO FUNDING:**

The applicant states the BOOST program can be scaled up or down according to the amount of funds awarded. Its operation is not dependent on full award funding and can be adjusted to the desired amount of coverage for the proposed area. If it were to be phased in or partially funded, an appropriate number of daycare providers would be accepted into the program. WeeCare already provides its services to childcare providers all over the country. Therefore, the operational systems and tools are in place and ready to be expanded in Sonoma County.

**STAFF RECOMMENDATION:**

Staff recommends fully funding the BOOST program \$258,000.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement
3. An organization budget in addition to a line-item program budget will need to be submitted prior to executing a funding agreement

Attachment A: WeeCare, Inc. Funding Application - <https://share.sonoma-county.org/link/EBAjmw3JcIY/>

## **CDBG AND HOME - AFFORDABLE HOUSING: APPLICATION SUMMARY AND FUNDING RECOMMENDATION**

**APPLICANT NAME:** Burbank Housing Development Corporation (BHDC)

**PROJECT NAME:** Dry Creek Commons

**CDBG AMOUNT REQUESTED:** \$1,115,164

**HOME AMOUNT REQUESTED:** \$676,739

### **PROJECT DESCRIPTION:**

*Applicant-Provided Summary Description from Submitted Application:*

“A 100% affordable 58-unit family rental project on a 3.52-acre City owned property located at 155 Dry Creek Road, Healdsburg. The project consists of two, four story apartment buildings of approximately 73,576 gross square feet connected by an above ground pedestrian bridge. All of the units will be offered to extremely low, very low and low-income households earning between 30-60% of area median income. To further meet the City’s housing needs, Reach for HOME will have first priority to approximately 5 of these units, to help address the City’s very low-income supportive housing needs. There will be ground floor accessible units. The project has received all discretionary entitlements from the City and preparation of construction documents is currently underway.”

### **PROJECT TYPE:**

New construction of affordable multifamily rental housing.

### **FOR HOUSING PROJECTS, THE NUMBER AND SIZE OF UNITS, INCOME LEVELS TO BE SERVED:**

The proposed project includes 58 one to three bedroom units with one two-bedroom manager’s unit. 57 of the 58 units will be restricted for occupancy by households with incomes between 30% and 60% of the area median income (AMI) including:

- 6 units – up to 30% AMI (extremely low income)
- 36 units – up to 50% AMI (very low income)
- 15 units – up to 60% AMI (low income)

### **PROPOSED USE OF FUNDS:**

CDBG funds are requested for construction of public infrastructure improvements, construction of the affordable housing, or both.

HOME funds are requested for construction of the development.

### **FUNDING POLICIES - Funding Goals and Objectives**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the proposed project will benefit low- and moderate-income households at or below 80% of the AMI, and will be a low moderate income housing activity under the CDBG national objectives.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies (If no, provide the specific reason)?**

Yes, the applicant is a qualified Community Based Development Organization (CBDO), which is the only type of non-profit organization eligible to use CDBG funds for new construction of affordable rental housing.

New construction of affordable housing is only permitted as a “special activity by CBDO” under CDBG regulations. The applicant will need to submit documentation to enable the Sonoma County Community Development Commission (SCCDC) to determine if it qualifies as part of an eligible neighborhood revitalization project under the CDBG regulations at 24 CFR 570.204 (a)(1): “Neighborhood revitalization project includes activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation...”.

The applicant’s proposed project also meets the eligibility requirements of the HOME program, with unit affordability restricted to households with incomes at or below 60% of the AMI. HOME also allows the use of funds for the construction of new affordable rental housing.

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

The proposed project includes new construction of affordable rental housing, which would support the priority of “creating affordable housing.”

**If the application is for housing acquisition and/or preservation, are the units at risk of becoming market rate housing?**

Not applicable, because the application is not for acquisition or preservation of dwelling units, it is for new construction.

**If the application is for a housing project, does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

Yes, the applicant would set aside approximately 5 units for households experiencing homelessness or households that are at risk of becoming homeless, specifically through referrals from the Reach for Home program.

**If the application is for a housing project, will the project provide units for special needs populations?**

Yes, the proposed project will set aside approximately 5 units for households experiencing homelessness or who are at risk of becoming homeless. All ground floor units in the proposed project will be ADA compliant accessible units.

**THRESHOLD CRITERIA:**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, the project is consistent with the Healdsburg General Plan. Per the City's adopted Land Use Plan, the property is designated Mixed Use with an allowed density of 10-16 units per acre, accommodating the 58 units with State Density Bonus.

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

Yes, the proposed project affirmatively furthers fair housing by providing affordable housing in an area of opportunity in order to combat segregation and promote integration. The project's location provides easy access to services, amenities, and employment opportunities.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, BHDC is a local non-profit organization with over 40 years of successful affordable housing development in the region. They have demonstrated experience in the development and long-term management of affordable housing.

**SELECTION CRITERIA:**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

CDBG Analysis

The primary source of project funding is anticipated to be 9% Low Income Housing Tax Credits (LIHTC) and the applicant states they intend to submit an application for those funds no later than July, 2023. If applicant receives all of the requested CDBG funding for FY 2023-24, each \$1 of CDBG funds would leverage approximately \$37 from other sources. The full amount of CDBG funds, requested and previously committed, would yield approximately \$34,765 per CDBG assisted unit. As noted below, the applicant is also requesting HOME funds from the SCCDC.

HOME Analysis

If applicant receives all of the requested HOME and other anticipated funding, each \$1 of HOME funds would leverage \$63 from other sources, however, most of the financing is not committed. The full amount of HOME funds supporting this project (requested and previously awarded) be would be \$1,076,739, which would be equivalent to an average of \$215,347 subsidy for each of the five (5) proposed HOME-assisted units. However, the HOME maximum subsidy per unit limits are based on bedroom count of each unit and cannot exceed the maximum permitted by bedroom count. Based on the unit sizes proposed, from 1 to 3 bedroom units, the HOME maximum subsidy per unit as calculated would require at a minimum of four 3-bedroom units, or potentially another combination of unit sizes or additional HOME units.

**ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
9% LIHTC	\$2,291,861	Uncommitted, applying March/July 2023
City of Healdsburg Land Loan	\$1,860,000	Committed, Exclusive Negotiation Rights Agreement
County CDBG, HOME FY 2022-23	\$1,266,476	Committed
<i>County HOME FY 2023-24</i>	<i>\$676,739</i>	<i>This Request</i>
<i>County CDBG FY 2023-24</i>	<i>\$1,115,164</i>	<i>This Request</i>
Deferred Costs	\$2,353,469	Uncommitted
Construction Loan	\$33,750,283	Uncommitted
<b>TOTAL</b>	<b>\$43,313,992</b>	

**ESTIMATED PERMANENT FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
9% LIHTC	\$22,918,613	Uncommitted, applying March/July 2023
Permanent Loan	\$5,477,000	Uncommitted
City of Healdsburg Land Loan	\$1,860,000	Uncommitted
County CDBG, HOME FY 2022-23	\$1,266,476	Committed
<i>County HOME FY 2023-24</i>	<i>\$676,739</i>	<i>This Request</i>
<i>County CDBG FY 2023-24</i>	<i>\$1,115,164</i>	<i>This Request</i>
HCD Loan	\$10,000,000	Uncommitted
<b>TOTAL</b>	<b>\$43,313,992</b>	

**Does the applicant demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

Yes, BHDC has demonstrated consistent success in obtaining federal tax credits and other federal, state and local funding to develop housing during the last seven years.

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

Yes, BHDC entered into an Exclusive Negotiating Rights Agreement with the City of Healdsburg for property acquisition which is contingent upon obtaining required entitlements, environmental clearances, and the necessary financing to successfully complete the

construction of the project. The city approved planning entitlements, including the state environmental review on September 27, 2022.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

While the project has obtained city planning approvals and completed the California Environmental Quality Act (CEQA) review, the project needs to obtain building permits. The applicant is in the process of securing most of the project financing. Other than the County's FY 2022-23 awards for CDBG and HOME funds, there are no financial commitments and most of the permanent financing is primarily dependent on a successful and highly competitive LIHTC application. The applicant is currently in the process of completing its National Environmental Protection Act (NEPA) environmental review.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

Yes, BHDC is a highly qualified affordable housing developer with a long history of developing and managing affordable housing projects in the region. The applicant is adequately staffed with dedicated departments that provide development, compliance, accounting, management, and maintenance services. Additionally, the applicant submitted a 30-year proforma showing sources for future maintenance and operations of the development.

**For housing projects, does project's proposed number of units exceeds the minimum CDBG requirements?**

Yes, the proposed project includes 57 affordable units out of a total of 58 units, exceeding the minimum requirement of 51% of the total units affordable to low- and moderate-income households at or below 80% of the area median income.

**For housing projects, are the proposed rents below the maximum rents allowed by the CDBG requirements?**

Yes, the proposed rents are at or below the maximum rents allowed by the CDBG requirements.

**Does project's proposed number of units exceed the minimum HOME requirements?**

Yes, the application states that five (5) units will be designated as HOME-assisted, which exceeds the minimum number of HOME units, which is 4 units. Depending on the amount of funding awarded, if any, the minimum number of units could change and will be finalized prior to execution of a funding agreement with the developer.

**Are the proposed rents below the maximum rents allowed by the HOME requirements?**

Yes, the application provides a table showing the expected rent amounts, in compliance with the HOME program guidelines.

**ADDITIONAL INFORMATION:**

The applicant states they intend to apply for 9% LIHTC no later than July of 2023. Awards are generally announced three months later, and construction must proceed within 180 days of an award. If successful, the start of construction is estimated to occur no later than April of 2024.

**CONSEQUENCES OF NO OR PARTIAL FUNDING:**

The application indicates that the project cannot be phased, and if the project receives less than the requested amount of funding, it would negatively impact the competitiveness of the project for tax credits placing more pressure on the request for Housing and Community Development (HCD) loan funds. The applicant has applied for both CDBG and HOME funds for FY 2023-24 for a total combined request of \$1,791,903.

**STAFF RECOMMENDATION:**

There are a number of processes that still need to be completed in order for the project to be shovel ready, including securing funding from other sources. Therefore, staff recommends CDBG funding in the amount of \$259,144 and HOME funding in the amount of \$212,751 for a total of \$471,895 for this project with the conditions included in the table below.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. All loans for Affordable Housing predevelopment activities are subject to the provisions of the SCCDC Loan Policies, the Funding Policies, and the CDBG and/or HOME regulations.
2. Applicant must demonstrate site control at the time funding is made available to the County by HUD.
3. Applicant must submit sufficient documentation to enable the SCCDC to determine if the proposed project meets the CDBG regulation's definition of eligible CBDO neighborhood revitalization project, (24 CFR 570.204(a)(1).
4. CDBG and HOME funds will be used to reimburse eligible costs only.
5. A NEPA environmental review must be completed before Developer can be offered a Development Agreement by SCCDC. The budget for the requested funds must include the costs to prepare the NEPA environmental review or the applicant must submit evidence of sufficient funds for this purpose are available from another source to pay for this work.
6. In compliance with Section 504 of the federal Rehabilitation Act of 1973, applicant must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. An additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.

7. SCCDC will make the loan to Burbank Housing Development Corporation. A subsequent assignment to a limited partnership must comply with federal regulations. Notwithstanding this requirement, applicant may assign the loan to a limited partnership prior to project completion and occupancy of the development.
8. Applicant will be required to submit evidence that all required construction and permanent financing has been committed prior to being offered a Funding Agreement.
9. Prior to final approval of funding, applicant must demonstrate sufficient Article 34 authority for the affordable units if they exceed forty-nine percent of the total affordable units.
10. The amount of HOME funding allocated to the development cannot exceed the amount that a federal subsidy layering analysis would permit. The CDC must complete a federal subsidy layering analysis prior to final loan approval. Developer will be required to submit an updated Sources and Uses table that breaks out the estimated cost of any community building or other non-housing components, as well as other required data to enable the CDC to complete this analysis.
11. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. Any property tax waiver will qualify as sources to satisfy the match obligation. When the sources are known, the CDC can calculate their match value and confirm whether the project will comply with this HOME program requirement.
12. The project must be completed within four years of the date on which the Developer Agreement is offered for execution. Project completion will be documented by the submission of a temporary or permanent certificate of occupancy for HOME funded units. HOME assisted rental units must be occupied by income-eligible households within 12 months of project completion.
13. Applicant must satisfy all regulatory requirements and all conditions of approval that are set forth in the SCCDC Loan Policies as prerequisite to the CDC offering the Funding Agreement for execution within 12 months of the start of the fiscal year associated with the award.
14. Disbursement of funds for all affordable housing projects must be initiated within 18 months of the date on which the Funding Agreement is offered for execution. All funds must be disbursed within 24 months of the date on which the Funding Agreement is offered for execution. Funding awards that do not meet these deadlines will be reprogrammed.



Attachment A: Burbank Housing and Development Corporation Funding Application - <https://share.sonoma-county.org/link/JnJmVl0ZE18/>

## **CDBG, HOME, AND HOME-CHDO – APPLICATION SUMMARY AND STAFF FUNDING RECOMMENDATION**

**APPLICANT:** Mid-Peninsula The Farm Inc.

**PROJECT NAME:** Summer Oaks (175 West Verano Ave., Sonoma, CA 95476)

**HOME AMOUNT REQUESTED:** \$812,086 (\$676,739 HOME + \$135,347 HOME-CHDO)

**CDBG AMOUNT REQUESTED:** \$1,115,164

### **PROJECT DESCRIPTION:**

#### **Applicant-Provided Summary Description from Submitted Application:**

“Summer Oaks is a 72-unit affordable family apartment development on 3.30 acres in Sonoma Valley, unincorporated Sonoma County. Summer Oaks will serve families earning between 30% to 60% Area Median Income and will consist of 1br, 2br, and 3br units, with 11 units (15%) designed to meet accessibility standards. The development will feature on-site amenities such as a community room, on-site laundry, children's play area, and MidPen's after school program. The project site is within proximity to key amenities such as the Maxwell Farms Regional park, grocery store, pharmacy, school, Boys and Girls Club of Sonoma Valley, and transit, with a bus stop along Verano Ave., the main frontage road.”

#### **Project type, number and size of units, income levels to be served:**

This is a proposal from a qualified Community Housing Development Organization (CHDO) for new construction of 72 units of affordable multifamily rental housing consisting of one bedroom to three-bedroom units affordable to households with incomes between 30% and 60% of the area median income (AMI), with 15% of the units proposed to be accessible. The unit sizes are proposed as follows:

- 32 one-bedroom units
- 22 two-bedroom units
- 18 three-bedroom units
- 1 two-bedroom unit will be reserved for a manager and not subject to affordability restrictions.

#### **Proposed use of funds:**

**HOME:** The proposed use of funds is for HOME eligible predevelopment and construction development expenses.

**HOME-CHDO:** The applicant is a qualified HOME-CHDO and the proposed use of funds is for HOME-CHDO eligible predevelopment and construction development expenses.

**CDBG:** The applicant proposes to use the CDBG funds for site clearance and site improvements (publicly owned). The site improvements are required conditions of approval from County such as road widening, sewer main, bike path, bus shelter, etc. that directly serve the housing.

## **FUNDING POLICIES**

### **Housing Goals and Objectives:**

#### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, this project will “benefit low- and moderate-income persons” under the CDBG category of “L/M Income Housing”(low and moderate income housing).

#### **Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies (If no, provide the specific reason)?**

Yes, the proposed project as described meets the eligibility requirements of the CDBG and HOME Funding Policies. CDBG funds may be used for site improvements related to new affordable rental housing construction if the site improvements are under public ownership. The site improvements as proposed are in the public right of way and under public ownership and are a required condition of approval by the County of Sonoma. The applicant also proposes the use of HOME and HOME-CHDO funds for eligible predevelopment and construction development expenses.

#### **Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, the proposed project will address the highest priority of creating affordable housing.

#### **If the application is for acquisition and/or preservation, are the units at risk of becoming market rate housing?**

Not applicable. The application is not for acquisition or preservation of existing dwellings, it is for new construction.

#### **Does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

This project does not set aside units for persons or households experiencing homelessness or at imminent risk of becoming homeless. It does propose to create affordable housing for very low-income households, which can assist in preventing homelessness.

#### **Will the project provide units for special needs populations?**

Yes, the proposed housing will provide units for very low-income households and will include 11 (15%) fully accessible units. 8 of the 11 units will meet sensory impairment standards.

## **THRESHOLD CRITERIA**

#### **Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, the project is consistent with the General Plan of the County of Sonoma. The Board of Supervisors approved a Resolution (Res. No. 21-0378) adopting a mitigated negative

declaration and approving a General Plan amendment on September 14, 2021. The application indicates that zoning approvals were obtained in September of 2022.

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

The project affirmatively furthers fair housing by providing affordable housing in an area of opportunity to help combat segregation and promote integration. Summer Oaks will provide 72 affordable homes in a California Department of Housing and Community Development (HCD) and California Tax Credit Allocation Committee (TCAC) designated moderate resource area with access to community resources including schools, hospitals, parks, bus stops and grocery stores. This location provides economic integration for the future residents with employment opportunities within walking distance of the site.

MidPen Property Management Corporation will affirmatively market to groups least likely to apply for housing and provide accessibility information concerning location of services, activities, and facilities.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, the developer has demonstrated local experience and the capacity to effectively deliver the proposed project. The project is already fully entitled. The developer has also demonstrated experience with completion of similar projects in other cities, while successfully securing highly competitive tax credit and other public financing.

**SELECTION CRITERIA**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

HOME Analysis

Yes, based on the amount of HOME funds requested, the project would leverage 68:1 in other fund sources. While the application does not specify the proposed number of designated HOME units, the maximum per unit HOME subsidy is limited to \$206,023, \$250,530, \$324,105 for 1, 2, and 3 bedroom units respectively. Based on the subsidy limits for 2022, and should all of the requested and previously awarded HOME funding be allocated to this project, a minimum of seven 3-bedroom HOME units would be required, however, an alternative combination of unit sizes can be considered if the HOME maximum per unit subsidy is not exceeded.

CDBG Analysis

Yes, based on the amount of CDBG funds requested, the project would leverage 49:1 in other fund sources. The CDBG program does not have per unit subsidy limits, however, at least 51% of the total number of affordable units would have to be designated for households whose income does not exceed 80% of the AMI.

**ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
Construction Loan	\$39,812,302	Committed
Costs deferred until conversion	\$3,197,214	Committed
Tax credits	\$3,315,114	Not committed
HCD- Joe Serna	\$3,408,542	Not committed
HCD – Infill and Infrastructure Grant (IIG)	\$1,400,000	Not committed
County FY 2022-23 HOME	\$1,103,132	Recommended for award
County FY 2022-23 HOME-CHDO	\$259,159	Recommended for award
County FY 2022-23 CDBG	\$592,056	Recommended for award
<i>Sonoma County – FY 2023-24 HOME</i>	<i>\$676,739</i>	<i>Requested</i>
<i>Sonoma County – FY 2023-24 HOME-CHDO</i>	<i>\$135,347</i>	<i>Requested</i>
Sonoma County – FY 2023-24 CDBG	\$1,115,164	Not committed
Affordable Housing Program (AHP)	\$1,000,000	Not committed
<b>TOTAL</b>	<b>\$56,014,759</b>	

**ESTIMATED PERMANENT FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
Permanent	\$2,476,000	Committed
Tax credits	\$33,151,142	Not committed
HCD – Joe Serna	\$3,787,269	Not committed
HCD - IIG	\$1,400,000	Not committed
HCD – Multifamily Housing Program (MHP)	\$10,318,761	Not committed
County FY 2022-23 HOME	\$1,103,132	Recommended for award
County FY 2022-23 HOME-CHDO	\$259,159	Recommended for award
County FY 2022-23 CDBG	\$592,056	Recommended for award
<i>Sonoma County – FY 2023-24 HOME</i>	<i>\$676,739</i>	<i>This request</i>
<i>Sonoma County – FY 2023-24 HOME-CHDO</i>	<i>\$135,347</i>	<i>This request</i>
Sonoma County - CDBG	\$1,115,164	Not committed
AHP	\$1,000,000	Not committed
<b>TOTAL</b>	<b>\$56,014,759</b>	

**Does the developer demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

Yes, Mid-Peninsula The Farm, Inc. (MPTF) is a non-profit CHDO organization that is experienced in developing and owning affordable housing. MPTF has developed 17 affordable housing communities and 964 units in San Mateo County, Santa Clara County, San Benito County, Santa Cruz County, and Monterey County. Their recent projects include 3 in San Mateo County, currently under development. All the completed developments have been successful in securing various types of funding from federal, state, local, and private sources.

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

Yes, the Board of Supervisors approved a Resolution (Res. No. 21-0378) adopting a mitigated negative declaration and approving a General Plan amendment on September 14, 2021. The project is fully entitled by the County of Sonoma.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

Yes, this project demonstrates advanced readiness. The applicant received County Board of Supervisor approval of a Mitigated Negative Declaration (CEQA) and zoning change for high density residential on September 14, 2021. The applicant also completed a Phase I environmental study in July 2022. Two of the fund sources identified for the project are committed and the applicant has submitted applications for several other fund sources for the project. The applicant intends to complete design development in January 2023 and submit their tax credit application in July 2023.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

Yes, the applicant provided a 30-year proforma/financial plan that supports long range maintenance and operations of the project.

**Does project's proposed number of units exceed the minimum HOME requirements?**

The applicant did not propose a specific number of HOME units, but demonstrated they understand they must designate the minimum number of units to meet the HOME requirements.

**Are the proposed rents below the maximum rents allowed by the HOME requirements?**

Yes, the rents proposed are at or below the maximum rents allowed by the HOME rent limits currently in effect for 2022.

