

Sonoma County Community Development Committee



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega
1st Dist: Betzy Chavez (Vice Chair) 2nd Dist: Vacant 3rd Dist: Karin Davis 4th Dist: Willie Lamberson 5th Dist: Linda Garcia
Executive Director: Margaret Van Vliet

Regular Meeting and Public Hearing

Wednesday, March 20, 2019

10:00am-1:00pm

Lunch will be provided for Committee Members

SCCDC Hearing Room

1440 Guerneville Road

Santa Rosa, California 95403

Agenda

1. Call to Order and Roll Call

2. Public Comments for Items Not on the Agenda

3. Approval of Minutes from February 20, 2019 Meeting (page 3)

The Committee will discuss and may take action to approve the minutes from February 20, 2019 or may recommend changes to these minutes.

4. Equity in Access to Housing & Opportunity

The Committee will hear a brief presentation from staff on how all Commission work will further equity in access to housing and opportunity for marginalized populations.

5. Action Item: Changes to Bylaws (page 6)

Committee will review current bylaws and may make any necessary revisions based on current Committee role and practices.

6. Public Hearing: Public Housing Authority Draft Annual Plan (page 9)

Staff will present draft annual plan for public comment and Committee recommendation.

- a. Open Public Hearing
- b. Close Public Hearing
- c. Committee Discussion
- d. Recommendations for PHA Plan Approval

7. Fair Housing-Related Services Set-Aside (page 19)

The Committee will hear public comment, discuss and provide feedback to staff on how to incorporate Fair Housing-related services into the Draft FY 2019-2020 Action Plan.

8. CDBG and HOME Capital Projects (page 27)

The Committee will hear public comment, discuss and provide feedback to staff on funding awards for CDBG and HOME capital projects to incorporate into the Draft FY 2019-2020 Action Plan

9. Discussion: Committee Calendar (page 102)

Opportunity for Committee members to introduce items they would like to add to subsequent meeting agendas.

10. Adjournment

**Next Regular Meeting
Public Hearing
April 17, 2019
Concurrent with Cities and Towns Advisory Committee
10:00 am – 1:00pm
Public Hearing Room
1440 Guerneville Road
Santa Rosa, CA**

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

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



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega
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**Public Hearing & Committee Workshop
Concurrent with Cities and Towns Advisory Committee
Wednesday, February 20, 2019**

Minutes

1. Call to Order and Roll Call

Oscar Chavez called the meeting to order at 9:06 am.

CD Committee Members Present: Oscar Chavez, Betzy Chavez, Karin Davis, Linda Garcia, Stephanie Hiller, Willie Lamberson

CD Committee Members Absent: Jessica Vega

CDC Staff Present: Geoffrey Ross, Assistant Executive Director; Felicity Gasser, Federal Funding Manager; Martha Cheever, Housing Authority Manager; Benjamin Wickham, Affordable Housing Director; Valerie Johnson, Asset Management and Compliance Specialist; Diedre Duncan, Affordable Housing Development & Preservation Specialist; Maria Contreras, Loan Management & Finance Specialist; Marc Chandler, Housing Rehabilitation Specialist; Darrin O’Hara, Administrative Aide; Shelley Ticehurst, Administrative Aide; Holly Trujillo, Senior Community Development Specialist;

Guests Present

Caterina G, Catholic Charities

John Kessel, Sonoma County Office of Recovery and Resiliency

Duane De Witt, resident

Gerry La Londe Berg, Resident

Bryce Jones, Geyserville Planning Committee

Jim Wallen, PEP Housing

Dominic Roybal, PEP Housing

Mark Krug, Burbank Housing

Adam Brown, DSLC

Angie Moeller, Catholic Charities

Mark Cleveland, Regional Parks

2. Public Comments for Items Not on the Agenda

No comments were made for items not on the agenda.

3. Approval of Minutes from January 16, 2019 Meeting

The Committee discussed the minutes from **January 16, 2019**.

Linda Garcia moved to approve the minutes, Willie Lamberson seconded

Ayes: Oscar Chavez, Betzy Chavez, Stephanie Hiller, Karin Davis

Noes: None



Human Services Dept. Representative: Oscar Chavez (Chair), Tenant Representatives: Stephanie Hiller, Jessica Vega
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Abstain: None

Absent: Jessica Vega

4. HOME & CDBG for Capital Projects – The Inside Story

Felicity Gasser, Federal Programs Manager, delivered a concise presentation to inform the public and committees about the process by which staff analyzes project proposals and ensures that these federal programs are making high impact investments to improve housing and neighborhoods in Sonoma County.

5. Public Hearing: Draft FY 18-19 Action Plan Amendment

Felicity Gasser, Federal Programs Manager, presented the proposed change to the 18-19 Action Plan. The amendment was presented by staff because of the need to ensure timely spending of CDBG funds and maximize the yield of CDBG funds for high priority community needs. Staff determined that approximately \$600,000 needed to be spent by April, and requested that the Committee recommend that they spend the money on the acquisition of surplus Water Agency property on Hewett Street. Committee members asked about the assessed value of the property, the potential number of new units and whether there were alternatives to spending down the money. The assessed value was \$680,000 and the lot could hold approximately 9 single family homes, though staff would not pre-ordain a number and would welcome proposals for more density. No other opportunities for spending the money have come up that are as promising. If the money isn't spent, CDC will fail the timeliness test for a second year and run the risk of losing that money in the future. Willie Lamberson expressed that he resented that staff was only bringing this to the Committee's attention with 6 weeks to make a decision and no alternatives. Staff assured that there was no way to know of the excess money until they could review the projects that were failing to meet their timeliness, but in the future staff will know more in advance and have more options for the Committee.

Public Comment

Gerry La Londe Berg, resident, came forward and expressed that he is in favor of the Committee recommending spending the \$600,000. He asked if the Water Agency owns the parcel if the Board of Supervisors can figure out a way to transfer the properties to the CDC so any extra value will be used by staff and developers to pencil out the project. The Water Agency originally paid \$350,000 for the property – can the difference be kept to invest in the project?

Geoffrey Ross responded that the Water Agency charter specifies that property sales must settle for Fair Market price. In response to concerns expressed by the Committee, increased density can be added to the scoring criteria for the project.