**For housing projects, does the project's proposed number of units exceeds the minimum CDBG requirements?**

Yes, the applicant proposes that all 72 units will be affordable and will meet the minimum CDBG requirements, which exceeds the minimum CDBG requirement that at least 51% of the housing units are occupied by low- and moderate-income households.

**For housing projects, are the proposed rents below the maximum rents allowed by the CDBG requirements?**

Yes, the rents proposed are at or below the maximum rents allowed by the CDBG rent limits currently in effect.

**Additional Information**

This applicant submitted a CHDO certification package for review and staff determined that Mid Peninsula The Farm Inc. meets the HOME CHDO certification requirements.

This project does not involve any relocation and is for the development of vacant land.

This will be a certified Green Point Rated project, helping to alleviate the impact of climate change on low-income populations.

**Consequences of No Funding or Partial Funding**

The application indicates that the project cannot be phased and should less than requested funding be awarded, the project would not be able to move forward until all funding is secured.

**Staff Recommendation**

The proposed projects are eligible for the source funds, however, most of the funding has yet to be secured. Staff recommends funding this applicant with HOME-CHDO funds in the amount of \$135,347 and HOME funds in the amount of \$343,120. At this time, staff does not recommend CDBG funding, however, should other CDBG funded activities not be carried out, funds will be reprogrammed to this project, which will be considered a “contingency project” in the Annual Action Plan.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. All loans for Predevelopment and Construction are subject to the provisions of the Sonoma County Community Development Commission (SCCDC) Loan Policies, the FY 2023-24 Funding Policies, and the HOME Final Rule.
2. Developer must demonstrate site control at the time HOME funding is made available to the County by HUD.
3. HOME funds will be used to reimburse allowable predevelopment and construction costs only.
4. A NEPA environmental review must be completed before Developer can be offered a Development Agreement. If the awarded HOME funds are not planned to pay for NEPA work: Evidence that sufficient funds for this purpose are available from another source to pay for this work must be provided.
5. In compliance with Section 504 of the federal Rehabilitation Act of 1973, developer must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. An

- additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.
6. The SCCDC will make the HOME loan to Mid-Peninsula The Farm, Inc. as the Developer. A subsequent assignment to a limited partnership must comply with federal regulations. Notwithstanding this requirement, Developer may assign the loan to a limited partnership prior to project completion and occupancy of the development.
  7. Developer will be required to submit evidence that all required construction and permanent financing has been committed prior to being offered a Developer Agreement.
  8. Developer will be required to submit an acceptable post-construction appraisal prior to receiving final approval to expend HOME funds for construction costs. The SCCDC will require the HOME loan to record in a sufficiently senior lien position to ensure that the value of the completed development will fully secure the loan.
  9. The amount of HOME funding allocated to the development cannot exceed the amount that a federal subsidy layering analysis would permit. The SCCDC must complete a federal subsidy layering analysis prior to final loan approval. Developer will be required to submit an updated Sources and Uses table that breaks out the estimated cost of any community building or other non-housing components, as well as other required data to enable the SCCDC to complete this analysis.
  10. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. Any property tax waiver will qualify as sources to satisfy the match obligation. When the sources are known, the SCCDC can calculate their match value and confirm whether the project will comply with this HOME requirement.
  11. Prior to final approval of the HOME funds, Developer must demonstrate sufficient Article 34 authority for the affordable units if they exceed forty-nine percent of the total affordable units, or submit a written legal opinion describing why Article 34 authority is not required.
  12. Developer must satisfy all regulatory requirements and all conditions of approval that are set forth in the SCCDC Loan Policies as prerequisite to the SCCDC offering the Developer Agreement for execution within 12 months of the start of the fiscal year associated with the award. Disbursement of funds must be initiated within 24 months of the date on which the Developer Agreement is offered for execution. All funds must be disbursed within 36 months of the date on which the Developer Agreement is offered for execution. Funding awards that do not meet these deadlines will be reprogrammed.
  13. The project must be completed within four years of the date on which the Developer Agreement is offered for execution. Project completion will be documented by the submission of a temporary or permanent certificate of occupancy for HOME funded units. HOME assisted rental units must be occupied by income-eligible households within 12 months of project completion.

**Attachment A: Mid-Peninsula the Farm, LLC (Summer Oaks) Funding Application -**  
**<https://share.sonoma-county.org/link/tbBISpxDSP8/>**



**APPLICANT NAME:** Sonoma County Community Development Commission (SCCDC)

**PROJECT NAME:** Countywide Housing Rehabilitation Programs

**AMOUNT REQUESTED:** \$ 500,000

**PROJECT DESCRIPTION**

**Applicant-Provided Summary Description from Submitted Application:**

CDBG funds will be utilized for low interest loans made through the Housing Rehabilitation Loan Program (HRLP) for improvements to legally sited mobile homes, single family dwellings, and multifamily residential properties located in the unincorporated County as well as within the boundaries of the cities/towns of Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, Sonoma, and Windsor (together defined as the "Urban County"), and the direct program delivery expenses associated with the provision of the housing rehabilitation activities to CDBG-eligible owner-occupants and owners of qualified rental housing. All owner-occupied properties must be occupied by income-eligible households at or below 80% of the area median income (AMI). Rental properties must be occupied by at least 51% of tenants at or below 80% of the AMI to qualify for eligibility. Loans to owner-occupants will either be deferred-payment or amortized, depending on the homeowner's ability to repay. All loans to owners of rental properties will be fully amortized and carry long-term affordability restrictions. The CDBG funds may also be used to provide grants through the Earthquake Resistant Bracing System Program (ERBS) to low-income owners of mobile homes for the installation of earthquake resistant bracing systems.

**PROJECT TYPE:**

Housing rehabilitation to provide health, safety, and code related improvements, to help preserve existing affordable housing.

**FOR HOUSING PROJECTS, THE NUMBER AND SIZE OF UNITS, INCOME LEVELS TO BE SERVED:**

The HRLP and ERBS programs will serve households at or below 80% AMI with the requested funding.

**PROPOSED USE OF FUNDS:**

Loans or grants to provide housing rehabilitation and hazard mitigation construction, and SCCDC direct program delivery costs.

**FUNDING POLICIES (Funding Goals and Objectives)**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, the project addresses the preservation of affordable housing.

**If the application is for housing acquisition and/or preservation, are the units at risk of becoming market rate housing?**

No, the units assisted are not necessarily affordable units upon application to the program. While the units may be occupied by households that pay rent or mortgage costs that are affordable to them, there are no deed restrictions or other mechanisms to ensure affordability. However, once assisted with an HRLP loan or grant, affordability restrictions are placed on rental units for a term of 55 years for substantial rehabilitation or 20 years for non-substantial rehabilitation, restricting occupancy to low- and very low-income households. This program requirement thereby preserves and increases the affordable rental housing stock in the Urban County, helping lower income households maintain their existing affordable housing and remain in place in a safe and habitable unit.

**If the application is for a housing project, does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

N/A

**If the application is for a housing project, will the project provide units for special needs populations?**

The HRLP program provides improvements to assist qualified homeowners and rental property owners with modifications to assist with access and mobility for the occupants within the existing homes. These improvements can include, but are not limited to, replacement of a bathtub-shower with a shower stall to provide easier access, grab bar installations, and replacement of fixtures with new fixtures having handles that are easy to grip.

**THRESHOLD CRITERIA**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, the HRLP and ERBS programs are two of the “programs” that carry out the important work included in the Sonoma County General Plan Housing Element (HE) adopted on 12-02-2014. On page HE-23, Objective HE-1.3 states: “Continue existing Community Development Commission efforts and programs, as specified in the Sonoma County Consolidated Plan, to use CDBG, dedicated redevelopment Reinvestment and Revitalization (R&R) Funds, and/or other sources to provide comprehensive rehabilitation loans, to complete flood and earthquake hazard mitigation measures, to eliminate health hazards by connecting properties to public water and/or sewer systems, and to perform access modifications for units occupied by persons with disabilities, when those units are owned and/or occupied by extremely-low, very low-and low-income households. Funding may be provided for conventional single-and multifamily housing, for mobile homes, and for special needs and/or accessible housing units.”

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

Yes, the HRLP and ERBS programs affirmatively further fair housing by including outreach through flyers containing program information in Spanish. These flyers for HRLP have been distributed by staff in mobile home parks with large Latino populations including Roseland and the Boyes Hot Springs communities. SCCDC is currently updating flyers and working to update

the website to enhance and expand the information available to residents who are limited in English proficiency.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, the SCCDC has the capacity to complete approximately 18 HRLP projects and 37 ERBS projects per year. According to the Housing Element report, from 2007-2014, 191 HRLP projects and 139 ERBS project were completed. For 2014 -2021, 70 HRLP projects and 385 ERBS projects were completed. This gives a 14-year average of 18 HRLP projects and 37 ERBS projects completed per year with a current anticipated average annual cost based on current pricing of staff who regularly work implementing the programs. Staff conduct intake and process property owners' applications, prepare and process all loan/grant documents, conduct the competitive bidding process, and assist the owner in the control, supervision and direction of the work to be performed under the contract to ensure all required work is performed per plan/scope and that work is complete prior to payment being made. The SCCDC has successfully implemented the HRLP program using a variety of funding sources since 1978 and the ERBS Program since 1995, assisting hundreds of households with repairs and mitigation projects necessary to maintain safe, decent and affordable housing.

**SELECTION CRITERIA**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

*N/A. Housing rehabilitation programs administered by the SCCDC are not subject to leveraging requirements. Funds are used to directly administer the rehabilitation programs.*

**Does the applicant demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

N/A

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

Yes, the HRLP and ERBS programs were established by the SCCDC. The five members of the Sonoma County Board of Supervisors, acting in their capacity as Commissioners, form the governing body for the SCCDC. The Commissioners have adopted the HRLP and ERBS Program Designs containing the policies that form the framework for the programs and have provided county R&R funds for both programs.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

Yes, the HRLP and ERBS programs are of a scattered site nature and the SCCDC provides loans or grants to the property owners who apply to the programs. Building permits are obtained as each project is approved. Environmental review is a multi-tiered review type and the first tier has been completed and the required Authority to Use Grant Funds was received from the United States Department of Housing and Urban Development (HUD) by the SCCDC on January

28, 2022. A tier II site-specific review will be completed for each individual property rehabilitated prior to work commencement.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

The terms of the loan agreements with each property owner require the property owner to provide fire, flood, and other insurance as required, and to keep said property in good condition and repair for the term of the loan or in the case of a rental property the affordability period (20-55 years).

**For housing projects, does project's proposed number of units exceeds the minimum CDBG requirements?**

Yes, owner occupied units must be low income to qualify and at least 51% of units in rental properties must be low income, at or below 80% of the AMI.

**For housing projects, are the proposed rents below the maximum rents allowed by the CDBG requirements?**

For rental properties, an affordability covenant is recorded against the property restricting continued occupancy of the property to low or very low-income households. The term of affordability placed on the properties is based on whether the improvements are considered substantial rehabilitation or non-substantial rehabilitation, for substantial rehabilitation the restriction is 55 years, for non-substantial it is 20 years.

**ADDITIONAL INFORMATION:**

N/A

**CONSEQUENCES OF NO FUNDING:**

The SCCDC would seek other funding as available. However, if no other funding sources are available, the program may not be able to assist any new applicants.

**STAFF RECOMMENDATION:**

Staff recommends funding the Countywide Rehabilitation Programs with any CDBG program income available or expected and prior years CDBG recaptured funds, up to the full amount of the request. This funding is separate from the FY 2023-2024 grant funding available.

## **HOME– APPLICATION SUMMARY AND STAFF FUNDING RECOMMENDATION**

**DEVELOPER NAME:** JCL Development, LLC

**PROJECT NAME:** Redwood Glen Apartments

**AMOUNT REQUESTED:** \$445,388

### **PROJECT DESCRIPTION:**

#### *Applicant-Provided Summary Description from Submitted Application:*

“Redwood Glen Apartments, located on a 1.54-acre site along Old Redwood Highway in Windsor, CA, will provide 43 affordable family housing units (including one manager unit), with 7 mobility units, 31 adaptable units, and 5 adaptable communication units. All of the one-to-three-bedroom units will be for very-low/low-income persons and the units will be configured for accessibility in a single elevator-served building. The project will feature residential amenity space including a community center with kitchen, administrative offices, residential services, mail room, laundry rooms, trash and recycling rooms. The all-electric powered building will be energy efficient with energy star appliances, and LED lighting.”

### **PROJECT TYPE:**

This proposal is for site acquisition of a property for new construction of 43 multifamily affordable housing units consisting of one, two and three bedrooms available to very low-income households.

### **For housing projects, the number and size of units, income levels to be served:**

16 units – Households at or below 30% of the area median income (AMI)

11 units – Households at or below 40% of the AMI

15 units – Households at or below 50% of the AMI

1 unit – Manager unit (not subject to affordability requirements)

The application states that two (2) of the units will be designated as HOME-assisted.

### **PROPOSED USE OF FUNDS:**

Land acquisition for the development of affordable housing. The applicant currently owns one parcel of land and has an option to purchase an adjacent parcel. The use of HOME funds would be to assist with the purchase of the adjacent parcel by a new entity to be created for the purpose of developing the project. The applicant plans to donate the parcel of land they own to the new entity to develop the project.

### **FUNDING POLICIES - Housing Goals and Objectives:**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, this project proposes to create 42 new units of affordable housing for very low-income households.

**If the application is for acquisition and/or preservation, are the units at risk of becoming market rate housing?**

Not applicable. This proposal is for the acquisition of land to develop 42 units of affordable housing.

**Does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

No, the project proposes to create new affordable housing for very low-income households.

**Will the project provide units for special needs populations?**

Yes, the project will include ADA accessible units including 7 mobility units, 31 adaptable units, and 5 adaptable communication units.

**THRESHOLD CRITERIA:**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, a resolution with general plan consistency was approved by the Planning Commission of the Town of Windsor on April 26, 2022.

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

Future tenants of the Redwood Glen Apartments will experience positive economic, educational, and health outcomes, particularly long-term outcomes for children and the younger generation of these low-income families. The applicant's goal is to improve the living conditions of low-income households and narrow the segregation created by financial differences.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

This is the second time this applicant has applied for federal funds from the Sonoma County Community Development Commission (SCCDC), the previous application did not receive funding because JCL staff were not available to answer questions at the public hearing, with attendance a mandatory requirement for funding award. Therefore the SCCDC does not have any direct knowledge of the applicant's capacity to effectively deliver the proposed project, other than relying on the materials and information provided in the application.

The applicant states "JCL Development, LLC (JCL), through its wholly owned affiliates/subsidiaries Newport Partners and Domus Development, has been creating and preserving affordable housing and innovative infill mixed-use projects to support the needs of communities across the United States for over 25 years. Together with its affiliates/subsidiaries, JCL is a fully integrated affordable housing firm that has been developing, constructing, syndicating, and managing affordable housing since 1998. Newport Partners has placed over \$1.2 billion in low-income housing tax credit equity as well as developed and owned more than 200 affordable housing projects (approximately 16,000 total units). The funding sources of these projects have included federal, state, county, city, and private grant funds. Currently,

Newport has 11 projects under construction and 5 more planned to begin construction in 2023. They have the expertise in-house to structure and execute complex deals, and our development partners include the industry's most knowledgeable professionals. Newport has not encountered any past issues or challenges administering grant or loan funds.”

**SELECTION CRITERIA:**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

Based on the financial structure shown on the application, if the applicant obtains financing as planned the requested funds will leverage at least 59 to 1, exceeding the minimum 7:1 leverage requirement.

**ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING**

<b><u>Funding Source</u></b>	<b><u>Amount</u></b>	<b><u>Commitment Status</u></b>
Citibank, N.A.	\$15,707,430	committed
Housing and Community Development (HCD)	\$2,707,900	not committed
County of Sonoma (HOME)	\$445,388	not committed
Newport Partners, LLC	\$2,511,777	committed
Tax credit equity	\$4,674,079	not committed
County of Sonoma (CDBG)	\$576,188	not committed
<b>TOTAL</b>	<b>\$26,622,762</b>	

**ESTIMATED PERMANENT FINANCING**

<b><u>Funding Source</u></b>	<b><u>Amount</u></b>	<b><u>Commitment Status</u></b>
Tax Credit Equity	\$20,322,084	not committed
Citibank, N.A.	\$1,844,604	Committed
HCD	\$2,707,900	not committed
County of Sonoma (HOME)	\$445,388	not committed
Newport Partners, LLC	\$726,598	committed
County of Sonoma (CDBG)	\$576,188	not committed
<b>TOTAL</b>	<b>\$26,622,762</b>	

If applicant receives all the requested local HOME funding, each \$1 of HOME funds would leverage \$58.77 from other sources. The full amount of HOME funds requested would be equal to a subsidy of \$222,694 for each of the two (2) HOME-assisted units. However, the HOME maximum subsidy per unit limits are based on bedroom count of each unit, so the HOME subsidy per unit is calculated based on the number of bedrooms for each HOME assisted unit and cannot exceed the maximum permitted. Based on the unit sizes proposed, from one to three-bedroom units, the HOME maximum subsidy per unit as calculated would require two, three-bedroom HOME assisted units.

**Does the developer demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

This is the second time this applicant has applied for federal funds from the SCCDC therefore the SCCDC does not have any direct knowledge of the applicant's capacity to successfully obtain other funding, other than what was provided in the application. The application materials indicated the developer currently has several projects under development using a combination of federal and other public and private fund sources. The application states Newport Partners has secured over \$1.2 billion in low-income housing tax credit equity as well as developed and owned more than 200 affordable housing projects (approximately 16,000 total units). They state the funding sources for these projects have included federal, state, county, city, and private grant funds.

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

Yes, the applicant submitted a Town of Windsor resolution (Resolution No. 3795-22) supporting the project executed on October 19, 2022.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

The project is in the initial phase of the development and received approval of their site plan and design review in April 2022. The Planning Commission of the Town of Windsor determined the project was exempt from CEQA with stated findings in their resolution No. 708-22, dated April 26, 2022. The project sponsor has site control and an option to purchase the second parcel that will encompass the development. There is one firm financial commitment for the construction loan, and most of the permanent financing is primarily dependent on a successful Low-Income Housing Tax Credit application. If awarded HOME funds from the Sonoma County CDC, the project will apply for the first round of 9% tax credits in 2023. The project would be subject to the preliminary conditions of approval listed at the end of this report including but not limited to an environmental review (NEPA) and a HOME subsidy layering analysis.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

Yes, together with its affiliates/subsidiaries, JCL states it is a fully integrated affordable housing firm that has been developing, constructing, syndicating, and managing affordable housing since 1998. Operating expenses including property taxes and resident services (but excluding replacement reserves), are estimated at \$298,235, or \$6,936 per unit. The 30-year project proforma demonstrates the project has the capacity to service all debt and provide long range maintenance, management, and operations.

**Does project's proposed number of units exceed the minimum HOME requirements?**

The proposed number of units in the application was three, the minimum required. The proposed number of designed HOME units based on the financial information provided by the applicant and the HOME minimum subsidy per unit limits, will require the project to designate a minimum of two HOME assisted three-bedroom units.



**Are the proposed rents below the maximum rents allowed by the HOME requirements?**

Yes, the application provides a table showing the expected rent amounts, in compliance with the HOME program guidelines.

**Additional Information:**

This proposed project includes the relocation of an existing household in a single-family home that is currently located on a property that will become part of the overall development. This relocation will be subject to the Federal Uniform Relocation Act (URA) requirements and a relocation plan will be required to be submitted for review and approval. Funds are budgeted in the project for this purpose, but the relocation will be subject to the URA if federal HOME funds are awarded.

**Consequences of No Funding:**

The applicant states this project can still proceed if awarded less funding than requested by deferring the developer fee and/or value engineering.

**Staff Recommendation:**

The FY 2023-24 Funding Policies identify a preference for awarding funds to nonprofit housing developers. Due to a limited amount of HOME funds available, this applicant is not being recommended for a HOME funding award.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. All loans for Affordable Housing Acquisition are subject to the provisions of the Sonoma County Community Development Commission (CDC) Loan Policies, the FY 2023-2024 Funding Policies, and the HOME Final Rule.
2. Developer must demonstrate site control at the time HOME funding is made available to the County by HUD.
3. HOME funds will be used to reimburse allowable acquisition costs only.
4. A NEPA environmental review must be completed before Developer can be offered a Development Agreement. Evidence that sufficient funds for this purpose are available from another source to pay for this work must be provided.
5. In compliance with Section 504 of the federal Rehabilitation Act of 1973, developer must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. An additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.
6. The CDC will make the HOME loan to JCL Development, LLC as the Developer. A subsequent assignment to a limited partnership must comply with federal regulations.

Notwithstanding this requirement, Developer may assign the loan to a limited partnership prior to project completion and occupancy of the development.

7. Developer will be required to submit evidence that all required construction and permanent financing has been committed prior to being offered a Developer Agreement.
8. Developer will be required to submit an acceptable site appraisal that demonstrates that the “as is” value of the property will fully secure the loan prior to receiving a funding commitment. The CDC will require the HOME loan to record in a sufficiently senior lien position to ensure that the value of the completed development will fully secure the loan.
9. The level of HOME funding allocated to the development cannot exceed the amount that a federal subsidy layering analysis would permit. The CDC must complete a federal HOME subsidy layering analysis prior to final loan approval. Developer will be required to submit an updated Sources and Uses Table that breaks out the estimated cost of any community building or other non-housing components, as well as other required data to enable the CDC to complete this analysis.
10. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. Any property tax waiver will qualify as sources to satisfy the match obligation. When the sources are known, the CDC can calculate their match value and confirm whether the project will comply with this HOME program requirement.
11. Developer must satisfy all regulatory requirements and all conditions of approval that are set forth in the CDC Loan Policies as prerequisite to the CDC offering the Developer Agreement for execution within 12 months of the start of the fiscal year associated with the award. Disbursement of funds must be initiated within 24 months of the date on which the Developer Agreement is offered for execution. All funds must be disbursed within 36 months of the date on which the Developer Agreement is offered for execution. Funding awards that do not meet these deadlines will be reprogrammed.
12. The project must be completed within four years of the date on which the Developer Agreement is offered for execution. Project completion will be documented by the submission of a temporary or permanent certificate of occupancy for HOME funded units. HOME assisted rental units must be occupied by income-eligible households within 12 months of project completion.
13. Develop is subject to the Federal Uniform Relocation Act requirements and must satisfy all regulatory requirements, including submittal of a Relocation Plan to the CDC for review and approval.