Linda Garcia motioned that the Committee approve the recommend Action Plan Amendment to include the planned acquisition of the Hewett property. Stephanie Hiller seconded

Sonoma County Community Development Committee



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Ayes: Oscar Chavez, Betzy Chavez, Willie Lamberson, Karin Davis

Noes: None

Abstain: None

Absent: Jessica Vega

6. Committee Workshop

A. Teambuilding Exercise

Committees members participated in an interactive team building exercise

B. Facilitated Discussion on FY 19-20 Funding Priorities

As a prelude to reviewing individual proposals, the committees engaged in a staff-facilitated conversation about priority setting and identifying areas of concern related to the pool of proposed projects. The goal of the facilitated discussion will be to frame the review of individual project proposals

C. Review Project Proposals

i. HOME proposals:

Staff presented summaries of each eligible HOME proposal. Following staff summaries, all applicants were invited to respond to questions from members of both committees.

ii. CDBG proposals:

Staff presented summaries of each eligible CDBG proposal. Following staff summaries, all applicants were be invited to respond to questions from members of both committees.

D. Wrap-up (2:30pm-3:00pm)

Staff will incorporate themes, priorities and committee work into recommendations to be brought to the Community Development Committee at the March 20, 2019 Public Meeting, and ultimately incorporated into the draft Action Plan for presentation to the public and the Community Development Committee and Cities and Towns Advisory Committee at the April 17, 2019 concurrent Public Hearing.

7. Adjournment

Oscar Chavez adjourned the meeting at 2:59pm.

Respectfully submitted,
Holly Trujillo, Senior Community Development Specialist



BYLAWS OF THE SONOMA COUNTY COMMUNITY DEVELOPMENT COMMITTEE

ARTICLE I PURPOSE

Section 1.

- (a) To review and make recommendations on all matters to come before the Sonoma County Community Development Commission prior to Commission action, except: emergency matters; matters involving the Sonoma County Successor Agency Consolidated Oversight Board and the leadership council for the Homeless System of Care and matters which the Committee by resolution or other action excludes from Committee review and recommendation.
- (b) To perform such other functions as the Board of Supervisors or the Commission may, by ordinance, resolution or minute order delegate to it.
- (c) To perform other functions as the Board of Supervisors or Commission may delegate to it.

ARTICLE II ORGANIZATION

Section 1. The Committee shall be composed of eight (8) voting members. Seven (7) members shall be appointed by the Board of Supervisors, two of whom shall be tenants of the Sonoma County Housing Authority. One such tenant shall be at least 62 years of age. One member shall be appointed by the Sonoma County Human Services Department Director. Each member of the Board of Supervisors shall nominate one person from his or her Supervisorial district. The tenant members of the Committee shall also be nominated by the Sonoma County Board of Commissioners or Commission staff. Each tenant member shall, subject to conditions prescribed by law, serve for a term of two years or until a successor is appointed and qualified. Each of the other five (5) Board-appointed members of the committee shall serve at the pleasure of the Board of Supervisors, provided that unless sooner terminated by the Board, the term of each such member shall be coterminous for the term of the supervisor by whom he or she was nominated and until his or her successor is appointed and qualified. The Human Services Department Director appointee shall serve at the pleasure of the Department Director.

ARTICLE III MEETINGS

Section 1. Regular Meetings. There shall be one (1) regular meeting each month. The meeting shall be held on the third (3rd) Wednesday of the month. Whenever it is necessary to alter this schedule, the public shall be notified through mailings and notices to all media. The meetings will commence at 10:00 a.m.

Section 2. Special Meetings.

- (a) Special meetings shall be held on the call of the Chairperson of the Committee or upon the call of the majority of the group or upon the request of the Board of Supervisors following 48-hour written notice to each member of the Committee.
- (b) The Committee shall receive public testimony at a series of public hearings annually. The purpose of these hearings shall be to obtain the public's views and to respond to proposals and questions, and to review housing and community development needs, proposed policies and procedures and past program performance, per the requirements of the Community Development Commission's Citizen Participation Plan.

Section 3. Notification--Regular Meetings. Each member shall be notified of the time and place of each regular meeting. Said notice shall be given by the staff and shall be served in writing, emailed, mailed or hand-delivered to the last known address of each member or deposited in the post office at least three days prior to the date appointed for the meeting.

Section 4. Notification--Special Meetings. Each Committee member shall be notified of the time, place and purpose of each special meeting. Said notice shall be given by the staff and shall be served personally or in writing at least 48 hours before the time appointed for each meeting.

Section 5. Quorum. A quorum shall be required for official actions of the Committee. A majority of the voting members of the Committee shall constitute a quorum. If a Committee member's seat is vacant, it shall not be counted either way. Actions of the Committee shall be determined by a majority vote of the quorum present at any duly constituted meeting.

Section 6. Adjournment. The Committee may adjourn from time to time, absentees being notified thereof, and in event there shall be no quorum present on the day fixed for a regular, adjourned or special meeting, the Committee members present may adjourn from time to time until a quorum is obtained.

Section 7. State Laws. All provisions of the Government Code (including Sections 54950-54960, the Ralph M. Brown Act) shall be followed in the scheduling, notification and conduct of all meetings of the Committee.

Section 8. Unexcused Absences: After three unexcused absences from any 12 month period, written notice shall be sent to the appointing Supervisor(s) by the Executive Director. An unexcused absence is defined as when the person is absent without notifying the Community Development Commission, by no later than 5 o' clock in the afternoon on the day of the meeting.

ARTICLE IV
OFFICERS

Bylaws Of The Sonoma County Community
Development Committee

Section 1. The officers of the Sonoma County Community Development Committee shall consist of a Chairperson and a Vice-Chairperson, elected by a majority vote of the committee.

Section 2. Election of Officers. Election of officers shall take place annually on the third Wednesday of September or the next closest date on which the Committee meets. The elected officers will assume their positions beginning immediately or the next closest date on which the Committee meets.

Section 3. Term of Office. The officers shall hold office for twelve (12) months until their successors are appointed and qualify.

Section 4. Duties. The Chairperson shall chair the meetings. In the absence of the Chairperson, the Vice-Chairperson shall chair the meetings. In the absence of the Vice-Chairperson, a volunteer from among the Committee members present shall chair the meeting.

ARTICLE V
CONDUCT OF BUSINESS

Section 1. Business at Special Meetings. No business shall be transacted at any special meeting other than that named in the call thereof.

Section 2. Meeting Attendance and Records. The staff shall be responsible for keeping a record of those Committee members present and those absent, and for recording the events of the meetings in the form of minutes.

Section 3. Meetings shall be conducted according to Rosenberg's Rules of Order.

ARTICLE VI
AMENDMENTS

Section 1. Amending Bylaws. These Bylaws may be added to or amended at any regular meeting on motion, duly seconded and carried by at least five of the eight Committee members.

DULY ADOPTED AND PASSED by the Sonoma County Community Development Committee the 26th day of October 1993; amended the 27th day of February 1996; as further amended on the 24th day of August 1999; as further amended on the 14th day of September 1999; as further amended on the 8th day of November, 2005; as further amended on the 15th day of January 2013; as further amended on the 18th day of April 2018; as further amended on the 19th day of September, 2018; as further amended on the 16th day of January, 2019.

SO ORDERED.



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

*Members of the
Commission*

David Rabbitt
Chair

Susan Gorin
Vice Chair

Shirlee Zane
James Gore
Lynda Hopkins

Margaret Van Vliet
Executive Director

MEMORANDUM

Date: March 20, 2019
To: Community Development Committee
From: Martha Cheever, Housing Authority Manager
Subject: Item 6: Housing Authority Annual Plan

Each year, in accordance with HUD requirements, the Housing Authority updates its annual Public Housing Authority Plan (“Annual Plan”). The Annual Plan provides HUD, program participants, and other interested parties an update on the goals and strategies laid out in its Five-Year Plan, last approved in 2015. This update is intended to share any progress or changes made to the Housing Authority’s programs and strategies for serving the needs of low-income and very low-income families.

The 2019-2020 Annual Plan includes the recent award of 98 Project-Based Vouchers to developments throughout the County, as well as 50 new Mainstream Vouchers for homeless households and 10 new Veterans Affairs Supportive Housing vouchers that were awarded to the SCHA by HUD through a competitive process in 2018. These are the first new HUD vouchers awarded to the Sonoma County Housing Authority since 2009. The Annual Plan also includes an update on the changes the Housing Authority has made over the past year to make the program more accessible to families in need, such as shortening the criminal background look-back period.

The Housing Authority’s Administrative Plan (Local Policies) is a required attachment to the Annual Plan and the FY 19-20 Annual Plan currently reflects the policies in effect this past year. These Local Policies differ from the Annual Plan in that they are the guidelines for program implementation and operation at a local level.

In the coming months, staff will undertake public engagement as part of its larger housing equity agenda to understand ways that under-represented communities can more easily gain access to the vitally important assistance afforded by Housing Choice Vouchers. Data about housing disparities, including from the in-process Profile of Sonoma, will be analyzed and shared publicly in a variety of forums to gain advice and input about potential improvements to the waiting list system and the imbedded preferences.

Because the existing waitlist reflects prioritization based on historic preferences and practices that are being re-weighted or eliminated, review and revision of the Local Policies will include modernizing the waitlist. The SCHA will conduct extensive outreach to notify the community and those on the waitlist that this process is underway. The SCHA intends to modernize its



waitlist so that it can gauge current unmet needs more effectively, fairly, and accurately to create a system that helps applicants better estimate their wait times.

Following robust community engagement, the proposed revisions to the Local Policies will be brought before your Committee for consideration.

As required by HUD, the proposed Public Housing Authority Annual Plan is consistent with the HUD-required Five-Year Consolidated Plans of the County of Sonoma and the City of Petaluma, the two HUD entitlement jurisdictions in which the SCHA operates the Housing Choice Voucher Program.

Requested Action: Recommend of the approval of the Public Housing Authority Annual Plan to the Board of Commissioners

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| Streamlined Annual PHA Plan (HCV Only PHAs) | U.S. Department of Housing and Urban Development Office of Public and Indian Housing | OMB No. 2577-0226 Expires 02/29/2016 |
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment, and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

| A. | PHA Information. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------|--|-----------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|----------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| A.1 | <p>PHA Name: _____ Sonoma County Housing Authority _____ PHA Code: __CA085_____</p> <p>PHA Plan for Fiscal Year Beginning: (MM/YYYY): _07/2019</p> <p>PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</p> <p>Number of Housing Choice Vouchers (HCVs) _2875_____</p> <p>PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed P2875HA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 25%;">Program(s) not in the Consortia</th> <th style="width: 15%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> | Participating PHAs | PHA Code | Program(s) in the Consortia | Program(s) not in the Consortia | No. of Units in Each Program | Lead HA: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Lead HA: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| B. | Annual Plan. |
| B.1 | <p>Revision of PHA Plan Elements.</p> <p>(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p> |
| B.2 | <p>New Activities</p> <p>(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Project Based Vouchers.</p> <p>(b) If this activity is planned for the current Fiscal Year, describe the activities. Provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.</p> |
| B.3 | <p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> |
| B.4 | <p>Civil Rights Certification</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p> |
| B.5 | <p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p> |
| B.6 | <p>Progress Report.</p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.</p> |
| B.7 | <p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(a) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p> |

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV Only PHAs

A. PHA Information. All PHAs must complete this section. ([24 CFR §903.23\(4\)\(e\)](#))

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income families who reside in the PHA’s jurisdiction and other families who are on the Section 8 tenant-based waiting list. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#) and [24 CFR §903.7\(a\)\(2\)\(i\)](#)). Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. ([24 CFR §903.7\(e\)\(3\)\(4\)](#)).

Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA’s partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA’s partnerships with other entities, and activities under section 3 of the Housing and Community Development Act of 1968 and under requirements for the Family Self-Sufficiency Program and others. Include the program’s size (including required and actual size of the FSS program) and means of allocating assistance to households. ([24 CFR §903.7\(l\)\(i\)](#)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)\(iii\)](#)).

Substantial Deviation. PHA must provide its criteria for determining a “substantial deviation” to its 5-Year Plan. ([24 CFR §903.7\(r\)\(2\)\(i\)](#))

Significant Amendment/Modification. PHA must provide its criteria for determining a “Significant Amendment or Modification” to its 5-Year and Annual Plan. Should the PHA fail to define ‘significant amendment/modification’, HUD will consider the following to be ‘significant amendments or modifications’: a) changes to rent or admissions policies or organization of the waiting list; or b) any change with regard to homeownership programs. See guidance on HUD’s website at: [Notice PIH 1999-51](#). ([24 CFR §903.7\(r\)\(2\)\(ii\)](#))

If any boxes are marked “yes”, describe the revision(s) to those element(s) in the space provided.

B.2 New Activity. If the PHA intends to undertake new activity using Housing Choice Vouchers (HCVs) for new Project-Based Vouchers (PBVs) in the current Fiscal Year, mark “yes” for this element, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake this activity, mark “no.” ([24 CFR §983.57\(b\)\(1\)](#) and Section 8(13)(C) of the United States Housing Act of 1937.

Project-Based Vouchers (PBV). Describe any plans to use HCVs for new project-based vouchers. If using PBVs, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan.