**Attachment A: Spectrum Affordable Housing Funding Application - <https://share.sonoma-county.org/link/oe0LiyIWt6U/>**

## **CDBG PUBLIC SERVICES (FAIR HOUSING) FUNDING RECOMMENDATION SUMMARY**

**APPLICANT NAME:** Fair Housing Advocates of Northern California

**PROJECT NAME:** Fair Housing Education and Enforcement

**CDBG AMOUNT REQUESTED:** \$85,000 (CDBG) / \$25,000 (CDBG-CV)

### **PROJECT DESCRIPTION:**

#### *Applicant-Provided Summary Description from Submitted Application:*

FHANC will provide full-service fair housing education and enforcement services in Sonoma County, offering advocacy to people protected by federal, state, and local fair housing laws and providing fair housing education to tenants, public and private housing providers, and the larger community. FHANC focuses on the most vulnerable populations – e.g. people with disabilities, people of color, and families with children. FHANC addresses systemic discrimination through testing and other investigative efforts, filing agency complaints or lawsuits when warranted in order to change discriminatory housing policies. In addition, FHANC advocates for legislative policies which will affirmatively further fair housing (AFFH), and offers technical assistance to jurisdictional staff on AFFH matters. (If funded with CDBG-CV dollars) FHANC will also provide Covid-related fair housing services.

### **FAIR HOUSING PROJECT TYPE:**

- Provides education about fair housing laws
- Advocates for tenants who may be targets of discrimination
- Provides investigative testing and auditing
- Enforcement of fair housing laws

### **PROPOSED USE OF FUNDS:**

Fair Housing Advocates of Northern California (FHANC) proposes to use the requested CDBG and CDBG-CV funds to provide fair housing services to tenants of lower income (with incomes at or below 80% of the area median income), including non-English speakers. These services also include education of fair housing laws provided to the public, community-based organizations, and government groups, and elected officials. FHANC proposes to provide eviction prevention assistance, enforcement of fair housing laws, address systemic housing discrimination by conducting testing and investigative work of landlords, provides free legal advice to clients. Additionally, the applicant collaborates with Legal Aid of Sonoma County and Disability Services and Legal Center in Santa Rosa in all these efforts.

## **FUNDING POLICIES:**

### **Funding Goals and Objectives:**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

The project supports the preservation of affordable housing in the Urban County by assisting lower income households with fair housing services. The proposed services allow clients to remain in their homes or, depending on the circumstances, improve their housing situation. Housing stabilization prevents housing disruption, and it is one of the more affordable options for low-income households. The task of finding an affordable rental elsewhere presents a more substantial burden, whereas these services preserve existing affordable housing. Additionally, by addressing systemic housing discrimination practices, landlords become educated on fair housing laws and may be more likely to abide by them.

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, this project meets the Low/Moderate Income Limited Clientele National Objective. The project focuses on the most vulnerable populations such as persons with disabilities, persons of color, and families with children that are of lower income. CDBG funds must be spent only on direct services to income-documented households, at least 51% of which have incomes at or below 80% area median income (AMI) and reside in the Urban County. The application estimates that 81% of households served in Urban County would be at or below 50% AMI in Fiscal Year (FY) 2023-24.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

CDBG regulations allow the County to use up to 15% of its CDBG award allocation for public services, including fair housing related services. As described, the proposed project includes activities that meet the eligibility requirements of the County's CDBG and HOME Funding Policies, because it would serve the residents of the Urban County and help preserve affordable housing in this area.

## **THRESHOLD CRITERIA**

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

CDBG recipients are required to comply with the requirements of the Fair Housing Act (FHA) and to Affirmatively Further Fair Housing (AFFH). The proposed project supports HUD's AFFH

rule by providing fair housing services to reduce discrimination to protected classes, educating landlords and tenants on fair housing laws, and advocating for legislative policies.

FHANC offers clients complaint intake, referral, testing, advocacy, intervention, and enforcement, and affirmatively furthers fair housing by:

- Serving clients alleging fair housing concerns, referring to staff attorneys or bilingual housing counselors for advice and/or representation; and assisting tenants with disabilities who need reasonable accommodations so they can enjoy their housing in the same way non-disabled people do. FHANC would conduct testing as part of their investigation into allegations of discrimination whenever possible.
- Referring legitimate fair housing complaints to HUD or the U.S. Department of Fair Employment and Housing (DFEH) and often representing the client throughout the complaint process. HUD and DFEH investigators are not necessarily attorneys; having an attorney represent clients in the administrative process means a level of advocacy that will ultimately help clients better understand the strengths/weaknesses of their case and reach better settlements.
- Addressing systemic discrimination through testing and other investigative efforts, filing complaints when it uncovers evidence of discrimination, resulting in positive policy changes and alleviating barriers to housing opportunity.
- Serving protected classes under federal, state, and local fair housing laws, and partnering with community organizations for an integrated referral system. FHANC's attorneys and bilingual housing counselors work to keep people housed or help them in transition, assisting them with housing needs such as termination notices and reasonable accommodation requests.
- Offering services in English and Spanish and distributing literature in both languages through local service agencies such as Disability Services and Legal Center, Latino Services Project, Catholic Charities, and many others, as well as through community meetings and forums.
- Providing fair housing and AFFH education to private and public housing providers, tenants, social service organizations, government offices, and elected officials.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

The applicant has successfully implemented a comprehensive fair housing counseling and testing program in the North Bay for more than 30 years. FHANC proposes to continue providing fair housing enforcement/education services in Sonoma County, and currently contracts with City of Santa Rosa and Sonoma County. The agency also provides services to Marin and Solano counties while sharing information and resources with the other full-service fair housing agency in the North Bay (Fair Housing Napa Valley). The applicant also communicates with other legal services organizations in order to provide a more coordinated approach to serving clients. The applicant has a history of managing federal, state, local, and private grants to provide fair housing services throughout its geographic service area. They provide in-depth fair housing services to people across all federally- and state protected classes.

## **SELECTION CRITERIA**

### **Does the applicant describe strategies to provide outreach and education for residents most vulnerable to housing discrimination?**

The applicant states that they conduct outreach by contacting other community-based organizations in the area, through literature distribution and social media marketing, and by attending community events to provide fair housing education. FHANC also conducts outreach and education to individual protected classes by phone, letters, emails, brochures and literature, website, English and Spanish-language newspaper or social media campaigns, poster distribution, and community presentations. Their literature is published in English and Spanish, with some literature also translated into Vietnamese and Tagalog. They indicate that their website is updated regularly and contains pages in Spanish and Vietnamese, featuring relevant links to other fair housing resources.

As for educational seminars, FHANC states they conduct fair housing presentations in English and Spanish to other community-based organizations; they offer presentations to tenant groups and staff at service agencies to provide education regarding fair housing protections for all protected classes; they hold an annual “Reasonable Accommodations Conference”, which is attended by housing providers, advocates, and people with disabilities; and participate in clinics with other agencies to educate the greater public.

### **Does the applicant describe methods it will use to raise awareness of Fair Housing issues in Sonoma County including technical training for housing industry representatives and organizations, education and outreach activities geared to the public, and advocacy campaigns?**

FHANC states that its mission is to “ensure equal housing opportunity and to educate the community on the value of diversity in our neighborhoods”. The applicant offers technical training on AFFH to housing providers, including public housing authorities, CDBG and HOME recipients, and entitlement jurisdictions. The agency also provides trainings, upon request, to other government and non-government groups. The applicant is also involved in tenant advocacy on relevant fair housing issues at the local and state level. The applicant states that they will continue to provide related advocacy and support where needed on local and statewide relevant fair housing issues.

### **Does the applicant describe its efforts to collaborate with other organizations and project jurisdictions to effectively deliver Fair Housing services?**

The applicant states that they have received CDBG funding from the City of Santa Rosa since 2016 and they work closely with the city’s housing authority office. They also collaborate with Legal Aid of Sonoma County (LASC) to provide services to residents of the entire county by referring cases to one another and/or working together on cases with fair housing and non-fair housing issues. FHANC also meets with LASC staff regularly to discuss housing policy efforts and to support one another’s policy campaigns on the local and state level.

Additionally, they partner with Disability Services & Legal Center to assist residents with reasonable accommodation requests; and work with Petaluma People Services Center (PPSC) to provide assistance to Petaluma residents by referring clients to one another when appropriate and attending regular fair housing advocate meetings with their staff.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG income eligibility and track other required demographic and quantitative data?**

The applicant states that whenever a new client (or returning client) contacts their agency, an intake coordinator conducts screening and collects information, including the client's current address. This information is added to their Salesforce database. To ensure that CDBG dollars are used to benefit persons in the Urban County, staff run quarterly reports from the Salesforce database to determine which cases are eligible for CDBG funding - clients are filtered via their address in the Urban County. Staff also collect documentation to support each client's case, including leases, violation notices, and other documents, which help to confirm the client's address.

As for income verification, FHANC's standard intake protocol is as follows:

- The intake counselor asks all clients to disclose their household's income (monthly or annual), as well as the income source (e.g. employment, retirement, social security, disability benefits) when determining the client's fair housing needs.
- The client's income is documented in their database program. Approximately 90% or more of their clients are below 80% AMI. At the intake stage, FHANC currently asks clients to self-certify their income and demographic information. However, prior to noting demographic or income information, intake staff explain that services are available to all clients, regardless of income. This explanation removes any incentive for clients to misstate their income.
- Following intake, a FHANC attorney or housing counselor can require the client to provide adequate documentation (e.g. pay stub or receipt of benefits) if the client's income level is not otherwise ascertainable.
- All clients are required to sign a retainer agreement stating that their cooperation with document requests is required in order to receive representation from FHANC's attorneys. The database tracks demographic, income, and other information. The demographic and income classifications are aligned with HUD's classifications for race, ethnicity, and income. The database tracks the source of the documentation verifying income: self-certification, third party, or primary source.

**Can the project be expected to have a significant impact on the identified problem and result in one or more measurable indicator?**

The problems identified include unlawful evictions, lack of access to legal representation, lack of access to education of tenant rights, housing related discrimination to non-English speakers and minorities. The project will make a significant impact on the identified problems.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	<b>July 1, 2023 – June 30, 2024</b>	<b>July 1, 2022 to Current Date</b>	<b>July 1, 2021 – June 30, 2022</b>
<b>Number of <u>households</u> served</b>	<b>140</b>	<b>90</b>	<b>183</b>
<b>Number of <u>persons</u> served</b>	<b>300</b>	<b>171</b>	<b>323</b>

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b>List the total estimated percentage of the households served in each of the income categories below</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	51%	49%
<b>Very Low (Between 31% - 50% AMI)</b>	8%	10%
<b>Low (Between 51% -80% AMI)</b>	16%	17%
<b>Moderate (Over 80% AMI)</b>	7%	6%

If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?

There are no substantial changes to the proposed number of households to be served, therefore the applicant did not provide any explanation.

#### **PROJECT BUDGET**

<b>Total Organization Budget</b>	\$1,151,713
<b>Total program budget</b>	\$391,690
<b>Percent of program to organization budget</b>	$\$391,690/\$1,151,713 = 34\%$
<b>Percent of CDBG request of program budget</b>	$\$110,000/\$391,690 = 28.1\%$
<b>Unduplicated number of households proposed to be served with program</b>	140
<b>Program cost per household</b>	$\$110,000/140 = \$785.71$



**Additional Information:**

This applicant is requesting CDBG-CV funds (\$25,000) in addition to this request for “regular” CDBG (\$85,000) funds. The applicant proposes to renew their existing program of “Fair Housing Education and Enforcement” but would use the requested CDBG-CV funds for tasks that will specifically assist households who have encountered negative impacts from the coronavirus pandemic.

**Consequences of No Funding:**

The applicant states that if they do not receive full funding, they will scale down the proposed activity and reduce outreach efforts or offer limited services.

**Staff Recommendation:**

The applicant has received funding in the past from the County and demonstrates that they have the capacity to carry out their proposed goals of the continuance of the project. They have the systems in place to ensure that the persons served are of lower income within the Urban County and the project supports the AFFH rule mandated by HUD of all recipients. Staff recommends awarding full funding to this project in the amount of \$85,000 in CDBG and \$25,000 in CDBG-CV.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 through June 30, 2024. Reimbursement of eligible expenses will be processed after a fully executed funding agreement is issued.
3. Applicant will obtain verification of income and residential address in their files from all clients served with CDBG and CDBG-CV funds.

Attachment A: Fair Housing Advocates of Northern California Funding Application - <https://share.sonoma-county.org/link/rGa9fq2aoaA/>

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**FAIR HOUSING SERVICES AND HOUSING JUSTICE PROGRAMS**

**APPLICANT NAME:** Legal Aid of Sonoma County

**PROJECT NAME:** HOME: Housing Justice Project (HJP)

**CDBG AMOUNT REQUESTED:** \$257,345

**PROJECT DESCRIPTION**

*Applicant-Provided Summary Description from Submitted Application:*

HJP provides legal representation to low-income tenants, including vulnerable seniors and monolingual Spanish speakers, in Urban County zones. We help tenants at our offices, and at designated outreach sites, including home visits. HJP provides legal education, negotiations with landlords, preparation of pleadings, and in court representation. HJP assists with eviction defense, reasonable accommodation protections, fair housing issues, Section 8 terminations, habitability, retaliation, relocation, and discrimination issues.

Without legal assistance, tenants facing eviction risk becoming homeless without additional time needed to find alternative housing, and/or without resources to relocate. HJP negotiates extra time for tenants and saves tenants costs they can instead use toward relocation. HJP stops unlawful evictions. By helping Section 8 tenants preserve their benefits, HJP helps the most vulnerable tenants retain their housing.

**FAIR HOUSING PROJECT TYPE:**

- Provides education about fair housing laws
- Advocates for tenants who may be targets of discrimination
- Legal services for eviction protection

**PROPOSED USE OF FUNDS:**

Legal Aid of Sonoma County has requested CDBG funds in order to provide fair housing services to lower income households (with incomes at or below 80% of the area median income, or "AMI"), including non-English speakers. These services encompass several topics that affirmatively further fair housing, such as: education of fair housing laws, legal representation, eviction prevention assistance, Covid-19 tenant protection services, assistance to tenants with landlord disputes, and assistance prevent Section 8 voucher terminations.

## **FUNDING POLICIES - Funding Goals and Objectives:**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

The project supports the preservation of affordable housing in the Urban County by assisting lower income households as described above. These services can allow clients to remain in their homes and or improve their housing situation. Housing stabilization prevents housing disruption, and it is one of the more affordable options for low-income clients. The task of finding an affordable rental elsewhere presents a more substantial burden for clients, whereas these services preserve housing for lower income households.

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the application indicates that 100% of the clients served by this program are low-income and therefore, this project meets the Low/Moderate Income Limited Clientele National Objective. HUD recipients are required to comply with the requirements of the Fair Housing Act (FHA) and to adhere to the affirmatively further fair housing (AFFH) rule. The proposed project supports HUD's AFFH rule by providing public services that reduce discrimination to protected classes.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

CDBG regulations allow the County to use up to 15% of its CDBG allocation for public services, including fair housing related services that support the AFFH rule. The proposed project, as described, meets the eligibility requirements of the County's CDBG and HOME Funding Policies.

## **THRESHOLD CRITERIA**

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

This project serves vulnerable populations, many of which are also protected classes - these include people of color, seniors, and people with disabilities. Project participants will be able to learn about their housing rights, and they will have access to full legal representation, further empowering them to understand and enforce their fair housing rights. Project staff will also assist with cases against property owners who violate fair housing laws, thereby helping to reduce discrimination. Additionally, many of Legal Aid's eviction defense cases involve requests for reasonable accommodations under the Americans with Disabilities Act. As described, this project supports the AFFH rule.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Legal Aid of Sonoma County has been administering fair housing programs funded by federal, state, and private grant funds for over 15 years. They have successfully administered over \$3 million annually in such funds. They have the capacity to execute the program immediately. The HOME - Housing Justice Project has been in service for over 15 years. Legal Aid has both supervisory staff and direct service staff with more than a decade of housing law experience. Legal Aid is also currently funded with County CDBG and is currently providing fair housing services to Urban County households.

**SELECTION CRITERIA**

**Does the applicant describe strategies to provide outreach and education for residents most vulnerable to housing discrimination?**

The applicant states that during Fiscal Year 2018-19, before the pandemic, the proposed program provided educational outreach to over 1,300 tenants at 64 events. Legal Aid started their outreach program in 2015 and they have increased the percentage of rural and isolated tenants they serve by over 100%. Legal Aid provides services to vulnerable populations that are most susceptible to eviction and discrimination, including elders, people with disabilities, Spanish speakers, and those who are geographically isolated. The applicant works with other community-based organizations that serve these same populations in order to increase access to services. Additionally, the applicant provides onsite trainings for their staff and meets with clients at their offices - they also offer presentations to client groups and other fair housing organizations. However, due to the ongoing pandemic, some outreach services are being provided remotely. The applicant states that during the last two years their telephone hotline services have significantly increased and that last fiscal year they answered more than 5,000 telephone calls.

**Does the applicant describe methods it will use to raise awareness of Fair Housing issues in Sonoma County including technical training for housing industry representatives and organizations, education and outreach activities geared to the public, and advocacy campaigns?**

Legal Aid uses advertising to raise awareness of Fair Housing issues. All complaints filed against tenants in the court contain Legal Aid's contact information. The County, district offices, and other public entities, regularly refer clients to them. Additionally, they distribute housing flyers and brochures at organizations throughout the County, including the Family Justice Center (FJC), Kaiser, county offices, and at other non-profits. They also participate in numerous coalitions and collaboratives, including the FJC, the Santa Rosa tenants union, the Elder Justice Coalition, and others. They market their services through all these partnerships. The application does not indicate the source of funds from Petaluma and Santa Rosa for marketing and collaborative efforts. Lastly, their website advertises services and has a page devoted exclusively to tenants.

Legal Aid does not strive to provide trainings to the housing industry or others on the topic of “fair housing”. However, they do provide trainings about housing rights to the public, including tenant groups, non-profit groups, and legislative and government staff. This training covers a large range of topics including tenant rights in the eviction process, rights to repairs, relocation, rights in Section 8 cases, and fair housing law.

**Does the applicant describe its efforts to collaborate with other organizations and project jurisdictions to effectively deliver Fair Housing services?**

The applicant partners with various community organizations such as Petaluma People’s Services and Catholic Charities. Additionally, Fair Housing Advocates of Northern California and Legal Aid are partners on a regional housing project. This project is designed to coordinate tenant protection efforts throughout all jurisdictions in the county and includes collaborative policy work, collaborative trainings, and sharing best practices.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG income eligibility and track other required demographic and quantitative data?**

Legal Aid of Sonoma County only serves Sonoma County residents. The applicant states that in 2021 over 55% of clients came from the Urban County. Intake caseworkers collect the information on their “Eligibility-Client Intake” form and “Housing Intake Form” to verify whether the client is eligible for services. As part of the intake, their staff asks the prospective client to attest under penalty of perjury to their current address (to verify they reside in County) and to their total household income. If they are accepted as a client, Legal Aid creates a case for them and enters their demographic information, including City of residence and income level, in their database. When a client who was screened over the phone later comes into the office to sign court paperwork, they require that client to bring with them verification of residency and income and Legal Aid staff retains a copy of that information in their files. Acceptable proofs of income include copies of an Electronic Benefits Transfer card, recent paystubs, a letter describing benefits, a signed statement by the individual attesting to spousal and/or child support for the potential client, three (3) months of bank statements, or a copy of a recent tax return.

**Can the project be expected to have a significant impact on the identified problem and result in one or more measurable indicator?**

The problems identified include unlawful evictions, lack of access to legal representation for tenants of lower income households, lack of access to education of tenant rights, and housing related discrimination to non-English speakers and minorities. The project can be expected to have a significant impact on the identified problems.

	<b><u>Proposed</u> number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to Current Date	July 1, 2021 - June 30, 2022
<b>Number of <u>households</u> served</b>	<b>240</b>	<b>141</b>	<b>242</b>
<b>Number of <u>persons</u> served</b>	<b>440</b>	<b>248</b>	<b>446</b>

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b>List the total estimated percentage of the households served in each of the income categories below</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	<b>53%</b>	<b>55%</b>
<b>Very Low (Between 31% - 50% AMI)</b>	<b>26%</b>	<b>25%</b>
<b>Low (Between 51% -80% AMI)</b>	<b>21%</b>	<b>20%</b>
<b>Moderate (Over 80% AMI)</b>	<b>N/A</b>	<b>N/A</b>

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The applicant stated that, as the Sonoma County Emergency Rental Assistance Program (ERAP) ends, there will likely be a greater need for their services.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$4,138,232.00
<b>Total program budget</b>	\$975,000
<b>Percent of program to organization budget</b>	23.56%
<b>Percent of CDBG request of program budget</b>	$\$257,345/\$975,000 = 26.39\%$
<b>Unduplicated number of households proposed to be served with program</b>	240
<b>Program cost per household</b>	$\$975,000/240 = \$4,062.50$ per household

**Additional Information:** N/A

**CONSEQUENCES OF NO FUNDING:**

The applicant states that services will need to be reduced if their full request for CDBG funding is not awarded. As noted in the application, “Without continued CDBG funding, the number of Urban County residents we are able to assist would be reduced by at least 26%.”

**STAFF RECOMMENDATION:**

Legal Aid of Sonoma County has received funding in the past from the County and has demonstrated their ability to carry out the HOME Housing Justice Project. Provided that CDBG funds are used only to reimburse costs that provide direct services to households residing in the Urban County jurisdiction, and that at least 51% of households served in the Urban County are at or below 80% of the average AMI, and the project continues to support the AFFH rule mandated by HUD of all recipients and subrecipients- staff recommends partial funding of this request in the amount of \$170,956, which would be approximately 66.4% of the applicant’s request.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 through June 30, 2023. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement
3. Applicant will obtain verification of income and residential address in their files from all clients served with CDBG and CDBG-CV funds.

Attachment A: Legal Aid of Sonoma County Funding Application - <https://share.sonoma-county.org/link/OZwvf6BYgSA/>



## **CDBG AFFORDABLE HOUSING: APPLICATION SUMMARY AND FUNDING RECOMMENDATION**

**APPLICANT NAME:** Spectrum Affordable Housing Corporation

**PROJECT NAME:** Redwood Glen Apartments

**AMOUNT REQUESTED:** \$576,188

### **PROJECT DESCRIPTION:**

*Applicant-Provided Summary Description from Submitted Application:*

“Redwood Glen Apartments, located on a 1.54-acre site along Old Redwood Highway in Windsor, CA, will provide 43 affordable family housing units (including one manager unit), with 7 mobility units, 31 adaptable units, and 5 adaptable communication units. All of the one-to-three-bedroom units will be for very-low/low-income persons and the units will be configured for accessibility in a single elevator-served building. The project will feature residential amenity space including a community center with kitchen, administrative offices, residential services, mail room, laundry rooms, trash and recycling rooms. The all-electric powered building will be energy efficient with energy star appliances, and LED lighting.”

### **PROJECT TYPE:**

This is a proposal for site acquisition of a property for new construction of affordable multifamily rental housing.

### **For housing projects, the number and size of units, income levels to be served:**

Site acquisition for new construction of 43 multifamily affordable housing units consisting of one, two and three bedrooms available to very low-income households as follows:

16 units – Households at or below 30% of the area median income (AMI)

11 units – Households at or below 40% of the AMI

15 units – Households at or below 50% of the AMI

1 unit – Manager unit (not subject to affordability requirements)

*The application states that two (2) of the units will be designated as “CDBG-assisted”.*

### **PROPOSED USE OF FUNDS:**

The use of funds is for land acquisition for the development of affordable housing. The use of CDBG funds would be to assist with the purchase of an adjacent parcel to one already owned by a new entity to be created for the purpose of developing the project. The applicant plans to donate the parcel of land they own to the new entity to develop the project. JCL Development and Spectrum Affordable Housing Corporation have formed Redwood Glen Apartments, a California limited partnership. As managing general partner of Redwood Glen, Spectrum GP LLC and its parent Spectrum Affordable Housing Corporation have site control over the proposed project.

### **FUNDING POLICIES - Funding Goals and Objectives:**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

This project will benefit low- and moderate-income persons under the HUD CDBG category of Low- and Moderate Income-Limited Housing.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies (If no, provide the specific reason)?**

Yes, the proposed project as described meets the eligibility requirements of the CDBG and HOME Funding Policies. For CDBG- and HOME-funded acquisition projects, the Sonoma County Community Development Commission (Commission) staff must determine that the cost of the property is reasonable.

A property appraisal carried out by a licensed real estate appraiser, or other evidence of valuation acceptable to the Commission must be provided prior to the Commission offering a funding agreement for execution. Funds for direct site acquisition will not be provided if the purchase price exceeds the documented “reasonable cost” of the real property.

Site Acquisition funds must be spent within 18 months of the date on which the Subrecipient Agreement is offered for execution. If the site acquisition is not complete within 18 months of the date on which the Subrecipient Agreement is offered for execution, the funds may be reprogrammed.

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, this project proposes to create 42 new units (43 including a manager unit) of affordable housing for very low-income households.

**If the application is for housing acquisition and/or preservation, are the units at risk of becoming market rate housing?**

Not applicable. This proposal is for the acquisition of land to develop 42 units of affordable housing.

**If the application is for a housing project, does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

No, the project proposes to create new affordable housing for very low-income households.

**If the application is for a housing project, will the project provide units for special needs populations?**

Yes, the project will include ADA accessible units including 7 mobility units, 31 adaptable units, and 5 adaptable communication units.

**THRESHOLD CRITERIA:**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes, a resolution with general plan consistency was approved by the Planning Commission of the Town of Windsor on April 26, 2022.

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

Future tenants of the Redwood Glen Apartments will experience positive economic, educational, and health outcomes, particularly long-term outcomes for children and the younger generation of these low-income families. The applicant’s goal is to improve the living conditions of low-income households and narrow the segregation created by financial differences.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

This is the first time this applicant has applied for federal funds from the Commission and therefore the Commission does not have any direct knowledge of the applicant’s capacity to effectively deliver the proposed project, other than relying on the materials and information provided in the application.

Spectrum is organized and operated for exempt purposes through the provision of low-income housing they have been a nonprofit since 2020 and are working to grow into a full-service company involved in all aspects of the promotion of affordable housing, including, acquisition, ownership, development, rehabilitation, preservation, financing, investment and management. Currently Spectrum is a general partner in connection with eight affordable housing developments in California and Arizona and has additional multi-family projects under consideration. The applicant does not include any previous experience with federal funding in their application, but they have used federal low-income housing tax credits in several of their previous projects.

**SELECTION CRITERIA:**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

Based on the financial structure shown on the application, if the applicant obtains financing as planned the requested funds will leverage at least 25 to 1, exceeding the minimum 7:1 leverage requirement.

**ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
Citibank, N.A.	\$15,707,430	committed
HCD	\$2,707,900	not committed
County of Sonoma (HOME)	\$445,388	requested not committed
Newport Partners, LLC	\$2,511,777	committed
Tax credit equity	\$4,674,079	not committed
County of Sonoma (CDBG)	\$576,188	requested not committed
<b>TOTAL</b>	<b>\$26,622,762</b>	

**ESTIMATED PERMANENT FINANCING**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
Tax Credit Equity	\$20,322,084	not committed
Citibank, N.A.	\$1,844,604	committed
HCD	\$2,707,900	not committed
County of Sonoma (HOME)	\$445,388	requested not committed
Newport Partners, LLC	\$726,598	committed
County of Sonoma (CDBG)	\$576,188	requested not committed
<b>TOTAL</b>	<b>\$26,622,762</b>	

If applicant receives all the requested local CDBG funding, each \$1 of CDBG funds would leverage \$25.06 from other sources. The full amount of CDBG funds requested would be \$288,094 per CDBG-assisted unit.

**Does the applicant demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

This is the first time this applicant has applied for federal funds from the Commission therefore Commission does not have any direct knowledge of the applicant’s capacity to successfully obtain other funding. The applicant has used federal low-income housing tax credits in previous projects. The application materials indicated the applicant has not encountered any past issues or challenges administering grant or loan funds.

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

Yes, the applicant submitted a Town of Windsor resolution (Resolution No. 3795-22) supporting the project executed on October 19, 2022.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

The project is in the initial phase of the development and received approval from the Town of Windsor for their site plan and design review in April 2022. The Planning Commission of the Town of Windsor determined the project was exempt from The California Environmental Quality Act (CEQA) on April 26, 2022. The project sponsor, Newport Partners, has site control and an option to purchase the second parcel that will encompass the development. JCL Development has an option agreement with Newport Partners on 8550 Old Redwood Highway and has a purchase and sale agreement with the current land owner on 8560 Old Redwood Highway. There is one firm financial commitment for the construction loan, and most of the permanent financing is primarily dependent on a successful Low-Income Housing Tax Credit award. The project would be subject to the preliminary conditions of approval listed at the end of this report including but not limited to an environmental review (NEPA) and a HOME subsidy layering analysis.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

Yes, together with its affiliates/subsidiaries, JCL Development is the managing partner with Spectrum Affordable Housing Corporation, JCL Development states it is a fully integrated

affordable housing firm that has been developing, constructing, syndicating, and managing affordable housing since 1998. Operating expenses including property taxes and resident services (but excluding replacement reserves), are estimated at \$298,235, or \$6,936 per unit. The 30-year project proforma demonstrates the project has the capacity to service all debt and provide long range maintenance, management, and operations.

**For housing projects, does project's proposed number of units exceeds the minimum CDBG requirements?**

Yes, 2 of the units will be CDBG restricted, but the applicant proposes that all 42 units will be affordable to low-and moderate-income households, which exceeds the minimum CDBG requirement that at least 51% of the housing units are occupied by low- and moderate-income households.

**For housing projects, are the proposed rents below the maximum rents allowed by the CDBG requirements?**

Yes, the rents proposed are at or below the maximum rents allowed by the CDBG rent limits currently in effect for 2022 (2023 HUD rent limits are not published by HUD).

**Additional Information:**

This proposed project includes the relocation of an existing household in a single-family home that is currently located on a property. This relocation will be subject to the Federal Uniform Relocation Act (URA) requirements and a relocation plan will be required to be submitted for review and approval. Funds are budgeted in the project for the relocation, which will be subject to the URA if federal CDBG funds are awarded.

A to be determined tax credit investor is expected to contribute approximately \$19.3 million. . If awarded CDBG funds from the Commission, the project will apply for the first round of 9% tax credits in 2023.

**Consequences of No Funding:**

This project can still proceed if awarded partial funding through deferring the developer fee and/or value engineering.

**Staff Recommendation:**

Staff recommends partially funding this request in the amount of \$200,000 due to the applicants limited experience with federal fundss,and the relocation, which is subject to the federal URA. The applicant stated that their project could proceed with partial funding. Also, the Town of Windsor has had several affordable housing projects awarded other funds through the Commission in the past several years.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. All loans for Affordable Housing Acquisition are subject to the provisions of the Commission Loan Policies, the FY 2023-2024 Funding Policies, and the CDBG Regulations.
2. Applicant must demonstrate site control at the time CDBG funding is made available to the County by HUD.
3. CDBG funds will be used to reimburse allowable site acquisition costs only.
4. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. Evidence that sufficient funds for this purpose are available from another source to pay for this work must be provided.
5. In compliance with Section 504 of the federal Rehabilitation Act of 1973, applicant must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. An additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.
6. The Commission will make the CDBG loan to Spectrum Affordable Housing Corporation. A subsequent assignment to a limited partnership must comply with federal regulations. Notwithstanding this requirement, applicant may assign the loan to a limited partnership prior to project completion and occupancy of the development.
7. The use of CDBG funds will require the entire construction contract to comply with federal requirements for contract documents, contracting and labor standards. The general contractor and subcontractors performing the work must pay federal Davis Bacon prevailing wages for all contract activities.
8. Applicant will be required to submit evidence that all required construction and permanent financing has been committed prior to being offered a Funding Agreement.
9. Applicant will be required to submit an acceptable site appraisal that demonstrates that the "as is" value of the property will fully secure the loan prior to receiving a funding commitment. The Commission will require the CDBG loan to record in a sufficiently senior lien position to ensure that the value of the completed development will fully secure the loan.
10. Prior to final approval of the CDBG funds, applicant must demonstrate sufficient Article 34 authority for the affordable units if they exceed forty-nine percent of the total affordable units or submit a written legal opinion from the jurisdiction the project is located describing why Article 34 authority is not required.
11. Applicant must satisfy all regulatory requirements and all conditions of approval that are set forth in the Commission Loan Policies as prerequisite to the Commission offering the Funding Agreement for execution within 12 months of the start of the fiscal year associated with the award.
12. Disbursement of funds for all affordable housing projects must be initiated within 18 months of the date on which the Funding Agreement is offered for execution. All funds must be disbursed within 24 months of the date on which the Funding Agreement is offered for execution. Funding awards that do not meet these deadlines will be reprogrammed and no longer be available to applicant.
13. Site acquisition funds must be expended, and site acquisition must be completed, within 18 months of the date on which the Funding Agreement is offered for execution.

Attachment A: Spectrum Affordable Housing Funding Application - <https://share.sonoma-county.org/link/oe0LiyIWt6U/>

## **HOME HOUSING FUND REQUEST**

**APPLICANT NAME:** Sonoma County Housing Authority

**PROJECT NAME:** Tenant-Based Rental Assistance Program

**HOME AMOUNT REQUESTED:** \$88,000

### **PROJECT DESCRIPTION:**

#### **Sonoma County Housing Authority Provided Summary Description:**

The Housing Authority provides rental assistance through a variety of Tenant Based Rental Assistance (TBRA) programs which serve low-income populations. A major barrier to clients achieving permanent housing utilizing a rental assistance voucher is access to deposit funds which are frequently equivalent to two months rent. Given the rental prices in Sonoma County, it is not unusual for deposits to be \$4,000. In order to assist in eliminating this barrier, the Housing Authority is seeking funding to provide deposit assistance for 35 households. Assistance will be provided in the form of a one-time grant. The requested funds may also be used to pay monthly rental subsidies if not required for deposit assistance.

### **PROJECT TYPE, NUMBER AND SIZE OF UNITS, INCOME LEVELS TO BE SERVED:**

TBRA in the form of deposit assistance grants for up to 35 clients seeking to occupy all sizes of units. Income level of clients to be served will be less than 50% of the area median income (AMI).

### **PROPOSED USE OF FUNDS:**

Funds will be used to supply low-income Housing Authority clients with deposit assistance grants up to two times the first month's rent. Rental deposits are often a barrier to permanent housing for low-income clients. Providing deposit assistance will help low-income vulnerable populations overcome this barrier.

### **FUNDING POLICIES - Housing Goals and Objectives**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

The proposed use of HOME funds for TBRA security deposit assistance makes existing market-rate housing units affordable and accessible to very low-income households who would not otherwise be able to pay these up-front costs. This activity creates and preserves affordable housing.

**If the application is for acquisition and/or preservation, are the units at risk of becoming market rate housing?**

N/A



**Does the project set aside homes for persons or households experiencing homelessness or who are at imminent risk of becoming homeless?**

Many of the Housing Authority's rental assistance programs are dedicated to serving clients who are experiencing homelessness or at imminent risk of homelessness.

**Will the project provide units for special needs populations?**

The TBRA program does not limit assistance to special needs populations; however, many of the Housing Authority program participants are people with special needs, including people with disabilities and seniors.

**THRESHOLD CRITERIA:**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

Yes.

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

Yes. The TBRA program enables very low-income households to rent homes that are located throughout all areas of the Urban County.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

The applicant successfully administered a rental deposit grant program in 2020 and 2021 which assisted approximately 100 formerly homeless clients in achieving permanent housing.

**SELECTION CRITERIA:**

**Will the requested funds for the project be leveraged against total development costs at least 7:1?**

N/A

**Does the developer demonstrate consistent success in obtaining federal tax credits and / or other federal and state funding to develop housing within the last seven years?**

N/A

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

N/A

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

N/A

**Does the applicant have adequate provisions for long-range maintenance and operations?**

N/A

**Does project’s proposed number of units exceed the minimum HOME requirements?**

N/A

**Are the proposed rents below the maximum rents allowed by the HOME requirements?**

N/A

**ADDITIONAL INFORMATION:**

No other additional information.

**CONSEQUENCES OF NO FUNDING:**

If the requested HOME funds are not provided for the Housing Authority’s TBRA program, approximately 35 very low-income households will not be able to pay the up-front costs required to access rental homes on the private market. These households may therefore lose the ability to use their Housing Choice Voucher and other rental subsidy program funds and would remain homeless or housed in potentially substandard or cost-burdened conditions.

**STAFF RECOMMENDATION:**

Staff recommends full funding for this request in the amount of \$88,000.

Allocated funding will be a grant  a loan

1. All grants for Tenant-based Rental Assistance are subject to the provisions of the Sonoma County Community Development Commission (CDC) FY 2023-24 Funding Policies and the HOME Final Rule.
2. HOME funds will only be used to provide tenant-based rental subsidies and/or deposit assistance to make market rate housing units affordable to extremely low-income households, some with special needs.
3. The required NEPA environmental review must be completed before the Housing Authority can be offered a Subrecipient Agreement.
4. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. This match may be met through use of excess match provided to HOME-funded capital projects.
5. Funds for Tenant-based Rental Assistance must be expended within the 48 months of the fiscal year for which funding is allocated.

## **PUBLIC SERVICE PROGRAMS**

**APPLICANT NAME:** Social Advocates for Youth (SAY)

**PROJECT NAME:** Social Advocates for Youth – Rapid Rehousing and Street Outreach Program

**CDBG-CV AMOUNT REQUESTED:** \$133,213

**ESG AMOUNT REQUESTED:** \$81,929

### **PROJECT DESCRIPTION**

#### **Applicant-Provided Summary Description from Submitted Application:**

“According to the 2022 Homeless Point-in-Time Count, there has been a 70% increase in youth ages 12-24 living on the streets since 2020, and there are currently more than 521 homeless youth ages 12-24 in Sonoma County.

SAY’s background and experience with homeless youth provides the basis for using ESG and CDBG-CV funds to hire an additional Street Outreach Worker and an additional Shelter Worker to provide emergency transitional shelter, plus wrap around services. CDBG-CV funds will be utilized to provide COVID-19 tests to homeless youth who are at high risk for COVID-19 transmission, and youth will be offered safe and sanitized shelter as well as rapid rehousing thus mitigating the spread of COVID-19 in Urban County.”

**PUBLIC SERVICES PROJECT TYPE:** Street Outreach and Day Centers

### **PROPOSED USE OF FUNDS:**

First, Social Advocates for Youth plans to use the funds to hire an additional Street Outreach Worker and an additional Shelter Worker to provide emergency shelter and other services. Second, CDBG-CV funds will be utilized to provide COVID-19 outreach services to homeless youth by providing protective equipment, preventative testing, and counseling regarding vaccine information. Lastly, these funds will be utilized to provide rapid rehousing services to homeless youth in the Sonoma County area.

### **FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

CDBG-CV related priorities were not identified in the CDBG and HOME Funding Policies, as this fund source is available for use to address high priority activities that help prevent, prepare for or respond to Coronavirus in the Urban County.

The proposed project complies with eligibility requirements for ESG funding as described in the Funding Policies.

## **CDBG-CV REQUIREMENTS**

### **Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

The proposed project would help prevent COVID-19 by providing protective equipment and preventative testing to decrease the spread of the virus. SAY will provide these services directly to homeless youth, in-person, thereby identifying the presence of COVID-19 and mitigating the transmission of the disease within the homeless community and into the surrounding communities as well. SAY has high safety and sanitation protocols for staff and participants which further reduces the possibility of COVID-19 infection.

## **THRESHOLD CRITERIA**

### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Social Advocates for Youth states that 100% of the clients served by this program are low-income and therefore, this project meets the Low/Moderate Income Limited Clientele National Objective.

### **Does the proposed project or activity meet the eligibility requirements of the CDBG-CV and ESG Funding Policies? (If not, provide the specific reason)**

As a non-profit organization, Social Advocates for Youth is an eligible applicant for both CDBG-CV and ESG funding streams. For CDBG-CV, SAY states these funds will be used to provide homeless youth with personal protective equipment, preventative testing, and vaccine information. For ESG, this project focuses on rapid rehousing, and therefore meets the eligibility requirements. However, the applicant did not provide information regarding the 100% match requirement for ESG funding.

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

The proposed project serves a particularly vulnerable and protected class – children under the age of 18. SAY's efforts also align with the Fair Housing Act by providing services to tenants who might otherwise face discrimination based on familial status. SAY also has a commitment to serve a diverse population and the organization has served significant populations of Black people, Indigenous people, and other people of color. As described, this project supports the AFFH rule.

### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Social Advocates for Youth employs multiple street outreach and shelter workers. SAY has also taken full advantage of technology, using the Homeless Management Information System (HMIS) in tandem with a software called Apricot, in order to keep track of all client information. This funding request, if approved, will be used to hire an additional Street Outreach Worker and an additional Shelter Worker, further increasing SAY's capacity to provide rapid rehousing and street outreach services. SAY has maintained working relationships with a variety of community-based organizations to provide shelter, transitional housing, youth employment workshops, and a myriad of other services targeting their client population.

## **SELECTION CRITERIA**

### **Does the applicant describe the primary outcome/s of the activity?**

Social Advocates for Youth states that the primary goal of this activity is to use the qualitative information generated by the outreach workers' interactions with youth, along with the quantitative data generated in their data systems, to provide the best possible services to keep youth safe and help them secure housing.

### **Does the applicant describe how data and other information will be used as a self-evaluation tool as an outcome measurement?**

Social Advocates for Youth collects client data using a software called Apricot, and they also input all client information into HMIS. The collected data is used as a self-evaluation tool by reviewing and tracking indicators of progress such as attendance, increased work readiness, increased life skills, and increased income. Outcome indicators of the program's effectiveness, such as employment or educational goal attainment, independent housing attainment and retention, increased life skills, and self-reported quality of life improvement, are measured and tracked during the process and at program completion. This information will be used in reports to demonstrate positive or negative outcomes specific to Urban County youth.

### **Does the applicant have experience providing the proposed services?**

Yes, the applicant has over fifty years of experience and has served over 60,000 individuals. Since their inception, SAY has provided street outreach and rapid-rehousing services to homeless youth, and therefore has gained extensive experience.

### **Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

SAY uses an evidence-based practice known as "Transition to Independence", which is an evidence-supported model based on published studies that demonstrate improvement in real-life outcomes for youth and young adults with emotional/behavioral difficulties. SAY participates in a variety of evidence-based practices, including but not limited to: Housing First, Arizona Self-Sufficiency Matrix, Child Assessment on Needs and Strengths (CANS), individual therapy, family therapy.