- B.3 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(p\)](#))
- B.4 Civil Rights Certification.** Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. ([24 CFR §903.7\(o\)](#))
- B.5 Certification by State or Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, including the manner in which the applicable plan contents are consistent with the Consolidated Plans, must be submitted by the PHA as an electronic attachment to the PHA Plan. ([24 CFR §903.15](#))
- B.6 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. ([24 CFR §903.11\(c\)\(3\)](#), [24 CFR §903.7\(r\)\(1\)](#))
- B.7 Resident Advisory Board (RAB) comments.** If the RAB provided comments to the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. ([24 CFR §903.13\(c\)](#), [24 CFR §903.19](#))

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 4.5 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality

Section B.1. Revision of PHA Plan Elements since its last Annual Plan Submission

Financial Resources. The PHA was awarded 5 new VASH vouchers and 50 Mainstream Vouchers since the last PHA plan submission. The PHA Plan has been amended to include VASH provisions and a preference for Mainstream Voucher eligibility.

Significant Amendments or Modifications:

1. The PHA added an allocation of vouchers for a “Move-On” Program. This allocation of vouchers are available on a referral basis for individuals who have successfully participated in a permanent supportive housing program and are ready to move to permanent housing without the associated supportive services.
2. The PHA added an allocation of seven vouchers for a Reentry Pilot Program. This pilot program is aimed to help persons exiting incarceration that have high barriers for reintegration to society. The PHA accepts referrals from a local supportive services agency who is working in concert with the Sonoma County Probation Department to reintegrate this population back into society. Clients referred for this program are those who face extremely high barriers to reintegration. Barriers may include institutionalized behaviors, mental and physical health, or chronic homelessness status. These clients receive referral from the Behavioral Health team at the County Probation Department and work closely with the supportive services agency’s clinical and case management team.
3. The PHA modified its look-back period for criminal convictions from five years to three years.
4. The PHA added program policies for the Veterans Affairs Supportive Housing (VASH) program.
5. The PHA expanded the list of Special Housing Types which may be assisted through rental assistance programs. The Special Housing Types now include Single Room Occupancy and Group Homes.

Section B.2. New activities related to Project Based Vouchers in the PHA’s current Fiscal Year.

Consistent with its five-year plan, in October, 2018, the PHA made 100 vouchers available for Project Basing through a Request for Proposal. The PHA Board of Commissioners approved the award of 93 Project Based Vouchers; 11 are allocated to a new development and 82 are existing units located throughout the county in areas with a poverty concentration of less than 17%. Units are located in Cloverdale, Healdsburg, Unincorporated Sonoma County adjacent to the City of Santa Rosa, the City of Sonoma, and Petaluma. Project-basing these units will create and new affordable housing units and also extend the affordability of a number of units already in use.

Section B.6. Report on the progress in meeting the goals and objectives described in the 5 Sonoma County Housing Authority’s (SCHA) Five Year Plan for FY2015-2020.

HUD Strategic Goal 1 - Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers.

- A. PHA Goal: Maintain High Performer SEMAP score. The Section 8 Management Assessment Program (SEMAP) enables HUD to identify housing authority capabilities and deficiencies related to the administration of the program. Grading is based on 15 different indicators. The SCHA has continued to be rated a High Performing PHA by HUD. A high score indicates that the PHA is effectively utilizing the Section 8 program to provide decent, safe and affordable housing and qualifies the PHA to apply for and receive additional vouchers as they become available.

PHA Goal: Apply for new vouchers as available. The PHA will apply for new vouchers whenever they are made available. During calendar year 2018, the PHA applied for 155 new special program vouchers and received 55; 50 Mainstream Vouchers and 5 Veterans Affairs Supportive Housing vouchers. These new vouchers will enable the PHA to serve an additional fifty-five low income, vulnerable households. In addition, the PHA applied for, and was awarded, new and renewal Special Needs Assistance Program grants from HUD through the Continuum of Care. These grants provide rental assistance for homeless families, individuals, and youth with disabilities. During calendar year 2018, the PHA partnered with local Federally Qualified Health Care Centers and was awarded a new Continuum of Care grant to provide tenant-based rental assistance to homeless persons with chronic health conditions. Through this grant, permanent housing will be provided to an additional fifteen to twenty households. The PHA has continued its successful partnerships with supportive service agencies through the Continuum of Care and Family Unification programs. These partnerships assist some of the hardest to serve clients, including persons with disabilities, homeless families, senior citizens, victims of domestic violence, former foster youth, and families in the process of reunifying with their children. On average, the PHA assists 3,000 households each month through these various rental assistance programs.

HUD Strategic Goal 2 - Meet the Need for Quality, Affordable Rental Homes.

PHA Goal: Expand the supply of affordable housing. The PHA has increased the number of project-based vouchers available in order to both expand and maintain the supply of affordable housing within the jurisdiction. Additionally, the PHA has hired a full-time landlord liaison to reach out to local landlords and expand housing opportunities for PHA clients. A part of the outreach efforts included the identification of specific concerns local landlords have regarding program participants. In response to these concerns, the PHA partnered with a Certified Housing Counseling Agency to develop a tenant education series, Rent Smart. This four week series of classes is designed to give voucher holders tools to be a good tenant and neighbor. The PHA continues to participate in local landlord activities including housing fairs, local property management associations, and

the California Apartment Association. Through these efforts the PHA continues to mitigate misconceptions many landlords have regarding participants of rental assistance programs thereby expanding the supply of units available to voucher holders to in all areas of Sonoma County.

HUD Strategic Goal 3 - Use Housing as a Platform to Improve Quality of Life.

- B. PHA Goal: Promote self-sufficiency. The PHA has applied for and received grant funding from HUD for a Family Self-Sufficiency (FSS) Program Coordinator. Additionally, the PHA's FSS program was recently rated "Excellent" on HUD's new FSS Performance Measurement System. During calendar year 2018, three FSS participants graduated from the program and an additional two completed their employment goals. Since the FSS program began in 1993, 166 families have completed the program by meeting their employment goals and 424 families have received assistance through the program.

HUD Strategic Goal 4 - Build Strong, Resilient, and Inclusive Communities.

- C. PHA Goal: Ensure equal opportunity and affirmatively further fair housing. The PHA is committed to ensuring equal opportunity and affirmatively furthering fair housing. In order to affirmatively further fair housing and ensure that all applicants on the PHA's waitlist are given an opportunity to receive assistance, the agency intends to make significant changes to the local preferences in its Administrative Plan during calendar year 2019. Following robust community engagement, the PHA will explore the elimination of some preferences and a reweighting of other preferences. In addition, because the existing waitlist is stale, the PHA will conduct extensive outreach to notify the community and those on the waitlist that it intends to modernize its waitlist process. The goal will be to gauge current unmet needs more accurately, and create a system that helps applicants better estimate their wait times.
- D. The PHA will be making a series of improvements to its physical space during calendar 2019 to ensure that its office space is fully accessible to persons with disabilities. In addition, a review of all of its programs will be conducted to ensure that there are no unintended barriers which limit program accessibility to persons with disabilities or those who are non-English speakers.