### **For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry.**

SAY participates in the Coordinated Entry program. SAY utilizes Coordinated Entry in order to foster effective communication and avoid duplication of benefits. SAY states that Coordinated Entry also allows for more effective barrier removal and an improved housing process. The agency has expanded its capacity to allow for more robust programs and services. SAY also inputs all participant data into the Runaway and Homeless Youth - Homeless Management Information System (RHY-HMIS).

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Social Advocates for Youth utilizes a software called Apricot to track participant information, including Annual Median Income. In the Notice of Funding Availability application, SAY states that 100% of their clients are low-income, with their target population being homeless youth.

	<b><u>Proposed</u> number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to January 21, 2023	July 1, 2021 - June 30, 2022
<b>Number of <u>households</u> served</b>	130	104	121
<b>Number of <u>persons</u> served</b>	130	104	121

**List the estimated percentage of the target population served in each of the income categories below:**

<b>Household Income</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
Extremely Low (Below 30% AMI)	95%
Very Low (Between 31% -50% AMI)	3%
Low (Between 51% -80% AMI)	2%
Moderate (Over 80% AMI)	0%

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The application does not indicate substantial changes and the proposed number of households to be served in 2023-24 is only slightly higher than the number served in 2021-22.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$6,422,680.00
<b>Total program budget</b>	\$215,142.00
<b>Percent of program to organization budget</b>	3.35%
<b>Percent of CDBG-CV request of program budget</b>	61.91%
<b>Unduplicated number proposed to be served with program</b>	130
<b>Program cost per person/household</b>	Per Person: \$215,142/130 = \$1,654.94 Per Household: \$215,142/130 = \$1,654.94
<b>CDBG-CV cost per person/ household</b>	Per Person: \$133,213/130 = \$1,024.72 Per Household: \$133,213/130 = \$1024.72
<b>ESG cost per person/household</b>	Per Person: \$81,929/130 = \$630.22 Per Household: \$81,929/130 = \$630.22

**ADDITIONAL INFORMATION:**

**The applicant is requesting that ESG and CDBG-CV fund 100% of the proposed project budget.**

**CONSEQUENCES OF NO FUNDING:**

The applicant states that services would be scaled down if their full funding request is not received. However, the application does not indicate how many households would be served if only partial funding is approved.

**STAFF RECOMMENDATION:**

Staff recommends partial funding of the project, with \$133,213 in CDBG-CV funding and \$0 of ESG funding. Staff recommends zero dollars of ESG monies due to the incredibly small pool of funds among a highly competitive application cycle. SAY was able to provide thorough rationale for the use of CDBG-CV funds, including the ways in which their program will help respond to the COVID pandemic, but the rationale for ESG was not as compelling.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. ESG and CDBG-CV funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement
3. Any federal funds expended on the proposed project are restricted to residents of the Urban County, which excludes residents within the cities of Santa Rosa and Petaluma. The applicant will be required to obtain proof of residency from clients served to comply with this requirement.

Attachment A: Social Advocates for Youth (Rapid Rehousing and Street Outreach) Funding Application - <https://share.sonoma-county.org/link/YWkuNtAuCJU/>



## **PUBLIC SERVICE PROGRAMS**

**APPLICANT NAME:** Sonoma Applied Village Services (SAVS)

**PROJECT NAME:** Street Outreach

**ESG AMOUNT REQUESTED:** \$199,030

### **PROJECT DESCRIPTION**

#### ***Applicant-Provided Summary Description from Submitted Application:***

SAVS Outreach 2023-2024. This project provides an additional full-time staff member for our current 2-person outreach team. It supplies the materials they will need for their work including the purchase of a used van stocked with survival and Covid 19 supplies, and a laptop for homeless support and data collection. This individual will join our existing experienced team to support homeless people in general and to work with specific clients to get them off the street as quickly as possible. She/he/they will apply the principle of "reaching people where they are," and will often be a homeless person's introduction into the Sonoma County Homeless System of Care.

#### **PUBLIC SERVICES PROJECT TYPE:**

Street Outreach

#### **PROPOSED USE OF FUNDS:**

The applicant proposed the use of funds to support an additional full time case manager and materials needed, including the purchase of a used van to pass out COVID-19 and other supplies. The applicant also proposes the purchase of a laptop for support and data collection.

#### **FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

This project is a street outreach program and therefore does not create or preserve affordable housing, infrastructure, or otherwise.

#### **CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

Not applicable, this application is for Emergency Solutions Grant (ESG) funds.

#### **THRESHOLD CRITERIA**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Not applicable, this application is for ESG funds.

**Does the proposed project or activity meet the eligibility requirements of the ESG Policies?  
(If not, provide the specific reason)**

Some of the proposed costs are eligible under federal ESG regulations. Eligible costs include the case management, operating costs to provide street outreach, and certain supplies. Proposed outreach operations include: cost of running two vans and the purchase of an additional van (eligible); winter warmth gear and supplies; food and serving supplies; program supplies; and storage.

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

This is not applicable as this is a street outreach project.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, applicant has been operating a Street Outreach program for three years and has grown it from a one-person team to two and now intends to expand it to three. SAVS states it has received and satisfied the requirements of one federal grant, six county grants, two city grants, and three local community foundation grants in their first three years of operation.

**SELECTION CRITERIA**

**Does the applicant describe the primary outcome/s of the activity?**

Yes, the primary outcome of the activity is to enter clients into Coordinated Entry and then movement into shelter or permanent housing. The other outcomes are increasing income from benefits/employment and access to health benefits.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, applicant uses Coordinated Entry and Homeless Management Information System (HMIS) as tracking tools. The outreach team meets in confidential weekly sessions to review client work and develop an overall status. They discuss roadblocks, conditions of encampments, upcoming weather, and police activity. Data provides the team with objective information and look at accomplishments. There is no involvement from participants in project evaluation, but informal feedback is given.

**Does the applicant have experience providing the proposed services?**

Yes, the applicant is in their third year of operating a street outreach program.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Applicant states no, but also refers to using the Results Based Accountability and Housing First methodologies.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

The Street Outreach program staff are trained in Coordinated Entry data entry and the Village in Sebastopol is an access point. SAVS currently does not have the staffing capacity to regularly participate in weekly Coordinated Entry conferences, but with additional staff they hope to attend regularly.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

This is not an application for CDBG-CV, however, the applicant states 100% of clients are low income and tracked through HMIS.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	<b>July 1, 2023 – June 30, 2024</b>	<b>July 1, 2022 to January 21, 2023</b>	<b>July 1, 2021 - June 30, 2022</b>
Number of households served	270	180	350
Number of households with children	0	0	0
Number of households comprised of unaccompanied youth under 25 years old	0	7	20
Number of adults in households served	270	180	350
Number of children in households served	0	0	0

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents,</u> list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	100%
<b>Very Low (Between 31% -50% AMI)</b>	
<b>Low (Between 51% -80% AMI)</b>	
<b>Moderate (Over 80% AMI)</b>	

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

There is a decrease in number of clients the applicant expects to serve in Fiscal Year (FY) 2023-2024, the applicant does not provide a reason for the change.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$2,150,688
<b>Total program budget</b>	\$205,530
<b>Percent of program to organization budget</b>	9.5%
<b>Amount of ESG request</b>	\$199,030
<b>Percent of ESG request of program budget</b>	97%
<b>Unduplicated number proposed to be served with program</b>	270
<b>Program cost per person/household</b>	\$761.22
<b>ESG cost per person/household</b>	\$737.15

**ADDITIONAL INFORMATION:**

Not applicable

**CONSEQUENCES OF NO FUNDING:**

The applicant states that if necessary, the case manager could be reduced from the proposed full-time position to half-time, which would lead to a 100 person drop to the amount served, leading to serving an estimated 170 clients as opposed to the estimated 270 clients. The applicant also states they would also not be able to purchase the additional van and supplies.

**STAFF RECOMMENDATION:**

Staff recommends partial funding for eligible expenses including personnel and transportation costs (vehicle purchase and use) Staff recommends funding \$144,084 of ESG funds. Staff is recommending funding up to the full request with ESG funds, this will be determined when the ESG allocation is published by HUD.

At this time the application is not being considered for CDBG-CV funds due to other competitive requests.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. ESG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: Sonoma Applied Village Services Funding Application (Outreach Services) - <https://share.sonoma-county.org/link/ijEGOqR90Ho/>

**APPLICANT NAME: Social Advocates for Youth (SAY)**

**PROJECT NAME: Social Advocates for Youth – Rapid Rehousing Program**

**LMIHAF AMOUNT REQUESTED: \$156,667**

**PROJECT DESCRIPTION**

*Applicant-Provided Summary Description from Submitted Application:*

According to the 2022 Homeless Point-in-Time Count, there has been a 70% increase in youth ages 12-24 living on the streets since 2020; there are currently more than 521 homeless youth in Sonoma County.

SAY's background and experience with homeless youth provides the basis for using LMIHAF funds to provide wraparound homeless support services as well as rental assistance for rapid rehousing to Urban County Youth.

SAY will partner with SCCDC to achieve Sonoma County Consolidated Plan priorities by promoting effective and proven strategies for homelessness prevention and intervention countywide with homeless supportive services, rapid rehousing, and life and career skills to assist Urban County youth in achieving their highest potential.

**PUBLIC SERVICES PROJECT TYPE: Rapid Rehousing for minors and transitional age youth.**

**PROPOSED USE OF FUNDS:**

The application does not clearly state how the requested funds will support the project.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

The proposed project does not directly support the creation or preservation of affordable housing because it is a public service. However, it will provide services to low-income clients to secure housing. SAY reports that 95% of their clientele are in the "Extremely Low" (30% or lower AMI) group.

**CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

Not applicable as this request is not for CDBG-CV funds.

## **THRESHOLD CRITERIA**

### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

The application is requesting LMIHAF funds. While the National Objective requirements do not apply to this request, SAY reports that 100% of the clients served by this project will be low-income.

### **Does the proposed project or activity meet the eligibility requirements of the Funding Policies? (If not, provide the specific reason)**

LMIHAF funding is specifically designed to benefit low-to-moderate income persons, and it can be used for homeless prevention or rapid re-housing services countywide. SAY is proposing a rapid re-housing project, therefore it is an eligible use of funds.

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

The proposed project will serve a particularly vulnerable and protected class – children under the age of 18. SAY's efforts also align with the Fair Housing Act by providing services to tenants who might otherwise face discrimination based on familial status. SAY also has a commitment to serve a diverse population by helping Black people, Indigenous people, and other people of color.

### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Social Advocates for Youth employs multiple street outreach and shelter workers. SAY has also taken full advantage of technology, using the Homeless Management Information System (HMIS) in tandem with a software called Apricot, using both of these tools to track client information. This funding request, if approved, will be used to support continued rapid rehousing efforts. SAY has maintained working relationships with a variety of community-based organizations to provide shelter, transitional housing, youth employment workshops, and a myriad of other services targeting their client population.

## **SELECTION CRITERIA**

### **Does the applicant describe the primary outcome/s of the activity?**

Social Advocates for Youth states that the primary goal of this activity is to use the qualitative information generated by the outreach workers' interactions with youth, along with the quantitative data generated in their data systems, to provide the best possible services to keep youth safe and help them secure housing.

### **Does the applicant describe how data and other information will be used as a self-evaluation tool as an outcome measurement?**

Social Advocates for Youth collects client data using a software called Apricot, and they also input all client information into HMIS. This data is used as a self-evaluation tool by reviewing and tracking indicators of progress such as attendance, increased work readiness, increased life skills, and increased income. Outcome indicators of the program's effectiveness, such as

employment or educational goal attainment, independent housing attainment and retention, increased life skills, and self-reported quality of life improvement are measured and tracked during the process and at program completion. This information will be used in reports to demonstrate positive or negative outcomes specific to Urban County youth.

**Does the applicant have experience providing the proposed services?**

Yes, the applicant has over fifty years of experience and has served over 60,000 individuals. Since their inception, SAY has provided street outreach and rapid-rehousing services to homeless youth, and therefore has gained extensive experience.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

SAY uses an evidence-based practice known as “Transition to Independence”, which is an evidence-supported model based on published studies that demonstrate improvement in real-life outcomes for youth and young adults with emotional/behavioral difficulties. SAY participates in a variety of evidence-based practices, including but not limited to: Housing First, Arizona Self-Sufficiency Matrix, Child Assessment on Needs and Strengths (CANS), individual therapy, family therapy.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry.**

SAY participates in the Coordinated Entry program. SAY utilizes Coordinated Entry in order to foster effective communication and avoid duplication of benefits. SAY states that Coordinated Entry also allows for more effective barrier removal and an improved housing process. The agency has expanded its capacity to allow for more robust programs and services. SAY also inputs all data into the Runaway and Homeless Youth - Homeless Management Information System (RHY-HMIS).

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

SAY utilizes Apricot and HMIS to track participant data, including income and demographic information.



	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to January 21, 2023	July 1, 2021 - June 30, 2022
<b>Number of <u>households</u> served</b>	<b>130</b>	<b>104</b>	<b>121</b>
<b>Number of <u>persons</u> served</b>	<b>130</b>	<b>104</b>	<b>121</b>

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	95%
<b>Very Low (Between 31% -50% AMI)</b>	3%
<b>Low (Between 51% -80% AMI)</b>	2%
<b>Moderate (Over 80% AMI)</b>	0%

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The application does not indicate substantial changes and the proposed number of households to be served in 2023-24 is only slightly higher than the number served in 2021-22.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$6,422,680.00
<b>Total program budget</b>	\$156,667.00
<b>Percent of program to organization budget</b>	2.44%
<b>Percent of CDBG-CV request of program budget</b>	100%
<b>Unduplicated number proposed to be served with program</b>	130
<b>Program cost per household</b>	Per Person: \$156,667/130 = \$1205.13 Per Household: \$156,667/130 = \$1205.13
<b>CDBG-CV cost per household</b>	<b>N/A</b>

**ADDITIONAL INFORMATION: N/A**

**CONSEQUENCES OF NO FUNDING:**

The applicant states that services would be scaled down if their full funding request is not received. However, the application does not indicate how many households would be served if only partial funding is approved. The funding request constitutes 100% of the project budget.

**STAFF RECOMMENDATION:**

The proposed project is eligible for LMIHAF funds. Staff recommends partial funding of the project in the amount of \$100,000.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2022 and no later than May 1, 2023. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: Social Advocates for Youth (Rapid Rehousing ONLY) Funding Application - <https://share.sonoma-county.org/link/-hYi-bFbBOo/>

**APPLICANT NAME:** TLC Family and Child Services (TLC)

**PROJECT NAME:** Rapid Rehousing Program (RRH)

**LMIHAF AMOUNT REQUESTED:** \$212,920

**PROJECT DESCRIPTION**

**Applicant-Provided Summary Description from Submitted Application:**

“TLC Child and Family Services (TLC) Rapid Rehousing Program (RRH) offers affordable safe housing and comprehensive services for up to 30 months, annually supporting 10 youth ages 18-24. Intakes are referred by the Coordinated Entry System. Housing is master leased by the participant or by TLC. With continued Community Development Commission funding, TLC will maintain RRH and expand to 13 youth annually. TLC offers comprehensive mobile case management and a drop-in resource center to support with housing, education, employment, parenting, life skills, self-care, and rental, deposit, and utility assistance. Upon exit, TLC works with the landlord to transition agency leases to the participant or assists in alternative housing.”

**PUBLIC SERVICES PROJECT TYPE:**

Rapid Rehousing

**PROPOSED USE OF FUNDS:**

The applicant proposes to maintain the Rapid Rehousing program to serve 13 youth annually.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

CDBG-CV related priorities were not identified in the CDBG and HOME Funding Policies, as this fund source is available for use to address high priority activities that help prevent, prepare for or respond to Coronavirus in the Urban County.

The RRH program is not designed to create or preserve affordable housing but does aim to keep clients in rental housing and off the streets.

**CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

TLC's Rapid ReHousing Program houses transitional aged youth who are experiencing homelessness, thus reducing the pressure on shelters and other congregate care in our county. The housing TLC provided is not in a congregate setting which can help to prevent spread of the Coronavirus when it does occur.

Youth in TLC's programs are housed in individual units, are provided with COVID testing and, if they test positive, are provided with food and medication to ensure containment of the virus.

Because of TLC's comprehensive case management, youth are fully supported even when isolated for testing positive, using video case management to ensure that a COVID episode does not derail a youth's progress in the program towards self-sufficiency. There are also COVID-protocols in place in the resource center and other meeting areas to reduce the spread of the virus.

### **THRESHOLD CRITERIA**

#### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity proposed would benefit a low- and moderate-income limited clientele with incomes at or below 80% of the area median income (AMI), specifically the extremely low-income homeless demographic with incomes at or below 30% of the AMI, as people who are homeless are a "presumed low-income benefit" population under CDBG regulations.

#### **Does the proposed project or activity meet the eligibility requirements of the LMIHAF Funding Policies? (If not, provide the specific reason)**

Yes, it meets the eligibility requirements of LMIHAF and actively responds and prevents the spread of COVID-19.

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

Yes, the proposed project serves a particularly vulnerable and protected class – transitional aged youth.

#### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

TLC Child & Family Services does not currently receive direct federal funds, but they have experience managing federal funds through TLC's state and county contracts. The organization also received funding from private grants, county, and state agencies.

TLC maintains the internal infrastructure and expertise to ensure that all programs are operated with contractual requirements including the submission of data, budget review, and federal/state laws. They have successfully been operating a RRH program through the county for the last couple of years.

### **SELECTION CRITERIA**

#### **Does the applicant describe the primary outcome/s of the activity?**

Yes, the primary outcome identifier is to decrease the length of homeless episodes. The secondary outcome is increased income from benefits and/or employment and increasing access to health benefits.

#### **Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, TLC utilizes intake assessments, quarterly reports, and a discharge report for all RRH clients. The reports capture data around employment, benefits, health and wellness, education, and income. TLC also does annual surveys on participants to see ways in which the organization is improving the participants knowledge of resources and other areas.

An on-site social worker is trained in Coordinated Entry data entry.

TLC also partners with JobLink, Sonoma County employment, JobsCorp, and the Department of Rehab. They utilize community partnership with the Santa Rosa Junior College (SRJC).

TLC uses data in program development, service delivery, case management consultation and budgetary development. Data and other information are discussed and reviewed on a quarterly basis to ensure that they are delivering services that are improving the lives of those they serve. Input from the direct staff, the participants and the leadership team of the agency is collectively involved in interpreting data for performance output and service impacts.

They strive to have outcomes that show at least 80 percent improvement in areas such as income, employment, benefits, independent living skills, healthcare, training/education and financial literacy. Data drives how they change, adapt or update how they deliver services to ensure the outcomes are met. To do this, TLC relies heavily on participant driven surveys when collecting data.

TLC launched a peer mentor program eleven months ago to support their efforts in ensuring that the participants involvement and voice is prevalent in the evaluation measures. TLC also provides annual surveys and an exit survey to each participant in the RRH program to collect evaluation data.

**Does the applicant have experience providing the proposed services?**

Yes, TLC operates a drop-in center in downtown Santa Rosa to connect with the unhoused Transitional Aged Youth (TAY) community. They collaborate with other TAY serving agencies/institutions. TLC also attend the weekly Coordinated Entry case conference to accept referrals and offer collateral information on TAY that are being referred to other housing programs.

TLC notes that RRH standards have changed in the last year and that has impacted how TAY are categorized on the Coordinated Entry list. This means they are serving TAY who would have qualified for Permanent Supportive Housing (PSH) which has made the program pivot to meet the participant needs and resulted in increasing supportive staff to ensure that housing sustainability is successful.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, Tier 1 Evidence Based Practice. Staff use seeking safety and motivational interviewing. TLC has a training and compliance team that oversees this and works with supervisors to ensure trainings are completed. TLC also enrolls in trainings provided by contract funders and other agencies such as Community Support Network (CSN) to train staff in seeking safety. TLC is listed in upstream portfolio for the Transitional Housing Plus Program that the RRH program is modeled after.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

Yes, TLC has operated as a comprehensive access point for the last two years. With the changes to the Coordinated Entry system, TLC is now an access point. They also accept referrals to the RRH program through the weekly case management conference. TLC has been providing an access point and RRH program for TAY referrals since 2019.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify LMIHAF income eligibility and track other required demographic and quantitative data?**

In evaluating the demographics of those TLC has served over the last two years, TLC is unable to have confidence that they will be able to serve 51% of Urban County TAY. They are currently serving 30% Urban County TAY. This has motivated applicant to apply for LMIHAF as opposed to a federal funding source.

In regard to low income, 50% are Extremely Low-Income (ELI), 25% are Very Low-Income (VLI), and 25% Low Income (LI). This is tracked via the Homeless Management Information System (HMIS).

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to January 21, 2023	July 1, 2021 - June 30, 2022
<b>Number of households served</b>	13	9	12
<b>Number of households with children</b>	4	2	5
<b>Number of households comprised of unaccompanied youth under 25 years old</b>	13	9	14
<b>Number of adults in households served</b>	13	9	14
<b>Number of children in households served</b>	4	2	5

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30%)</b>	50%
<b>Very Low (Between 31% - 50% AMI)</b>	25%
<b>Low (Between 51% -80% AMI)</b>	25%
<b>Moderate (Over 80% AMI)</b>	0%

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

There is not a substantial increase, only one more household expected to serve this upcoming fiscal year. As of July 1, TLC has already served 9 clients.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$10,987,626
<b>Total program budget</b>	\$571,471
<b>Percent of program to organization budget</b>	5.2%
<b>Amount of LMIHAF request</b>	\$212,920
<b>Percent of LMIHAF request of program budget</b>	37%
<b>Unduplicated number proposed to be served with program</b>	13
<b>Program cost per person/household</b>	\$43,959
<b>LMIHAF cost per person/household</b>	\$16,378,46

**ADDITIONAL INFORMATION:**

TLC sends quarterly emails to other TAY serving agencies and SRJC updating them and reminding them of TLC’s drop in center and that they are a Coordinated Entry Access point . TLC has strong collaborations with other TAY serving agencies/educational institutions.

TLC works to link TAY to resources such as CalFresh, Sonoma Works, Women Infants & Children (WIC) and Medi-Cal. TLC supports clients with completing documentation, gathering needed paperwork and transportation to benefits appointments as well as employment opportunities. TLC provides financial assistance for career training, employment needs such as a guard card or work-related clothing, computers for job applications, educational needs and also provides on-site workshops on job skills, resume writing and employment assistance, subsidized child care applications and tax workshops.

TLC encourages all participants to apply for Medi-Cal and establish a primary care clinic as well as explore mental health services upon entry to our RRH program. TLC also offers these supports to TAY who utilize the resource center when completing the Coordinated Entry assessment, but may not be actively in TLC's RRH program. TLC offers robust services and comprehensive mobile case management to all participants in the RRH program.

TLC Child and Family Services TAY Rapid ReHousing Program provides comprehensive mobile case management provided by a social worker and a transition advocate. The case management team spends, on average, six hours per week directly with the housing participant working on housing barriers and preparing for housing and life goals. In addition to this team, participants are also welcome to access the drop in resource center where an on-site resource social worker is available to facilitate workshops, shopping for household or parenting goods/needs, filling a grocery bag, doing laundry, showering, and or utilizing the computer center. All participants also work with a housing navigator to locate and secure affordable housing. These funds will be used to cover the staffing costs associated with the program, direct client support costs, rent, security deposit, moving costs, etc., and office rent.

**CONSEQUENCES OF NO FUNDING:**

Direct client support costs, rent and security deposits, are the scalable costs associated with this project. TLC estimates \$6,200 per participant for the 2023 - 2024 fiscal year. If awarded less than the amount requested, TLC would leverage other sources before decreasing the number of clients served.

**STAFF RECOMMENDATION:**

Staff recommends funding TLC's Rapid Rehousing Program \$100,000 of LMIHAF funds. Staff recommend a portion of funding due to competitive nature of fund source and limited information on the budget.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan



1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2022 and no later than May 1, 2023. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: TLC Child and Family Services Funding Application - <https://share.sonoma-county.org/link/K22NONUmfy/>

**LOW-MODERATE INCOME HOUSING ASSET FUND (LMIHAF):  
APPLICATION SUMMARY AND FUNDING RECOMMENDATION**

**Applicant Name:** West County Community Services

**Project Name:** West County Homeless Outreach

**Fund Source:** LMIHAF

**Amount Requested:** \$150,000

**PROJECT DESCRIPTION**

**Applicant-Provided Summary Description from Submitted Application:**

“WCCS will provide Homeless Prevention (HP) assistance to West County residents in danger of losing their homes. Homeless Prevention is one of the most cost-effective and least traumatizing ways to mitigate homelessness. But the increased need for HP has exhausted the current annual WCCS funding halfway through the year. The WCCS Rapid Rehousing team is already in place and ready to effectively implement the program.”

The applicant states that a similar program is being implemented at this time that targets low-income households and the high demand of the program has nearly depleted all of the funds available at about halfway through the funding year.

**Public Services Project Type:** Homeless Prevention Services

**Proposed Use of Funds:**

The LMIHAF funding request would be used to provide direct rent assistance to eligible households.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, 3) building infrastructure or public facilities that support low-income communities, or 4) For Homeless Services and or Rapid Rehousing: implementing activities that promote effective and proven strategies for homelessness prevention and intervention?**

The request for LMIHAF funds for the proposed project is consistent with the Funding Policies as LMIHAF can only be used for homeless prevention and or rapid rehousing.

**CDBG-CV REQUIREMENTS**

**Does the proposed public service(s) activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

Not Applicable

**THRESHOLD CRITERIA**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Not Applicable to LMIHAF funds, as this funding source is a local program and can be used countywide.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

Not applicable, as the request is not for CDBG or HOME funds.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

WCCS has been providing homeless prevention services under a different program for at least four years. The applicant has reorganized the program, which will be implemented as an independent program. The applicant participated as a community-based service provider in the County's Emergency Rental Assistance Program (ERAP) to distribute funds to households with rent in arrears.

**SELECTION CRITERIA**

**Does the applicant describe the primary beneficiaries and outcome/s of the activity?**

The proposed project would benefit households in the western county region that are lower income and at risk of being homeless.

**Does the applicant describe how data and other information will be used as a self-evaluation tool as an outcome measurement?**

Yes, the application states that the program utilizes the county's Homeless Management Information System (HMIS) database to enter information and create reports that track client participation, demographics, and outcomes. WCCS also uses spreadsheets and accounting software that tracks past present and planned/obligated/projected client participation and expenditures.

**Does the applicant have experience providing the proposed services?**

Yes, the applicant implemented a similar program in a different capacity during the County's ERAP that is no longer accepting applications.

Additionally, WCCS has managed 30 contracts and grants that include federal, state, and local funding sources. The application states that they are in compliance with their grants' regulations and are in good standing with all funders.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the application states they use Tier 1 EBPs and strategy: seeking safety, motivational interviewing, and trauma informed care. They also participate in the Housing First/Housing First Fidelity process.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry.**

The application states that homeless prevention services is not eligible to be supported under coordinated entry intake or referral process, however, WCCS does administer other programs for the homeless where coordinated entry is used.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

While not required for LMIHAF funded activities, the application states that the program will only focus on assisting households in the western county region and the City of Sebastopol. Therefore, they expect at least 90% of households served to be located in the Urban County.

	<b><u>Proposed</u> number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	<b>July 1, 2023 – June 30, 2024</b>	<b>July 1, 2022 - January 21, 2023</b>	<b>July 1, 2021 - June 30, 2022</b>
Number of households served	17		
Number of households with children	8		
Number of households comprised of unaccompanied youth under 25 years old			
Number of adults in households served	36		
Number of children in households served	11		

**List the estimated percentage of the target population served in each of the income categories below:**

<b>Household Income</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	90%
<b>Very Low (Between 31% - 50% AMI)</b>	10%

<b>Low (Between 51% -80% AMI)</b>	0%
<b>Moderate (Over 80% AMI)</b>	0%

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The program as proposed is new to WCCS. The applicant previously implemented a similar program under a different capacity, however, there is no data provided for past years, because the program as proposed has not been implemented in the past.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$5,985,734
<b>Total program budget</b>	\$150,000
<b>Percent of program to organization budget</b>	2.5%
<b>Amount of LIMHAF request</b>	\$150,000
<b>Percent of LIMHAF request of program budget</b>	100%
<b>Unduplicated number of households proposed to be served with program</b>	17
<b>LMIHAF cost per person or household</b>	\$150,000/17 households, \$8,823/household

**Additional Information:**

None.

**Consequences Of No Funding:**

The application indicates that the program is scalable and if the full request is not awarded, less households would be served. If no funding, or less than requested, is awarded, the application indicates they will continue to search for other funding sources.

**Staff Recommendation:**

As proposed the project is eligible and staff recommends a funding award of \$50,000 of LMIHAF funds.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. In accordance with federal regulations, including the National Environmental Policy Act (NEPA), an environmental review must be completed before the applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. LMIHAF funds will be used only to reimburse expenses to eligible households in the County.

3. The applicant will provide a detailed line-item budget indicating all sources and expenses of the proposed project for approval prior to the preparation of a Funding Agreement.
4. LMIHAF funding awarded must be used for eligible expenses within 12 months of execution of a Funding Agreement. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed Funding Agreement.

Attachment A: West County Community Services (Homeless Prevention) Funding Application - <https://share.sonoma-county.org/link/256GvPj5t9g/>

## **PUBLIC SERVICE PROGRAMS**

**APPLICANT NAME:** Homeless Action Sonoma (HAS)

**PROJECT NAME:** Home and Safe Navigation Center (HASC)

**CDBG-CV AMOUNT REQUESTED:** \$500,000

### **PROJECT DESCRIPTION**

#### **Applicant-Provided Summary Description from Submitted Application:**

HAS, through its HASC in the Springs, will provide 1)street outreach to 120 unhoused individuals living in Sonoma Valley, with the goal of moving everyone into safe temporary housing; 2)temporary housing at HASC for at least 20 unhoused individuals; 3)wraparound case management in health, finance, and housing for 120 unhoused individuals; 4)COVID-19 prevention and care services for clients; 5)Coordinated Entry, ensuring all clients can access all housing resources in Sonoma County and that HASC housing information and services is current in the Coordinated Entry system. All services rendered by HAS and myriad program partners follow Housing First best practices. All program participant information will be entered into HMIS.

#### **PUBLIC SERVICES PROJECT TYPE:**

Navigation center public service and street outreach

#### **PROPOSED USE OF FUNDS:**

The applicant proposed the \$500,000 will be used to fund almost all positions related to the Navigation Center including Executive Director, Nurse Practitioner, Street Outreach Workers, Case Managers, and on-site Managers. Funds will also be used to provide program supplies, including COVID-19 supplies (ex: tests, medical grade masks), hand sanitizing stations, bathroom supplies (towels, soap), cleaning supplies, hygiene packets, socks, storage totes, Narcan, fentanyl test strips, medical supplies and other supplies to support a sanitary and safe environment

#### **FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, the project addresses two goals/objectives: supporting a public facility (navigation center) to support the creation of affordable housing opportunities to support low-income communities. In 2023, the HAS Navigation Center will begin providing temporary housing for up to 20 individuals. The site will use tiny houses at this time, but the plan for the future is to replace tiny homes and temporary structures in Fiscal Year (FY) 2024-2025 with a full-service permanent navigation center.

The site includes a dining tent, restrooms/showers, storage containers, dog park, garden, utilities, and a security unit. Services provided onsite to the community at large include: therapeutic and substance abuse groups; one on one meetings; medical care pop-ups;

distribution of COVID-19 information, protocols, and personal protective equipment (PPE); cooking and nutrition classes; food distribution; health and wellness services; veterinarian pop-up clinics, and case management activities. The project is not applying for funds to build the facility.

### **CDBG-CV REQUIREMENTS**

#### **Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

The proposed activity prepares for and responds to Coronavirus with the following:

- Partnering with Sonoma Valley Community Health Center (SVCHC) to provide COVID vaccines
- Implementation of regular rapid testing
- Providing polymerase chain reaction (PCR) tests
- Clients testing positive will be quarantined into a designated tiny home (if tiny home is not available, a hotel room will be provided). Staff will follow protocol and continue to support the client.
- Distribute PPE and rapid tests at the Navigation Center and through Street Outreach.
- Provide non-congregate housing for 20 participants (avoiding congregate settings that can lead to increased COVID-19 transmission)
- Provide hand-sanitizing stations, bathrooms, laundry services, and more to maintain public health and prevent the spread of Covid
- Distribute (in partnership with SVCHC) educational materials
- Discuss health and safety protocol with all clients upon intake and provide reminders when appropriate.
- Clients receiving wrap-around case management will undergo a medical check-up with SVCHC which includes COVID-19 testing and a review of their COVID-19 history.

### **THRESHOLD CRITERIA**

#### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity proposed would benefit a low- and moderate-income limited clientele with incomes at or below 80% of the area median income (AMI), specifically the extremely low-income homeless demographic with incomes at or below 30% of the AMI, as people who are homeless are a “presumed low-income benefit” population under CDBG regulations.

#### **Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**



Yes, the proposed activity meets the eligibility requirements of CDBG-CV and actively responds and prevents the spread of COVID-19.

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

Not applicable to this activity.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes. The program model is thoroughly researched, and they are going into their third year as an organization. Everything is scaled based on community need. The responses in the application are thorough and use their real-life experience and much of the research around supporting the unsheltered population. They have displayed strong community partnerships and understanding the needs of the unsheltered specific to Sonoma Valley. Community partnerships include Sonoma Valley Community Health Center for COVID-19 and other medical needs, Pets Lifeline for veterinarian services, Micah's Angel workshops, and other community entities.

**SELECTION CRITERIA**

**Does the applicant describe the primary outcome/s of the activity?**

Yes: Outreach, day centers or coordinated entry – placement in temporary or permanent housing. In FY 2023-24, HAS states they will implement four primary activities to achieve the selected outcome indicator for at least 120 unhoused individuals: (1) street outreach to 120 individuals currently living in Sonoma Valley with the goal of connecting everyone to safe temporary or permanent housing; (2) temporary housing at the HASC for at least 20 individuals; (3) wraparound case management for 120 clients in the areas of health, finance and housing; and (4) coordinated entry, ensuring all clients are eligible to access housing resources in Sonoma County and that information regarding housing and services available at HASC is current in Sonoma County's coordinated entry system. These four activities fall under three primary categories: street outreach, temporary housing at the HAS Navigation Center, and wraparound case management.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, HAS plans to develop a comprehensive work plan comprised of day-to-day work that will be updated monthly. The plan is meant to provide clarity on concrete objectives while also creating a sense of purpose. The work plan will include short-term goals and measurable objectives, outputs and outcomes to evaluate success. It will also identify potential obstacles and provide proactive solutions. It will also create specific tasks and actions for each staff member paired with the outcomes they must achieve.

The agency also utilizes a "Plan-Do-Study-Act" model to improve work and implement change. This model is evaluated monthly to assess programmatic activities, outputs, outcomes, success, challenges, and work plan progress.

Other evaluation tools and outcomes the application mentions:

- Serve 120 individuals with 20 receiving temporary housing at HASC
- 100% of clients improve their financial outcomes
- 100% of clients report improvement on their health outcomes
- Utilizing the housing options assessment
- Case management referrals and services
- The adults needs and strengths assessment (ANSA) form
- Daily encounter tracking sheets
- Enrollment and exit interviews
- Healthcare reports
- Self-reporting from clients
- Testing during workshops
- Observational data
- Biannual surveys with clients
- Temporarily housed clients
- Meeting with HASC residents
- Client banking and financial reports
- Number of clients receiving health and/or finance benefits
- Goal plan progress

The application also notes that the agency prioritizes feedback and experience of individuals with lived experience.

**Does the applicant have experience providing the proposed services?**

Yes. HAS has been working with these proposed services for the last two years and have had much success in Sonoma Valley. FY 2021-2022 was the first year in service and HAS serviced 42 clients. The application also indicates a high-level understanding of best practices for staff working with unsheltered – both at the Navigation Center and through Street Outreach.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the Tier-1 Evidence Based Practice through Motivational Interviewing is a person-centered and goal-oriented approach to help people make a change in their lives.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

HAS participates in Coordinated Entry and states they will continue to implement it at the HAS Navigation Center. They accept referrals and serve as an access point. HAS Case Managers enroll clients into Coordinated Entry. They have received training through the Sonoma County Community Development Commission (SCCDC) and all new staff are trained on Coordinated Entry processes. When new training opportunities are made available by SCCDC or other

recognized agencies or organizations, they state they will engage in those opportunities. The main barrier is that 90% of the clients they currently serve, all of whom live in Sonoma Valley, do not want to be relocated outside of Sonoma Valley through Coordinated Entry. As a result, more people remain unhoused longer. The second barrier is the lack of available housing in Sonoma Valley in general, making it hard to find affordable housing.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Applicant notes that all encounters are tracked via a daily encounter tracking sheet which notes the clients current location and how long they have lived in the area. All data is entered into the Homeless Management Information System (HMIS). Staff also may ask for further verification forms if necessary.

	<b>Proposed # of Households Served project in upcoming Fiscal Year: July 1, 2023-June 30, 2024</b>	<b>Current number of Households Served as of the filing of this application (if project is currently in operation): July 1, 2022-Curent Date</b>	<b>Number of Households Served by project last Fiscal Year: July 1, 2021-June 30, 2022</b>
Number of households served	120	91	42
Number of households with children	10	1	1
Number of households comprised of unaccompanied youth under 25 years old	0	0	0

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	100%
<b>Very Low (Between 31% - 50% AMI)</b>	

<b>Low (Between 51% -80% AMI)</b>	
<b>Moderate (Over 80% AMI)</b>	

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

There is an increase in persons served from FY 2022-2023 to what is expected in FY 2023-2024. The increase is due to the opening of the temporary Home and Safe Navigation Center.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$3,226,500
<b>Total program budget</b>	\$1,126,900
<b>Percent of program to organization budget</b>	33.6%
<b>Amount of CDBG-CV request</b>	\$500,000
<b>Percent of CDBG-CV request of program budget</b>	44.30%
<b>Unduplicated number proposed to be served with program</b>	120
<b>Program cost per person/household</b>	\$9,390.83
<b>CDBG-CV cost per person/household</b>	\$4,166.66

**ADDITIONAL INFORMATION:**

HAS makes an increased attempt to connect clients with health benefits and services. During Street Outreach, staff and volunteers distribute food, water, PPE, hygiene packets, garbage bags, storage totes, Narcan, fentanyl test strips, COVID-19 instant tests, and other items that provide improved public health and personal health for unhoused individuals.

A contracted Nurse Practitioner accompanies Street Outreach staff on regular outreach activities providing basic care (including wound care), medical advice, ensuring individuals are able to manage their diabetes and high blood pressure, and helping individuals navigate the healthcare system.

- SVCHC and Sonoma Valley Hospital provide care to clients, including family medicine, behavioral health, women’s health, prenatal care, Sexually Transmitted Infection (STI) testing/treatment, cancer screenings, dental care, podiatry, pain management, pharmacy services, optometry, and chiropractic care

- SVCHC provides pop-up clinics and basic check-ups onsite at HASC and at encampment sites using its fully equipped mobile health van. This includes podiatry, blood pressure checks, vaccinations, COVID-19 and flu tests, and other preventative care services
- Memorandums of Understanding (MOU) with dentists to provide pro-bono dental care
- Onsite group and one-on-one behavioral and mental health counseling
- Referrals to mental, physical, and behavioral health, care providers, including substance abuse services
- Dietician and nutritionist services, including nutrition and cooking classes
- Wellness classes provided by local professionals, including yoga and meditation
- Pets Lifeline provides veterinarian pop-up clinics onsite at HASC to care for client pets and medical assistance animals
- Harm reduction classes and Narcan use workshops with Micah’s Angels

**CONSEQUENCES OF NO FUNDING:**

The applicant notes fewer staff and contractors would be provided if less funding than requested is awarded which would also decrease the overall number of individuals that would be served. The number of participants served is commensurate with the amount awarded. If they receive 20% less in funding, they will serve 26 fewer individuals.

**STAFF RECOMMENDATION:**

Based on the thoroughness of this application, commitment to community partnerships, and awareness of best practices staff recommends this project receive partial funding. Laundry cards are an ineligible use of CDBG-CV funds. Staff recommends not funding the Executive Director salary as there is a preference for funds to be used for direct services and no funding for laundry cards as they are not eligible under federal guidelines.

Staff recommends funding HAS \$300,000 CDBG-CV funds. This will cover the nurse practitioner position, two street outreach workers, the operation manager, the 24 hour on-site managers, a portion of one full-time case manager, the year-long rental of three shower-bathroom units, and program supplies related to the COVID-19 pandemic.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG-CV funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a

Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: Homeless Action Sonoma Funding Application - <https://share.sonoma-county.org/link/-Aln-jSzpb0/>



**APPLICANT NAME:** Community Action Partnership, Sonoma County (CAP)

**PROJECT NAME:** Sloan House Women's Shelter

**CDBG-CV AMOUNT REQUESTED:** \$82,155

**PROJECT DESCRIPTION**

*Applicant-Provided Summary Description from Submitted Application:*

CAP Sloan House Women's Shelter provides Sonoma County's most vulnerable women supportive housing that includes case management, intensive support services and additional services needed to prevent homelessness. Annually, Sloan serves up to 80 homeless, single, adult women and women with children, in a safe, home-like 22 bed shelter. Our robust, evidence based financial stability program, coupled with thoughtful case management, helps our Sloan House residents (1) learn how to manage their finances (i.e., budgets, bill paying, bank accounts); (2) secure county, state and federal benefits; (3) find and secure stable employment; (4) procure permanent housing; and (5) improve their health through reduced stress around housing instability.

**PUBLIC SERVICES PROJECT TYPE:**

The project type is a Women's Only Shelter with temporary housing.

**PROPOSED USE OF FUNDS:**

The funds will be used to help support the Sloan House. The organization is requesting 15% of total operation budget for the Women's Only Shelter. The application does not provide details as to how the funds will be spent to support the proposed project.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

CDBG-CV funds were not identified in CDBG/HOME funding policies, as it is meant to address activities related to preventing, preparing, or responding to coronavirus. This project is a public facility that supports low-income communities, specifically homeless individuals, who are predisposed to coronavirus.



## **CDBG-CV REQUIREMENTS**

### **Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

The proposed service does prepare and respond to Coronavirus by providing the following:

- Personal Protective Equipment (PPE) and disinfection materials are provided at locations throughout the house.
- In the event of an exposure, Center for Disease Control (CDC) guidelines are followed for notifications, isolations, and testing.
- Deep cleaning and disinfection are completed weekly in all common areas.

## **THRESHOLD CRITERIA**

### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity proposed would benefit a low- and moderate-income limited clientele with incomes at or below 80% of the area median income (AMI), specifically the extremely low-income homeless demographic with incomes at or below 30% of the AMI, as people who are homeless are a “presumed low-income benefit” population under CDBG regulations.

### **Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

Yes, the supportive services proposed for this project meet the eligibility requirements of CDBG-CV and responds to coronavirus cases.

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

Not applicable question as this project is a shelter.

### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, CAP has a long history of working with federal and local funding. The application demonstrates a high-level understanding of housing first methodology and Results Based Accountability when working with the vulnerable population. The project offers many levels of support and aims to meet clients where they are at in terms of receiving case management.

## **SELECTION CRITERIA**

### **Does the applicant describe the primary outcome/s of the activity?**

Yes, the applicant describes two outcome identifiers. First, shelter or transitional housing exits to permanent housing. Second, increased income from benefits and/or employment.