The Housing Authority has undertaken an extensive review of its nondiscrimination and fair housing policies to ensure compliance with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity. The Housing Authority does not deny any family or individual the equal opportunity to apply for or receive rental assistance on the basis of race, color, gender, religion, creed, national or ethnic origin, age, familial or marital status, disability, sexual orientation, or gender identity. During calendar year 2019, additional training will be provided to staff and a review and corresponding update of all programs and procedures related to fair housing and non-discrimination will be conducted.

Section B.7. Resident Advisory Board Comments

DRAFT



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

*Members of the
Commission*

David Rabbitt
Chair

Susan Gorin
Vice Chair

Shirlee Zane
James Gore
Lynda Hopkins

Margaret Van Vliet
Executive Director

MEMORANDUM

Date: March 15, 2019

To: Community Development Committee

From: Felicity Gasser, Federal Funding Administrator

Subject: Item 7: Fair Housing-Related Services Staff Report

Background on the Fair Housing Set-aside

Since the homeless system redesign that resulted in the creation of the Home Sonoma County Leadership Council, the purview of the Community Development Committee has been modified to make funding recommendations for all funding sources administered by the Commission that are not part of the homeless system of care. In particular, it is the Community Development Committee's role to ensure that all work undertaken by the Commission is done with a fair housing lens. Part of this lens includes ensuring that the Commission offers a robust fair housing services program.

In preparing the Homeless Services Notice of Funding Availability for FY 2019-2020, which includes the Public Services portion of CDBG funding, Commission staff dedicated \$175,000 for a fair housing set-aside to cover both the cost of funding a HUD-certified Fair Housing Initiatives Program (FHIP), and the cost of eviction defense legal services. This amount holds the funding available by the Commission level, however staff welcomes a discussion on individual allocations. Historically, eviction defense legal services have been funded within the category of homelessness prevention, which impacted the context of the particular necessity of these activities and their true purpose. This year, staff is making a distinction that the service being provided is truly part of a robust and comprehensive fair housing service program that goes beyond serving those at risk of homelessness. While the narrative has been that these services are directly tied to preventing homelessness, there is no actual evidence that households served would actually become homeless. Additionally, the reporting provided for this service details that households assisted are, on average, provided three additional weeks of time in their current unit before needing to find new housing and saved an average of \$1,800. These are meaningful and significant supports to impacted households, but by this very definition do not meet the definition of homelessness prevention or a nexus to homeless funding. Rather, these important services provide protections under the law to which all tenants are entitled.

Background on the Fair Housing Obligations of the Commission

Because the Sonoma County Community Development Commission serves as the Housing Authority for the County, and because it administers various federally funded community development and housing programs, it is required by the U.S. Department of Housing and Urban Development to regularly conduct an analysis of impediments to fair housing choice in the public and private sector.

Impediments to fair housing choice are:



- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin that restrict housing choices, or the availability of housing choices.
- Any actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin.

The Analysis of Impediments (AI) serves as the basis for fair housing planning at the local level. Sonoma County last conducted its AI in partnership with the City of Petaluma and the City of Santa Rosa in 2011. As discussed with this committee previously, the three HUD entitlement jurisdictions are currently in the process of updating this AI, which will inform the development of the 2020-2025 Consolidated Plan.

In next year's funding cycle, the fair housing service program funded by the Commission will have to reflect the needs identified in the AI update. How the Commission works to affirmatively further fair housing will continue to be a focus of the CD Committee, especially because the following regulatory requirements will be in place, and the agency's adherence to them will be required:

- Lifting of the AFFH Rule suspension: Though the rule that required a more robust and comprehensive Assessment of Fair Housing was suspended under the current federal administration, jurisdictions must still provide an Analysis of Impediments to Fair Housing Choice (AI) within the same timeline. In addition, the requirement that jurisdictions must affirmatively further fair housing is still firmly rooted in the Fair Housing Act. While the Commission will be preparing an AI in FY 2019-20, we will do so anticipating that this will be a precursor to an Assessment of Fair Housing that will "dive deep" into the housing inequities in Sonoma County.
- SB 1000 – a required Environmental Justice Element in every General Plan: Legislation that was adopted in 2016 requires cities and counties with disadvantaged communities to incorporate environmental justice policies into their General Plans. As each city and the county work to prepare their General Plan updates, a focus on equity and environmental justice must be included, either as a stand-alone element or woven throughout the General Plan. This requirement is in force in each member jurisdiction of the Urban County, and should inform the development of the AI, of future AFHs and of the Commission's 2020-2025 Consolidated Plan.
- AB 686 Affirmatively Furthering Fair Housing was passed in September of 2018 by the California legislature and signed by Governor Brown in response to the suspension of the federal AFFH rule. The bill requires that all public agencies administer programs and activities in a manner that affirmatively furthers fair housing. It requires that California local governments complete a process similar to the HUD Assessment of Fair Housing, even while that requirement is currently suspended at the federal level.

Fair Housing and Related Services Set-Aside

This year, the Commission set aside \$175,000 for Fair Housing-Related Services. This is the largest set-aside that the agency has ever made for this purpose. The goal of the set-aside is to ensure that the Commission increase its capacity to offer a comprehensive fair Housing services program. Last year, the set-aside was increased from \$52,500 to \$70,000. This year an additional \$105,000 was added to reflect the allocation for eviction defense legal services, such as those offered by Legal Aid of Sonoma County, which were previously funded in the category of homelessness prevention. The intent of this \$175,000 set-aside is to allow the Committee to begin to assign funding across the spectrum of need to meet our requirements to

Affirmatively Further Fair Housing. Staff has deliberately not provided a recommendation for funding so that the Commission can discuss and recommend funding based on its understanding of the larger obligations.

Staff Analysis of the Fair Housing Services Proposals Received

Until the AI update described above is complete, the 2011 AI must inform the action that the Commission takes to affirmatively further fair housing choice. The following recommended actions pertain to the engagement of a fair housing service provider, and were used as a guide for evaluating the two proposals submitted for funding in FY 2019-20:

| 2012 Fair Housing Action Plan Recommendations for a Fair Housing Service Provider | Fair Housing Advocates of Sonoma County | Legal Aid of Sonoma County | Not offered by either proposal |
|--|--|-----------------------------------|---------------------------------------|
| Be a “full service” county-wide fair housing organization & a HUD-certified Fair Housing Initiatives Program (FHIP) partner: | X | | |
| FHIP requirements: Be a qualified fair housing enforcement organization with at least two years’ experience in complaint intake, complaint investigation, testing for fair housing violations, and meritorious claims in the three years prior to filing of their application | X | | |
| Provides education & training that targets small landlords | X | | |
| Educates tenants about their rights | X | X | |
| Serves as an advocate to help protected classes find housing | | | X |
| Intake for complaints, investigation and enforcement of fair housing, including filing lawsuits | X | | |
| Conducts fair housing testing | X | | |
| Provides language services such as translating leases into Spanish and/or maintaining a model Spanish lease on its website | X | X | |
| Serving as a counselor to help low income and disabled residents locate affordable rental housing | | | X |
| Serving as a counselor to help low income and disabled residents better understand their fair housing rights | X | X | |
| Seminars with residents who are most vulnerable to fair housing discrimination which focus on common issues such as landlords not returning security deposits; landlords refusing to make reasonable accommodations; landlords not renting to children; mobile home park owners not providing renters with lease contracts; etc. | X | X | |
| Being a very visible face of fair housing in Sonoma County | X | X | |

In early 2017, Commission staff prepared a memo by to aid the Committee in its decision making for FY 2017-2018 regarding Fair Housing services. The memo observed that the City of Santa Rosa had contracted with Fair Housing Advocates of Sonoma as their fair housing service provider the year prior. The City noted that while generally satisfied with the service provided, residents with landlord-tenant inquiries (rather than questions of discrimination specifically) were referred elsewhere. For that reason, the Commission decided this year to ensure that eviction prevention was called out as a fair housing service, and that funding for this service be part of the Fair Housing and Related services set-aside:

| Best Practices for a Fair Housing Service Program | Fair Housing Advocates of Sonoma County | Legal Aid of Sonoma County | Not offered by either proposal |
|--|--|-----------------------------------|---------------------------------------|
| Eviction Prevention and Defense | | X | |

The Commission has recognized that our fair housing services program lacks a telephone hotline for tenants to get fair housing information and to find support in handling landlord disputes. The Commission believes that this is an important component of a comprehensive fair housing services program, and believes that to fully meet its Fair Housing obligations, this service should be offered:

| Best Practices for a Fair Housing Service Program | Fair Housing Advocates of Sonoma County | Legal Aid of Sonoma County Request: | Not offered by either proposal |
|--|--|--|---------------------------------------|
| Telephone hotline support offering landlord-tenant mediation and information | | | X |

Staff reports assessing the capacity and program design of both applicants are attached here. Staff found both programs merit an award of funds, but as described above, still found that there are gaps in the delivery of a complete Fair Housing Service Program that the Commission has a responsibility to address.

Requested Action

Given the limited funding available in the FY 2019-2020 funding round, the Committee may wish to discuss options for fulfilling the agency's obligations to provide a comprehensive fair housing service program. Some options for discussion:

- Direct that some of the allocation be withheld to fund these gaps
- Direct Commission staff pursue other funding sources to ensure that these programmatic gaps are filled in the near future
- Direct that Commission staff direct any increase in CDBG public services dollars toward the services not offered by either proposal
- Direct that the Commission include a general description of what it would consider a fair housing service program in the FY 19-20 Action Plan and solicit additional information from potential service providers via a request for proposals or other mechanism

Fair Housing-Related Services Staff Report (FY 2019-2020)

| Organization / Project Title | Fair Housing Advocates of Sonoma – Fair Housing Education and Enforcement | | | |
|---|---|-------------------------|---|-------------------|
| <p>Fair Housing Advocates of Sonoma (FHAS)'s Fair Housing Education and Enforcement program offers a comprehensive fair housing counseling and testing program that addresses many of the needs for a comprehensive fair housing service provider identified in the most recent Analysis of Impediments. Fair Housing Advocates of Sonoma is in the second year of providing these mandated services for Sonoma County. The program offers in-depth, quality fair housing services to people across all federally protected classes, which include persons with disabilities, African-Americans, Latinos, and families with children. Program services include complaint intake, referral, testing, advocacy, mediation, and enforcement for potential fair housing issues related to protected classes. All services are offered in English and Spanish and translation services to other languages are offered.</p> <p>FHAS is the only full-service fair housing agency in recent years to offer fair housing counseling, combined with complaint-based and systemic testing, in the county. FHIP-funded fair housing organizations play a vital role in combatting segregation through enforcing fair housing laws; increasing public awareness of discriminatory housing practices through education and public outreach campaigns; advising consumers on how and where to file fair housing complaints and informing consumers of their fair housing rights; and conducting investigations to substantiate claims of housing discrimination.</p> <p>A fair housing testing program is crucial in tight rental markets where discrimination is likely to occur and difficult to detect without developing evidence. If enforcement action is necessary, the agency works to develop the case for legal action. When evidence of discrimination is found, or if the agency discovers patterns of discrimination, Fair Housing Advocates of Sonoma has the ability to file agency complaints and can join with clients to file lawsuits to ensure relief and create systemic change.</p> <p>A fair housing service provider helps address a conundrum that low-income tenants face when seeking eviction defense: Typically, tenants who receive a notice terminating their tenancy, or some other notice of a lease violation jeopardizing their tenancy, seek assistance from a local legal aid organization; while legal aid organizations can provide the tenant with advice on the validity of the notice, they generally must suggest that the tenants return for more assistance when they are served with an eviction lawsuit. To the contrary, a fair housing service provider can assist tenants who allege notices are discriminatory or who require the rescission or extension of a notice as a reasonable accommodation based upon a disability-related need. FHAS's assistance often prevents the matter escalating to an eviction lawsuit.</p> <p>FHAS works countywide and conducts outreach through seminars to public and private housing providers and recipients of CDBG and HOME funds. The agency collaborates with Disability Legal Services Center to help persons with disabilities to obtain reasonable accommodations and accessibility. FHAS works with local Public Housing Authorities and networks such as the Latino Services Project to disseminate program information.</p> | | | | |
| CDC Funding History | 2016-2017 | 2017-2018 | 2018-2019 | 2018-2019 Request |
| Requested | \$62,500 | \$62,500 | \$70,000 | \$75,000 |
| Awarded | - | \$54,045 | \$70,000 | |
| Households Served | Proposed | Achieved | Outcomes Notes | |
| Number Served -July 1, 18 - Dec 31, 18 | | 106 | <i>Past outcomes are from quarterly reports on the Fair Housing Education & Enforcement Program funded in FY 18-19.</i> | |
| Projected to be served FY 18-19 | 120 | | | |
| Proposed to be served in FY 19-20 | 175 | | | |
| Budget and Anticipated Cost of Services | | | | |
| Organizational Budget | \$852,000 | Cost per Participant | \$1,205.71 | |
| Project Budget | \$211,000 | Service Category | Fair Housing | |
| Requested / Project budget (%) | 35.55% | % Served low/mod income | 94% | |
| Project budget/Org Budget (%) | 24.77% | % Served low/mod income | | |
| <p>Key Outcomes: 1) Client accessed/preserved/extended housing; client was granted reasonable accommodation or modification thus allowing them to remain in their home; discriminatory differential terms or conditions were ended; client received monetary compensation or other relief through a settlement expanding their housing choice; or matter was otherwise resolved to the benefit of the client.</p> | | | | |
| <p>HMIS Compliance: NA – Fair Housing legal services are not required to be kept in HMIS. FHAS keeps data in its own Salesforce database.</p> | | | | |
| <p>Financial Analysis: Not yet completed for FY 19-20, but anticipated to be low risk.</p> | | | | |