The overall project goal is to assist clients by providing case management in the following areas: money management, saving for future housing needs, increase benefits/employment to become more financially stable. As Housing First guidelines stipulate that case management is not a requirement, the program provides as many opportunities as possible.

**Does the applicant describe how data and other information will be used as a self-evaluation tool as an outcome measurement?**

Yes, the applicant uses a CAP60 database as well as HMIS to track outcome progress. The HMIS system is set up to provide insight on increases/decreases in participant benefits as well as tracking exits to permanent housing.

**Does the applicant have experience providing the proposed services?**

Yes, CAP was first founded in 1967 and has been serving Sonoma County's most vulnerable ever since. The clients are served with family-centered evidence-based programs in the following fields: housing, finances, disaster relief, health and wellbeing, community engagement, and education. As an agency, they serve over 11,000 unduplicated individuals annually (all low-income, 80% Latinx). 76% of overall budget comes from federal, state, or local level funding. The agency also has a history of using Results Based Accountability to meet program outcomes.

Staff recognizes that without a mandate on case management, many clients do not take advantage of services offered. Resources remain available to all clients through intake, drop-in times, and house meetings. Staff is also familiar with the variety of public benefit resources.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the Tier-1 Evidence Based Practice through Motivational Interviewing is a person-centered and goal-oriented approach to help people make a change in their lives. Staff is provided with trainings to improve their skills such as: financial coaching, family-centered coaching, ACES training.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

The agency has a process in place to meet requirements of Coordinated Entry referrals as well as their own outside referral list. They note that a barrier to entrance is lack of funding for additional support such as mental health, substance abuse, medical support, or behavioral support. The agency finds that having two referrals minimizes barriers and places highest risk clients first. CAP also participates in Continuum of Care meetings and work groups.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

100% of Sloan House clients are low income. The agency obtains, verifies, and documents program beneficiaries meeting this requirement by collecting data on where they were previously housed and any other documentation. This information is housed in the CAP database.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	<b>July 1, 2023 – June 30, 2024</b>	<b>July 1, 2022 to Current Date</b>	<b>July 1, 2021 - June 30, 2022</b>
Number of households served	55	25	21
Number of households with children	8	4	5
Number of households comprised of unaccompanied youth under 25 years old	0	0	0
Number of adults in households served	55	25	21
Number of children in households served	12	5	6

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b>Considering only Urban County residents, list the estimated percentage of households served in each of the income categories below</b>
Extremely Low (Below 30% AMI)	100%
Very Low (Between 31% -50% AMI)	
Low (Between 51% -80% AMI)	
Moderate (Over 80% AMI)	

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The application indicates that in the upcoming fiscal year, the number of clients to be served will double when compared to clients served last year. The applicant notes that due to coronavirus, they were serving at half capacity, but are expecting to serve at full capacity this year, and therefore a higher number is shown.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$15,185,753
<b>Total program budget</b>	\$576,003
<b>Percent of program to organization budget</b>	33.6%
<b>Amount of CDBG-CV request of program budget</b>	\$82,155
<b>Percentage of CDBG-CV request of program budget</b>	14.2%
<b>Unduplicated households proposed to be served with program</b>	55
<b>Program cost per household</b>	\$10,472.78
<b>CDBG-CV cost per household</b>	\$1,493.72

**ADDITIONAL INFORMATION:**

The agency works closely with other community partners such as: Burbank, Bridge Housing, Eden Housing, Petaluma People Services, Rapid Rehousing, and Catholic Charities. The applicant also notes that with high rates of mental health diseases it can be a volatile environment and they would like to increase staffing hours to cover evenings and weekends. The total project budget has other funding sources as well.

**CONSEQUENCES OF NO FUNDING:**

If less funds are received than requested, the program would need to scale down number of clients served and other services. The agency would need to work more closely with coordinated entry to limit referrals of high mental health needs to reduce likelihood of conflict or escalating behavior when staff is not on site.

**STAFF RECOMMENDATION:**

Based on the information contained in the application and the proposed project, staff recommends that the applicant be awarded the full request of funding of \$82,155.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2022 and no later than May 1, 2023. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement
3. CDBG-CV funding awarded must be used for eligible expenses within 12 months of execution of a Funding Agreement. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed Funding Agreement.

Attachment A: Community Action Partnership of Sonoma Funding Application - <https://share.sonoma-county.org/link/EMDopzs3TE0/>

**APPLICANT NAME:** Sonoma Applied Village Services (SAVS)

**PROJECT NAME:** Sonoma Applied Villages Services (SAVS) Horizon Shine Transitional Housing Shelter/Navigation Center

**CDBG-CV AMOUNT REQUESTED:** \$585,153

**PROJECT DESCRIPTION**

**Applicant-Provided Summary Description from Submitted Application:**

Horizon Shine Village - Expanded Housing Support. This project funds two additional staff in order to secure permanent housing for homeless people at the Horizon Shine Village in Sebastopol, California. It also funds a simple Covid-19 vaccination program. These new staff members, a case manager and housing navigator, will 1) prepare Horizon Shine Villagers for housing and 2) find and fill housing openings with homeless villagers. The Horizon Shine Village, which opened in February of 2022, shelters and provides services for up to 30 homeless individuals in 25 trailers or R.V.s.

**PUBLIC SERVICES PROJECT TYPE:**

Emergency Shelter

**PROPOSED USE OF FUNDS:**

The CDBG-CV funds would be used to fund one additional Housing Navigator for the Horizon Shine Village in Sebastopol, CA. SAVS is also proposing a COVID-19 Vaccination Program to provide \$100 to any villager who completes a COVID-19 vaccination, although this would not be eligible under the federal guidelines. The request also includes funding a portion of the operating expenses for the Horizon Shine location.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

CDBG-CV funds were not identified in CDBG/HOME funding policies, as it is meant to address activities related to preventing, preparing, or responding to coronavirus. This project is a public facility that supports low-income communities, specifically homeless individuals, who are predisposed to coronavirus.

**CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

The project aims to prevent Covid by educating villagers in preventative vaccinations, transporting villagers to vaccination sites, and providing masks & other protective equipment. With the additional staff members of this expanded housing support project, SAVS will offer a \$100. stipend to any villager who completes a Covid 19 vaccination. This is based on a vaccination project pioneered by St. Vincent de Paul at Los Guillicos. This program will be coordinated with the West County Community Health Center's Healthcare for the Homeless

program which currently provides routine nursing and mental health visits and physician support on site at Horizon Shine. The project prepares for Covid cases by continual connection with Sonoma County Health Department and others who can provide protective equipment, tests and access to vaccinations. Lastly, the project responds to COVID-19 by monitoring any villager who tests positive to ensure they can isolate with the food and medical care they need. Then, they test and educate those who have had contact with the infected individual. They also close the village to visitors for the duration of the outbreak.

### **THRESHOLD CRITERIA**

#### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity proposed would benefit a low- and moderate-income limited clientele with incomes at or below 80% of the area median income (AMI), specifically the extremely low-income homeless demographic with incomes at or below 30% of the AMI, as people who are homeless are a “presumed low-income benefit” population under CDBG regulations.

#### **Does the proposed project or activity meet the eligibility requirements of the CDBG-CV Funding Policies? (If not, provide the specific reason)**

Yes, the supportive services proposed for this project meet the eligibility requirements of CDBG-CV and responds to coronavirus cases

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

This is not applicable as this is a navigation center application.

#### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, SAVS has been an active participant in working with Sonoma County’s most vulnerable for many years. The Horizon Shine Village is already up and running and has seen success in temporarily housing unsheltered folks. SAVS has received one federal grant, six county grants, and three local community foundation grants in the first three years of operation.

The application does not define how the budget will be allocated between staff and the vaccination program.

### **SELECTION CRITERIA**

#### **Does the applicant describe the primary outcome/s of the activity?**

Yes, SAVS proposes two outcome identifiers: 1) shelter/ transitional housing exits to permanent housing and 2) increasing income/benefit access. For the first outcome, SAVS uses a three-phase project timeline: 1) Capacity building and Internal collaboration; 2) Execution; 3) Evaluation & Reset. The Case Manager will work with individual clients to get them to housing readiness. The Housing Navigator will collaborate with Coordinated Entry and others providing

intake and work to connect residents with housing vouchers and other low-income units. So far, SAVS has been able to place four clients into permanent housing.

The second outcome is met by assisting residents with JobLink activities, partnering with Department of Rehabilitation and a plan to work with the new Housing and Disability Advocacy Program (HDAP) program to connect clients with Social Security Disability benefits. This outcome is anticipated to be achieved by partnering with West County Community Healthcare Center, as many clients have disabilities and chronic illnesses.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

SAVS will use a confidential data management tool to chart clients progress to permanent housing. The data is to be reviewed bi-monthly by the Village Manager to celebrate successes, discover problems, review plans, and give additional support as needed. Other information is routinely entered into the Homeless Management Information System (HMIS) and reviewed quarterly. Clients are also surveyed prior to being placed outside the village and six months after their placement. Clients in Horizon Shine are surveyed annually.

**Does the applicant have experience providing the proposed services?**

The Horizon Shine village has been in operation for 11 months, concluding their first stage of program development.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

No, but SAVS notes they are familiar with the Results Based Accountability process. They train staff members as they are hired in Housing First and Results-Based Accountability.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

Yes, the current two outreach members are trained and proficient in Coordinated Entry data entry, the Horizon Shine village is an access point to Coordinated Entry. SAVS has a goal to train more staff in the first quarter of 2023. They currently do not have the staffing capacity to regularly participate in weekly Coordinated Entry case management conferences, but would expect to be able to participate somewhat regularly with additional staffing.



**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Yes, SAVS utilizes data entry through Homeless Management Information System (HMIS) and Coordinated Entry to verify eligibility and other important data.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	<b>July 1, 2023 – June 30, 2024</b>	<b>July 1, 2022 to Current Date</b>	<b>July 1, 2021 - June 30, 2022</b>
Number of households served	35	27	25
Number of households with children	0	0	0
Number of households comprised of unaccompanied youth under 25 years old	30	0	0
Number of adults in households served	35	27	25
Number of children in households served	0	0	0

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents,</u> list the estimated percentage of households served in each of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	100%
<b>Very Low (Between 31% -50% AMI)</b>	
<b>Low (Between 51% -80% AMI)</b>	
<b>Moderate (Over 80% AMI)</b>	

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The applicant served 25 households last fiscal year and expects to serve 35 this year.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$2,150,688
<b>Total program budget</b>	\$665,153
<b>Percent of program to organization budget</b>	30.1%
<b>Amount of CDBG-CV request of program budget</b>	\$585,153
<b>Percentage of CDBG-CV request to program budget</b>	88%
<b>Unduplicated number proposed to be served with program</b>	35
<b>Program cost per person/household</b>	19,004
<b>CDBG-CV cost per person/household</b>	16,718

**ADDITIONAL INFORMATION:**

The projects other 12% is funded by foundations, individual donations, and the City of Sebastopol.

**CONSEQUENCES OF NO FUNDING:**

The positions could be reduced in capacity. SAVS anticipates serving 15 fewer residents for every case manager not funded.

**STAFF RECOMMENDATION:**

Staff recommends partial funding of \$100,000. Funds awarded would be to fund the new housing navigator position and other operations.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: Sonoma Applied Village Services Funding Application (Horizon Shine) - <https://share.sonoma-county.org/link/62BxW5vxXss/>

## **CDBG-CV: APPLICATION SUMMARY AND FUNDING RECOMMENDATION**

**Applicant Name:** West County Community Services

**Project Name:** West County Homeless Outreach

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

### **PROJECT DESCRIPTION**

#### **Applicant-Provided Summary Description from Submitted Application:**

“Street Outreach is a critical component in our Continuum of Care, connecting people without homes to the appropriate level of service. With only one municipality in our very large region, WCCS provides the only homeless outreach services in West County. WCCS will hire three outreach workers for West County to connect clients to shelters, Coordinated Entry (CE), PSH, IMDT, and other services. One will provide services in the lower Russian River and the North Coast. One will provide outreach services in the City of Sebastopol. The City of Sebastopol will pay 50% of the costs of this position. The third will cover the area outside of Sebastopol and the southern coastal area. At least one will be trained to enter client data in CE”

#### **Public Services Project Type:**

Direct street outreach to homeless persons, COVID testing and health services referrals as needed, and related case management services.

#### **Proposed Use of Funds:**

The CDBG-CV funding request would be used to support three staff members to conduct direct outreach in the west county region. Two of the positions would be funded by this request and a portion of the third position would be funded by the City of Sebastopol.

#### **FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

CDBG-CV related priorities were not identified in the Community Development Grant (CDBG) and HOME Investment Partnerships (HOME) Funding Policies, as this fund source is available for use to address high priority activities that help prevent, prepare for or respond to Coronavirus in the Urban County.

#### **CDBG-CV REQUIREMENTS**

**Does the proposed public service(s) activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

Yes, the application states that outreach would be conducted to the homeless, who are predisposed to contraction of coronavirus (Covid-19). Persons would be tested for Covid-19 and referred to health services as needed and or other services that could assist them in obtaining housing and other supportive services.

## **THRESHOLD CRITERIA**

### **Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity proposed would benefit a low- and moderate-income limited clientele with incomes at or below 80% of the area median income (AMI), specifically the extremely low-income homeless demographic with incomes at or below 30% of the AMI, as people who are homeless are a “presumed low-income benefit” population under CDBG regulations.

### **Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies? (If not, provide the specific reason)**

Yes, outreach services to the homeless are a public service and eligible use of CDBG-CV funds.

### **Does the applicant demonstrate capacity to effectively deliver the proposed project?**

The application states that West County Community Services (WCCS) has been providing outreach services to the western region of the county for three years. Additionally, WCCS has been operating the winter shelter and covid-19 navigation site. They also use the coordinated entry system to connect the homeless with needed services and housing. The requested funds would be used to hire three new staff members to conduct outreach.

## **SELECTION CRITERIA**

### **Does the applicant describe the primary beneficiaries and outcome/s of the activity?**

Yes, the proposed activity would serve homeless persons with a focus on serving persons residing in the western region of the county. The outcome of the proposed activity is intended to help reduce homelessness and the spread of Covid-19 and providing access to health, and case management services to help clients exit homelessness into temporary or permanent housing.

### **Does the applicant describe how data and other information will be used as a self-evaluation tool as an outcome measurement?**

Yes, the applicant states that they will use quarterly Homeless Management Information System (HMIS), Coordinated Entry data, Homekey reporting data, and internal analysis of spreadsheets to monitor outcome numbers.

### **Does the applicant have experience providing the proposed services?**

Yes, the application states that WCCS currently provides homeless outreach services in the City of Sebastopol and unincorporated west county.

### **Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the application states they use Tier 1 EBPs and strategy: seeking safety, motivational interviewing, trauma informed care. They also participate in the Housing First/Housing First Fidelity process.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry.**

The applicant states they currently use coordinated entry. “WCCS currently has two Coordinated Entry (CE) Access Points, one of which is through outreach. In addition, the Rapid Re Housing (RRH) /Homeless Prevention (HP) program is co-located with the Healthcare for the Homeless Team at West County Health Center's 3rd St House (Healthcare for the Homeless) which is also an access point. The department director also has training and access to complete CE enrollment as necessary.”

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Yes, the applicant states they currently implement a similar project in the City of Sebastopol and will obtain documentation to verify residency and income eligibility.

	<b><u>Proposed</u> number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 - January 21, 2023	July 1, 2021 - June 30, 2022
<b>Number of <u>households</u> served</b>	270	90	180
<b>Number of <u>children in households</u></b>	10	5	7
<b>Number of <u>households</u> comprised of <u>unaccompanied youth under 25 years old</u></b>	30	10	20
<b>Number of <u>adult households</u></b>	290	130	190

**List the estimated percentage of the target population served in each of the income categories below:**

<b>Household Income</b>	<b>List the total estimated percentage of the households served in each of the income categories below</b>	<b><u>Considering only Urban County residents</u>, list the estimated percentage of</b>

		households served in each of the income categories below
<b>Extremely Low (Below 30% AMI)</b>	0%	90%
<b>Very Low (Between 31% - 50% AMI)</b>	0%	10%
<b>Low (Between 51% -80% AMI)</b>	0%	0%
<b>Moderate (Over 80% AMI)</b>	0%	0%

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

The applicant proposes to serve a higher number of households and persons than last fiscal year, however, an explanation as to the proposed increase is not provided. However, there are two existing WCCS staff conducting outreach and the three new hires may supplement these efforts and therefore, there would be more staff to connect with more homeless persons or cover a wider geographical area or both.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$5,985,734
<b>Total program budget</b>	\$240,000
<b>Percent of program to organization budget</b>	4.0%
<b>Amount of CDBG-CV request</b>	\$200,000
<b>Percent of CDBG-CV request of program budget</b>	83%
<b>Unduplicated number of households proposed to be served with program</b>	270 in outreach
<b>CDBG-CV cost per person or household</b>	\$200,000/270 households, \$741/household

**Additional Information:**

None

**Consequences Of No Funding:**

The applicant currently operates the program with two outreach workers in the west county region. Funding for both positions ends in June. The application states that without funding the program could cease and it's possible that more than 100 persons would be unserved. Outreach is an important service and WCCS will continue to look for funding for this service.

**Staff Recommendation:**

As proposed, the project is eligible with the funding requirements, provides preference to the Urban County residents by serving the western region of the county, and is very much needed in this geographic area. Staff recommends the full request of \$200,000 for this project.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. In accordance with federal regulations, including the National Environmental Policy Act (NEPA), an environmental review must be completed before the applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG-CV funds will be used only to reimburse costs to provide services to persons who last resided in the Urban County (Urban County excludes the cities of Petaluma and Santa Rosa) and who experienced a negative impact related to the coronavirus pandemic.
3. The applicant will provide a detailed line-item budget indicating all sources and expenses of the proposed project for approval prior to the preparation of a Funding Agreement.
4. CDBG-CV funding awarded must be used for eligible expenses within 12 months of execution of a Funding Agreement. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed Funding Agreement.

**Attachment A: West County Community Services (Homeless Outreach) Funding Application - <https://share.sonoma-county.org/link/-mGHRx5ntDI/>**



**APPLICANT NAME:** West County Community Services

**PROJECT NAME:** Service Navigation, Health and Mental Health Services Project

**AMOUNT REQUESTED:** \$700,000

**FUND SOURCE:** CDBG-CV

**PROJECT DESCRIPTION:**

*Applicant-Provided Summary Description from Submitted Application:*

“The Service Navigation and Health and Mental Health Services Project will build out critical elements of the non-residential portion of the George's Hideaway (GH) 21-bed permanent supportive housing project west of Guerneville, CA. The service portion of the GH project will include the Empowerment Center (peer mental health site), Service Navigation Center, commercial kitchen, two bathrooms, a laundry facility, an office for West County Health Center's Healthcare for the Homeless Program, and two staff offices for the WCCS Service Navigator and Case Manager. The resulting services available at this rehabilitated site will directly address COVID concerns and dangers for this population. These facilities will not only serve the on-site residents but will also be available, during office hours, to the broader community. There is a Sonoma County Transit bus stop directly on the property and a WCCS shuttle will also provide client access to the project.”

**PROJECT TYPE:** Non-housing capital project – public facility improvements.

**PROPOSED USE OF FUNDS:**

The funds requested would be used to pay for expenses related to the rehabilitation of the navigation center. Funds would not be used to pay for construction expenses related to the permanent supportive housing also being developed at the same project site (known as “George's Hideaway”).

**FUNDING POLICIES:**

**Funding Goals and Objectives:**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the proposed project meets the National Objective of serving low-moderate income persons, specifically the low-moderate limited clientele as the proposed project would serve homeless persons, who are presumed to be principally low income.

**Does the proposed activity prevent, prepare for, or respond to coronavirus (activities must demonstrate they respond to one or more)?**

While the application does not specifically address how the proposed project will prevent, prepare for, or respond to coronavirus, the project will serve homeless persons, who are presumed to be at high risk of contracting and spreading the virus. Homeless persons will be able to access supportive services at the navigation center, including health services, referrals, and or housing thereby reducing the spread of the virus.

**Does the proposed project or activity meet the eligibility requirements of the CDBG and HOME Funding Policies (If no, provide the specific reason)?**

Yes, the proposed use of funds is consistent with the Funding Policies, because rehabilitation of a public facility is an eligible use of the CDBG-CV funds.

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, this project would support rehabilitation of an existing structure that will serve as a public facility to serve homeless persons, a public facility that supports low-income communities.

**THRESHOLD CRITERIA:**

**Is the project consistent with the General Plan of the jurisdiction in which it is located?**

The application indicates that the developer has yet to obtain planning and building permit approvals from Sonoma County, therefore, at this time the project does not have General Plan consistency. The applicant anticipates they will obtain Sonoma County approvals in September of 2023. The project is located on two parcels, both which allow the planned use under the current zoning.

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

While the requested funds will not be used to support housing, it will provide a navigation center that will support services to homeless persons, regardless of race and ethnicity, to assist them in securing housing and supportive services.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

The applicant states that they manage 30 contracts and grants, that include federal, state, and local funding sources. The applicant asserts they are in good standing with all funders.

**SELECTION CRITERIA:**

**Will the requested funds for the project be leveraged against total development costs of the non-housing capital project?**

The budget submitted with the application does not identify other sources to support rehabilitation of the navigation center, therefore, the requested CDBG-CV funds would support 100% of the proposed project. However, the applicant has secured committed funding for the other aspects of the overall project, which includes the separate development of permanent supportive housing (George's Hideaway) including Project Homekey from the state, redevelopment funds, and from Measure O totaling more than \$6 million dollars. As of the date this summary is written, the applicant has site control and the property is still under ownership of the County, however, the County intends to transfer ownership to the applicant this Spring.