Fair Housing-Related Services Staff Report (FY 2019-2020)

Monitoring Results: Fair Housing Advocates of Sonoma was monitored in March of 2018 and the agency's performance raised no concerns. Desktop monitoring is scheduled for May of this year.

Fair Housing-Related Services Staff Report (FY 2019-2020)

| Organization / Project Title | Legal Aid of Sonoma County – Geographic Housing Equity & Eviction Defense (GHE/ED) | | | |
|---|--|---|--|---------------------|
| <p>Legal Aid of Sonoma County (LASC)'s FY 2019-2020 application is for HOME: Geographic Housing Equity & Eviction Defense program (HOME). LASC requested funding for the HOME program both from the Homeless Services program, and from the Fair Housing-Related Services set-aside. This staff report is in response to the application as a Fair Housing and Related services program. Eviction defense is truly a service that provides protections under the law to which all tenants are entitled, not just those who are at risk of homelessness.</p> <p>LASC argues that the program is also a homelessness prevention program. Legal services are an eligible expense as part of a homelessness prevention program targeted to households meeting the federal "at risk" definition, who will likely enter homeless services unless assisted. A homeless prevention program that includes wraparound services to those experiencing homelessness or at risk of homelessness could <i>include</i> legal aid as a component of what a client is offered, but legal assistance in and of itself is not homelessness prevention. Eviction can lead to homelessness, but there is no certainty that the outcome of an eviction or other legal challenge faced by a tenant will be homelessness.</p> <p>However, LASC's HOME program provides an important component of a robust Fair Housing Services program. HOME ensures that tenant protection laws are enforced and upheld. For that reason staff ensured that for the FY 2019-20 funding cycle, the amount of the Fair Housing Set-aside included funds for both a Fair Housing Service Provider and funds for eviction prevention work like that done under the HOME program.</p> <p>The HOME program operates countywide to provide legal services to low income tenants related to eviction defense, habitability, retaliation, discrimination issues, and preservation of housing benefits. The effort reduces instances of unlawful evictions, forces property owners to comply with housing codes, and supports Section 8 tenants to preserve their benefits. The extra time negotiated saves tenants fees and costs they can instead use toward relocation.</p> <p>The HOME program's clients are all low-income, many are Spanish-speaking, and most are members of protected classes. Clients receive legal advice; preparation of legal pleadings; negotiation with their landlords, and in court representation. If a tenant presents a Fair Housing issue, LASC asserts that Fair Housing claim.</p> <p>LASC provides community education workshops and customized trainings at apartment complexes, at mobile home parks, and at community events for both landlords and tenants. These workshops and trainings cover a range of topics including rights in the eviction process, rights to organize, rights to repairs and relocation benefits, rights in Section 8 cases, and Fair Housing rights.</p> <p>HOME provides services at the LASC main office, via a housing hotline phone number, and through a mobile legal unit that meets with tenants wherever they live in the County. LASC has a strong outreach program and many community partners that refer clients to its services.</p> | | | | |
| CDC Funding History | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 Request |
| Requested | \$215,400 | \$233,200 | \$288,000 | \$185,100 |
| Awarded | \$215,400 (\$31,200 competitive award, \$184,200 allocated by the Board) | \$170,649 (\$87,501 competitive award; \$50,000 allocated by the Board) | \$185,000 (\$105,180 competitive award; \$80,000 allocated by the Board) | |
| Households Served | Proposed | Achieved | Outcome Notes | |
| Number Served -July 1, 18 - Dec 31, 18 | | 244 | <i>Past outcomes are from quarterly reports on the Geographic Housing Equity and HOME Eviction Defense Program funded in FY 18-19.</i> | |
| Projected to be served FY 18-19 | 575 | | | |
| Proposed to be served in FY 19-20 | 550 | | | |
| Budget and Anticipated Cost of Services | | | | |
| Organizational Budget | \$2,235,373 | | | |
| Project Budget | \$630,720 | | Cost per Participant | \$1,146.76 |
| Requested / Project budget (%) | 29.35% | | Service Category | Eviction Prevention |
| Project budget/Org Budget (%) | 28.22% | | % Served low/mod income | 100% |

Fair Housing-Related Services Staff Report (FY 2019-2020)

Key Outcomes: *1) 95% of tenant clients facing eviction will gain an average of three weeks additional housing because of legal assistance. 2) 95% of tenant clients will save an average of \$2,000 each in averted rental or eviction related costs because of legal assistance.*

HMIS Compliance: NA – Fair Housing legal services are not required to be kept in HMIS. Legal Aid does currently participate in HMIS because of past funding as a Homeless Services provider, but would not be required to do this if awarded FY 19-20 funds.

Financial Analysis: Not yet completed for FY 19-20, but anticipated to be low risk.

Monitoring Results: The GHE project received a monitoring in November of 2017 and there were no concerns of note related to the proposed project. Legal Aid of Sonoma County desktop monitoring is scheduled for May of this year.

Staff Recommendation: Staff recommends the Geographic Housing Equity/Eviction Defense project for funding.