**BUDGET**

<b>Funding Source</b>	<b>Amount</b>	<b>Commitment Status</b>
CDBG-CV	\$700,000	Requested (not committed)
<b>TOTAL</b>	<b>\$700,000</b>	

**Does the project demonstrate existing support from the jurisdiction in which it is located via letters of support, funding commitments, etc.?**

The application did not include any letters of support, however, as mentioned above, the other aspects of the overall site development including the permanent supportive housing have committed funding totaling more than \$6 million dollars.

**Does the project demonstrate advanced readiness via (a) entitlements; (b) financing commitments; (c) building permits, (d) environmental review?**

No, the project does not demonstrate readiness, because approvals from Sonoma County have yet to be issued and the rehabilitation of the navigation center does not have other funding sources committed. However, the application indicates that the required environmental reviews are completed.

**Does the applicant have adequate provisions for long-range maintenance and operations?**

The application does not indicate other sources to support the long-range maintenance and operations for the proposed navigation center and the application did not include a 30-year proforma.

**For non-housing projects, is there a documented and verifiable need for the project above and beyond existing facilities?**

Yes, the applicant currently serves homeless individuals and households in the western area of Sonoma County. The applicant estimates that 100-150 persons are unhoused in the lower Russian River area and there are only 14 housing beds to serve them. West County Community Services and their partner, West County Health Centers, provide the only services to the homeless within a 20-mile radius. The demand for services in the western county area exceeds the supply available. The navigation center will improve access to services and housing.

**For non-housing projects, can the project be expected to have a significant impact on the identified problem and result in one or more measurable indicator?**

Yes, completion of the navigation center will have a significant impact, because the demand for supportive services in western area of the county is high and the resources available are few.

**Additional Information:**

This application is for the rehabilitation of a building located at George's Hideaway, in Guerneville, that is sponsored by the County of Sonoma. The County applied for Project Homekey funds jointly with the West County Community Services, and acquired the site in April 2022. The site includes a building that will serve as a navigation center and former motel rooms

that will be converted to permanent supportive housing. The County has partnered with the applicant, who will be operating the navigation center and permanent supportive housing when the project is complete. The building is planned to have substantial rehabilitation work, which when completed will include 21 permanent supportive dwelling units for the homeless, a navigation center that will provide referrals and supportive services to the community as well as to those persons residing at the site. The application request for CDBG-CV funds is only for the rehabilitation of the main building for the navigation center, not for the other housing aspects of the project. The application indicates that the facility is planned to complete construction in February of 2024.

**Consequences of no or partial funding:**

The application indicates that the project can be phased if partial funding is awarded. The navigation center would begin rehabilitation work with funds awarded and the applicant would seek other funds to complete the project. The application did not include information as to other funding sources they would seek should no funding or less than the requested funds be awarded.

**Staff Recommendation:**

While the project is still in the early stages of development, the applicant has obtained substantial funding from other sources for the permanent supportive housing development at the project site. Staff recommends CDBG-CV funding of \$213,851, however, should other CDBG-CV funded activities not be carried out, funds will be recaptured by SCCDC and will be reprogrammed to this project. This will be added to the “contingency projects” in the Annual Action Plan.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. CDBG-CV funds will be used to reimburse eligible construction expenses related to the navigation center only.
2. Applicant cannot incur expenses on the project until a funding agreement has been executed.
3. The use of CDBG-CV funds will require the entire construction contract to comply with federal requirements for contract documents, contracting and labor standards. The general contractor and subcontractors performing the work are subject to Davis Bacon Prevailing Wages.
4. Funds for all public facilities and improvements projects must be expended within 18 months of the date on which the Funding Agreement is offered for execution.
5. All loans are subject to the provisions of the Sonoma County Community Development Commission (SCCDC) Loan Policies, the FY 2023-24 Funding Policies, and applicable HUD regulations.

Attachment A: West County Community Services (George's Hideaway) Funding Application - <https://share.sonoma-county.org/link/hBTcKDaRp4o/>

**APPLICANT NAME:** City of Healdsburg

**PROJECT NAME:** Northern Sonoma County Homeless Services Expansion

**CDBG-CV AMOUNT REQUESTED:** \$251,636

**PROJECT DESCRIPTION**

*Applicant-Provided Summary Description from Submitted Application:*

“The City of Healdsburg in partnership with Reach for Home, proposes to expand homeless case-management and outreach services to Northern Sonoma County. This proposal incorporates a "Good Neighbor Program" at the L&M Village, which provides 22 units of non-congregate interim housing to those experiencing chronic homelessness. This program will reduce exposure to COVID-19 and expand mental health, housing stability and overall health support by increasing therapeutic enrichment activities at the L&M Village to encourage residents to remain on campus and decrease exposure risk. In addition, the application would establish a linen replacement and laundering program for the L&M Village and for those in encampments needing laundry services.”

**PUBLIC SERVICES PROJECT TYPE:**

Street Outreach and Day Center

**PROPOSED USE OF FUNDS:**

Funds requested will be used to add an outreach worker, program manager, and laundry and linen services.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Yes, the project includes preservation of affordable housing and public facilities.

**CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

The project proposal includes an outreach worker to support field testing and transportation. It also includes a program manager for the Good Neighbor Program. The Good Neighbor Program aims to reduce the risk of exposure to COVID-19 by providing on-site moral and enrichment programming on campus – programs will emphasize therapeutic, health, and wellness of clients as well as enhancing the goal of achieving permanent housing. The program will also provide laundry and linen services to ensure the health of program participants. The program will also provide laundry services to those living in encampments.

**THRESHOLD CRITERIA**

**Does the project meet at least one National Objective as required under CDBG regulations (24 CFR 570.208)?**

Yes, the activity will benefit low-and moderate-income limited clientele with incomes at or below 80% of area median income, as well as people who are homeless a “presumed low - income benefit” population under the CDBG regulations.

**Does the proposed project or activity meet the eligibility requirements of the CDBG-CVFunding Policies? (If not, provide the specific reason)**

Yes, the program aims to serve the chronically homeless through COVID-19 prevention and assistance with moving to permanent housing.

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

Not applicable to this application it is a homeless services project.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes, The City of Healdsburg has extensive experience in grant management including: Homeless Emergency Aid Program (HEAP), Home Investment Partnerships (HOME), Community Development Block Grant (CDBG), and Emergency Solutions Grant (ESG) grants through the Sonoma County Community Development Commission (SCCDC).

**SELECTION CRITERIA**

**Does the applicant describe the primary outcome/s of the activity?**

The primary outcome of the activity is to expand outreach and housing services by increasing capacity for engagement, placement, and housing. The second outcome for the program is increasing income from benefits and/or employment and increasing access to health benefits.

This program will increase the amount of outreach and follow-on case-management that will provide access to such services. In addition, Reach for Home has a Community Health Worker who can work directly with participants to make sure they are connected to the healthcare education and treatment needed. The laundry program will assist those not yet in housing access sanitary services to increase their health resilience.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, for the first outcome, applicants plans to track the following metrics: The metrics that will be used will include: 1) the number of client contracts by outreach teams; 2) the placements to interim housing by expanded outreach; 3) the number of permanent housing placements achieved with expanded case-management services and 3) the number of individuals that have increased their income or have been enrolled in programs that generate income.

The staff will utilize the Homeless Management Information System (HMIS) database to collect data on each client, their progress, and their needs. Goals are pulled monthly. Staff also will prepare quarterly reports for the county and the board of directors.

**Does the applicant have experience providing the proposed services?**

Reach for Home, the partner nonprofit, has been providing street outreach and case management for 9 years. They currently have 10 staff trained on Coordinated Entry procedures to ensure clients are enrolled in the system of care. Recently, Reach for Home was able to enroll 15 individuals to the L&M Village Interim Housing program. There are currently 48 clients in the Reach for Home housing program.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, the project utilizes Tier 1 – Evidence Based Practice through the Housing First methodology.

All staff are trained on housing first principles and trauma informed care.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

Yes, Reach for Home has 10 trained employees who can enroll individuals into Coordinated Entry. The Chief Executive Officer (CEO) also sits on the county-wide Coordinated Entry Committee and Reach or Home participates in county-wide weekly conferencing sessions where individuals are referred to various housing opportunities through Coordinated Entry.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Yes, the applicant will utilize HMIS to track and verify income eligibility. 100% of clients are expected to be extremely low-income. The L&M Village is the only interim housing program in Northern Sonoma County. Reach for Home as a part of its operations will capture information on the point of origin for clients served along with several data points that will provide for a geographic accounting of services.

	<b>Proposed number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to January 21, 2023	July 1, 2021 - June 30, 2022
Number of households served	45	22	0



Number of households with children	0	0	0
Number of households comprised of unaccompanied youth under 25 years old	0	0	0
Number of adults in households served	45	22	0
Number of children in households served	0	0	0

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents, list the estimated percentage of households served in each of the income categories below</u></b>
<b>Extremely Low (Below 30% AMI)</b>	100%
<b>Very Low (Between 31% - 50% AMI)</b>	
<b>Low (Between 51% -80% AMI)</b>	
<b>Moderate (Over 80% AMI)</b>	

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

This is a new project, therefore it does not have a historical numbers served. It would be helpful to have some narrative around why they expect to serve 45 households in Fiscal Year (FY) 2023-2024.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$1,103,312
<b>Total program budget</b>	\$251,636
<b>Percent of program to organization budget</b>	22.8%
<b>Amount of CDBG-CV request of program</b>	\$251,636

<b>Percent of CDBG-CV request of program budget</b>	100%
<b>Unduplicated number proposed to be served with program</b>	45
<b>Program cost per person/household</b>	\$5,591.91
<b>CDBG-CV cost per person/household</b>	\$5,591.91

**ADDITIONAL INFORMATION:**

In addition to the Coordinated Entry Committee, Reach for Home participates in the following program standard work groups: Street Outreach Program Standards, Shelter Standards, Permanent Supportive Housing and Rapid Program Standards all through Sonoma County. In addition, Reach for Home is represented on the Continuum of Care Board and several Continuum of Care Committees. Margaret Sluyk the CEO is responsible, but various staff attend on behalf of Reach for Home depending on the work group.

The City of Healdsburg and its project partners were awarded \$7.2M through the State of California's Project Homekey Grant for the acquisition and operation of a 22-unit interim housing program that serves those experiencing chronic homelessness. This award included \$6.2M for acquisition and capital improvements and \$1.1M for operations. The L&M operational budget is \$953,312 per year, and currently is 100% funded through Project Homekey. In addition, the City of Healdsburg provides \$150,000 of funding for existing outreach and homeless related services to Reach for Home from Measure S funds.

The Sonoma County Board of Supervisors approved an operational subsidy for the L&M Village through Resolution 21-0431 on October 26th, 2021, this subsidy provides ongoing operational funding for the L&M Village for a seven-year period. The City of Healdsburg, as the project sponsor has committed to funding any gaps in this operational budget through a Council Resolution for the activities identified in the Project Homekey application but not inclusive of the activities identified in this application.

**CONSEQUENCES OF NO FUNDING:**

Should the award amount be less than the amount requested, the City of Healdsburg and its program partners would adjust the program accordingly. They anticipate that any reduction would not reduce the number of individuals served, but rather affect how fast those individuals can be served or the extent of the service.

**STAFF RECOMMENDATION:** Staff recommends partially funding the North County Homeless Project \$141,636, to fund the laundry service and case management positions.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of July 1, 2023 and no later than May 1, 2024. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

Attachment A: City of Healdsburg Funding Application - [https://share.sonoma-county.org/link/OJsPJG\\_as6o/](https://share.sonoma-county.org/link/OJsPJG_as6o/)

**APPLICANT NAME:** The Living Room (TLR)

**PROJECT NAME:** Homelessness Prevention and Housing Stability Program

**CDBG-CV AMOUNT REQUESTED:** \$381,828

**PROJECT DESCRIPTION**

**Applicant-Provided Summary Description from Submitted Application:**

The pandemic disproportionately impacted women and mothers leading to job loss and a spike in domestic violence rates. The Living Room prevents homelessness among women helping them get, and remain, safely and stably housed. Staff help them access benefits, participate in work readiness training, help them with credit repair and financial literacy while connecting them to job opportunities and helping cover living expenses thereby freeing up funds that can be applied toward housing costs. We mitigate the risk of eviction by teaching tenant best practices, mediating with landlords, and covering pest, pet, child and hoarding related cleaning and repairs. Trauma-informed trained staff provide wrap-around case management services.

**PUBLIC SERVICES PROJECT TYPE:** Homeless Prevention and Housing Stability

**PROPOSED USE OF FUNDS:**

The homeless prevention program is designed to prevent women from becoming homeless. The Living Room (TLR) works to get vulnerable women and children housed. Case management and housing navigation services focus on newly unhoused and insecurely housed women. TLR also operates a day center that averages 120 women weekly. Proper COVID-19 prevention protocol is followed.

**FUNDING POLICIES (Funding Goals and Objectives):**

**Does the project address one of the highest priorities of: 1) creating or preserving affordable housing, 2) building infrastructure or public facilities that support creation or preservation of affordable housing, or 3) building infrastructure or public facilities that support low-income communities?**

Not applicable as it is a homeless prevention program.

**CDBG-CV REQUIREMENTS**

**Does the proposed public services activity prevent, prepare for or respond to Coronavirus (activities must demonstrate they respond to one or more)?**

TLR prevents, prepares, and responds to COVID-19 by keeping women and children out of shelters and encampments when possible by getting them safely housed. They do so by providing emergency lodging, providing infectious disease education, providing personal protective equipment (PPE) to all staff and clients, helping with living expenses to allow clients to use their minimal funds for housing, prevent evictions by working with both tenants and landlords.

**THRESHOLD CRITERIA**

**Does the project meet at least one National Objective as required under CDBG- regulations (24 CFR 570.208)?**

Yes, the proposed project would serve clients who are at or below 30% of the Area Median Income and therefore would meet the low-moderate income household clientele.

**Does the proposed project or activity meet the eligibility requirements of the CDBG-CV Funding Policies? (If not, provide the specific reason)**

Yes, the supportive services proposed for this project meet the eligibility requirements of CDBG-CV and responds to coronavirus cases by providing emergency lodging and PPE.

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

Yes, the applicant works with tenants and landlords to assist their clients in remaining housed. TLR has partnered with Sonoma County on the Housing Heroes project which aims to bring an additional 100 new rental units into Sonoma County through levels of landlord incentivization and participant support.

**Does the applicant demonstrate capacity to effectively deliver the proposed project?**

Yes. TLR has been providing case management services in Sonoma County for almost 30 years effectively.

**SELECTION CRITERIA**

**Does the applicant describe the primary outcome/s of the activity?**

Yes, the primary outcome is improvement in housing stability and the secondary outcome is increased income from benefits and/or employment. The application notes that in the last year, 8 women were connected to permanent housing. To achieve this outcome, they work on three pillars: income, rental history, and credit. 16 women were able to get a job. They also connect with Joblink to help prepare women.

**Does the applicant describe how data and other information will be used as a self evaluation tool as an outcome measurement?**

Yes, applicant notes the following: TLR will track progress by tracking and documenting number of clients who were prevented from becoming homeless and those who retained housing. They will also document housing that is secured for clients and how long they remain in the housing. They also document service, program implementation, and attendance of clients related to prevention and retention.

Additionally, they track number of workshops, attendees, and different types of events. They will also track clients receiving services around accessing and applying for benefits and the outcomes of that activity. They also track services to clients in regards to work-readiness such as: attendance at resume writing, job interview practice, etc. The applicant also tracks outcomes such as internships, interviews, and job acquisition.

Data is entered into the Homeless Management Information System (HMIS) and through this staff will also track zip codes to ensure they meet the 51% urban county requirement. In

addition, TLR staff provides in-house evaluation to help develop goals, outcomes, objectives, and metrics. Overall, TLR will use qualitative and quantitative data to assess strengths, weaknesses, recommendations, and quality of case management.

**Does the applicant have experience providing the proposed services?**

Yes. TLR has been providing services like this for almost 30 years. This includes a history of administering city, county, state, and federal funding. In addition, the Executive Director has extensive experience managing multi-million dollar, multiyear federal grants without any past issues or challenges.

**Do services offered in this project directly utilize evidence-based practices (EBPs) represented in the Upstream Portfolio?**

Yes, they use a Tier 1- Evidence Based Practice: Motivational Interviewing. TLR case management services utilize motivational interviewing and trauma-informed care. Support groups are based on Triple P Positive Parenting Program and the Seeking Safety model. In addition, clients are referred to Sonoma County Behavioral Health which utilizes Cognitive Behavioral Therapy (CBT).

They are conducting outreach to the Latinx community through collaboration with organizations such as Latino Service Providers (accepted into Upstream portfolio May 2013) and receive referrals from the Family Justice Center (accepted into the portfolio July 2014). The Living Room will be applying to the Upstream Portfolio in 2023.

TLR received American Rescue Plan Act (ARPA) funding administered through Sonoma County and are utilizing their data collection and reporting system, Apricot/SOMS. The prevention, acquisition and retention of housing work are also in alignment with Sonoma County's Five Year Plan to Prevent and End Homelessness. Specifically, problem solving interventions (housing readiness training and landlord outreach, education and mediation), improve services dedicated to the unique needs of specific populations, and eliminate disparities in access, service provision, and outcomes in underserved and overrepresented subpopulations in the homeless system of care. Staff trainings are held throughout the year. Some staff are new and will be receiving professional training in motivational interviewing and trauma-informed care by the start date of the grant period.

**For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of your organization's ability, knowledge, and potential barriers to overcome to take part in Coordinated Entry**

Yes, TLR is an access point for Coordinated Entry. Staff also participates on the Coordinated Entry Advisory Committee for the Continuum of Care Board.

**Federal regulations require that 51% of participants be low income. Does the applicant describe the method that will be used to verify CDBG-CV income eligibility and track other required demographic and quantitative data?**

Yes. Applicant will use HMIS as a tracking resource for eligibility, demographic, and quantitative data. The reputation and "word on the street" about the Life Center has created trust among a very traumatized population who return to TLR over and over again. Given this trust and foundation, data and information from these women (their story and their movement) is possible to procure. The Living Room will add questions to the intake form as well as a map in order to determine how clients heard about the org, got to us, where they spent the night the previous night, and for how long, and where they spent the night prior to that for as long as they can remember up to one year. They will document all zip codes that the program beneficiary has resided in and will keep track of the residence location for at least one year from the time of intake. These will be invaluable data to the county in terms of tracking the "migration" of a mobile, hard to reach population in need of stable housing and services.

	<b><u>Proposed</u> number to be served by project in upcoming Fiscal Year</b>	<b>Current number served as of the filing of this application (if project is currently in operation)</b>	<b>Number served by project last Fiscal Year</b>
	July 1, 2023 – June 30, 2024	July 1, 2022 to January 21, 2023	July 1, 2021 - June 30, 2022
<b>Number of <u>households</u> served</b>	<b>108</b>	<b>50</b>	<b>4</b>
<b>Number of <u>households with children</u></b>	<b>42</b>	<b>19</b>	<b>2</b>
<b>Number of households comprised of unaccompanied youth under 25 years old</b>	<b>10</b>	<b>4</b>	<b>1</b>
<b>Number of adults in households served</b>	<b>115</b>	<b>52</b>	<b>16</b>
<b>Number of children in households served</b>	<b>204</b>	<b>74</b>	<b>16</b>

List the estimated percentage of the target population served in each of the income categories below:

<b>Household Income</b>	<b><u>Considering only Urban County residents, list the estimated percentage of households served in each</u></b>

	<b>of the income categories below</b>
<b>Extremely Low (Below 30% AMI)</b>	90%
<b>Very Low (Between 31% - 50% AMI)</b>	10%
<b>Low (Between 51% -80% AMI)</b>	
<b>Moderate (Over 80% AMI)</b>	0

**If there are substantial changes to the past, current or proposed number of households to be served, does the applicant provide an explanation for the changes?**

TLR was shut down for a brief period during the beginning of the COVID-19 pandemic. This provided the opportunity to turn their original location into housing. TLR had to find a new site, and in March 2022 TLR opened the new Life Center location- where many can walk in without appointment. There is an expected increase in the coming year due to a halt of operations and moving locations. From July 22- Jan 23, they have served approximately 50 Urban County residents.

**PROJECT BUDGET**

<b>Total Organization Budget</b>	\$1,743,160
<b>Total program budget</b>	\$715,570
<b>Percent of program to organization budget</b>	41%
<b>Amount of CDBG-CV request</b>	\$381,828
<b>Percent of CDBG-CV request of program budget</b>	53%
<b>Unduplicated number proposed to be served with program</b>	108
<b>Program cost per person/household</b>	\$6,625
<b>CDBG-CV cost per person/household</b>	\$3,535

**ADDITIONAL INFORMATION:**

TLR also uses a Care Coordination Model in its case management. This is a person-centered model that provides easy coordination. TLR sets up meetings for information exchange and check ins. TLR has also begun engagement with landlords and businesses to support healthy and productive communication on both sides.



TLR is also a member of Sonoma County’s Community Organizations Active in Disaster – a collaborative network that builds capacity and coordination of local organizations to plan, prepare, coordinate, and recover from disasters. TLR is also a voting member for the Sonoma County Continuum of Care Board.

**CONSEQUENCES OF NO FUNDING:**

Without funding or limited funding, the scope of provided services for urban county residents will be limited. Aftercare to these areas would not be possible with their current funding. The number of clients served would be unchanged, but the lack of funding will lead to decreased data intake. The full amount of CDBG-CV funds would enable TLR to fully implement their aftercare and housing stability program to many more housing insecure urban county women and children residents.

**STAFF RECOMMENDATION:**

As proposed, staff is unable to recommend funding for this project. The application does not provide sufficient information to ensure that the applicant will be able to meet the threshold requiring that 51% of clients served will be from the Urban County, which is a critical requirement from HUD.

**Preliminary Condition(s) of Approval**

Allocated funding will be a grant  a loan

Attachment A: The Living Room Funding Application - <https://share.sonoma-county.org/link/fPJsHU60tfs/>