Sonoma County Community Development Commission

Sonoma County Housing Authority
1440 Guerneville Road, Santa Rosa, CA 95403-4107

*Members of the
Commission*

David Rabbitt
Chair

Susan Gorin
Vice Chair

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Margaret Van Vliet
Executive Director

MEMORANDUM

Date: March 15, 2019

To: Community Development Committee

From: Felicity Gasser, Federal Funding Administrator

Subject: Item 8: CDBG & HOME for Capital Projects Staff Reports

Background on FY 2019-2020 Funding Priorities

The FY 2019-20 Funding Policies and Notice of Funding Availability set specific policy goals for funding awards. The Funding Policies further the five year goals set out in the FY 2015-2020 Consolidated Plan and, in response to the emerging community needs following the October 2017 fires, the Commission established three overarching urgent community needs specifically for FY 2019-20:

Consolidated Plan FY 2015-2020 Funding Priorities

Projects will be ranked in how well they meet the following funding priorities, according to the order listed below:

- Creation or Preservation of Affordable Housing
- Infrastructure or Public Facility Supporting creation or preservation of affordable housing
- Infrastructure or Public Facility supporting low or moderate income populations

FY 2019-2020 Urgent Community Needs

The Commission will recommend awarding funds to the most competitive proposals that adhere to the basic Threshold Criteria, rank well under the Selection Criteria, and that best meet the following combination of urgent community needs:

- Serve the maximum number of people at the lowest incomes
- Leverage public funds or meet a particular community need that cannot be met by other funding sources
- Expedite creation of as many new rental housing opportunities as possible in *areas of opportunity* or improve access to important community assets in low-income communities, in particular, *racially and ethnically concentrated areas of poverty*.*



In addition to these policy goals, your committee and the Cities and Towns Advisory Committee signaled the following policy priorities based on a preliminary review of the submitted proposals:

- Awards should balance early investments to further projects that are in early stages and projects that will achieve fast results
- Awards should balance getting people into housing right away and projects that will increase the affordable housing stock over time.
- Housing should be prioritized above other community needs
- Maintaining housing accessibility for seniors and people with disabilities is a good use of limited resources
- Funding awards should target deeply to reach the lowest income populations.
- Improving quality of life for marginalized and low-income populations should be the end goal of all awards.
- Look at the “mix” of projects as a whole when making funding decisions. Establish a “B” list of projects that should be prioritized if additional funding becomes available mid-year.

Summary of FY 2019-2020 Funding Recommendations

Staff recommends that to further the priorities set for the FY 2019-2020 Funding Cycle, the following set of Capital Project Investments. Staff assessment is that the following projects will meet the policy goals of the Commission and will be able to comply with the regulatory requirements, especially meeting defined objectives of each funding source and timely spending of awarded funds. The chart below also summarizes which applicant projects staff recommends cannot be funded with FY 2019-2020 allocations. As noted, some of these projects may be eligible for funding under future annual funding cycles, or as program income is received or funds are reprogrammed mid-year. The Committee may want to consider the creation of a “B” list of projects that should receive funding priority when additional resources become available.

CDBG

| Sponsor | Project | Ask | Staff Recommendation | Summary of Staff Rationale |
|---------------------------------------|--|--------------------|-----------------------------|--|
| Healdsburg | Sidewalk ADA | \$140,000 | \$140,000 | Project makes investments that improve connectivity and access to amenities in a low-mod income neighborhood. Funds can be spent within the timeliness provisions of the funding policies. |
| Rohnert Park | Central Rohnert Park Improvements | \$538,000 | \$73,000 | Project makes investments that improve connectivity and access to amenities in a low-mod income neighborhood. The initial proposed investment of \$73,000 can be spent within the timeliness provisions of the funding policies. If funds are spent more quickly than anticipated, the committee may wish to prioritize this project on a "B" list if additional funding becomes available mid-year. |
| Sebastopol | Bodega Avenue Accessibility Improvements | \$146,040 | \$146,040 | Project makes investments that improve connectivity and access to amenities in a low-mod income neighborhood. Funds can be completed within the timeliness provisions of the funding policies. |
| Sebastopol | Park Village | \$45,000 | \$45,000 | Project serves the homeless system of care and will quickly make PSH units available to a vulnerable population. Funds can be spent within the timeliness provisions of the funding policies. |
| Burbank Housing | Sea Ranch | \$576,949 | \$576,949 | This project will extend the life of currently affordable housing units in an affluent community with a lack of workforce housing. Funds can be spent within the timeliness provisions of the funding policies |
| Catholic Charities | Caritas Center | \$300,000 | \$300,000 | This is an important investment in the future of our homeless system of care. Predevelopment funds can be spent within the timeliness provisions of the funding policies. |
| Burbank Housing | Caritas Homes | \$500,000 | \$0 | See HOME recommendation |
| Pep Housing | Linda Tunis Senior Housing-Rehab | \$500,000 | \$0 | As currently designed does not affirmatively further fair housing, a threshold requirement, and project has significant gaps in readiness, meaning that staff cannot be confident that funds would be spent within the timeliness provisions of the funding policies, nor that the project can move forward as designed. |
| Disability and Legal Services Center | Housing Access Modification | \$85,000 | \$0 | DSLCL already has enough funding to continue working at their current capacity for at least 18 months after the start of FY 19-20. If funds are spent more quickly than anticipated, the committee may wish to prioritize this project on a "B" list if additional funding becomes available mid-year. |
| Sonoma County Parks | Spring Lake ADA | \$165,000 | \$0 | Because of the regional nature of this project's service area and because it cannot be reasonably assumed that at least 51% of the population using the facility is low to moderate income, this project is not eligible for CDBG funds. |
| Reserve | | | \$53,499 | Incorporated as it is good practice to maintain a reserve to cover cost overruns or unanticipated expenses. |
| Direct Delivery | | | \$40,512 | Set-aside for anticipated environmental review and labor compliance direct delivery expenses |
| Total Ask/Total Recommendation | | \$2,126,949 | \$1,375,000 | |
| Available | | | \$1,375,000 | Includes the estimated FY 19-20 CDBG allocation of \$1,200,000 plus a conservative estimate of \$175,000 in Program Income for FY 2019-2020 |

HOME

| Sponsor | Project | Ask | Staff Recommendation | Summary of Staff Rationale |
|---------------------------------------|--------------------------------|------------------|----------------------|---|
| Catholic Charities | Caritas Homes | \$500,000 | \$161,918 | It is important to provide some predevelopment funding to this important project in which we've already made significant investment. However, there are other anticipated resources coming available that should be able to supplement this award that is less than what was requested. Award is contingent on this project receiving No Place Like Home funds and City of Santa Rosa CDBG-DR funds. If these are not received, the project is at risk of not being able to meet the timeliness provisions in the funding policies. |
| City of Healdsburg | Victory Studios/Apartments | \$250,000 | \$250,000 | Project serves the homeless system of care and will quickly make PSH units available to a vulnerable population. Funds can be spent within the timeliness provisions of the funding policies. |
| City of Sebastopol | Park Village | \$45,000 | \$0 | See CDBG recommendation |
| Sonoma County Housing Authority | Tenant Based Rental Assistance | \$270,000 | \$270,000 | Funds will ensure that 38 vulnerable households maintain housing stability while securing access to long-term rental assistance or affordable housing units. Funds will be spent within the timeliness provisions of the funding policies. |
| Reserve | | | \$0 | |
| Total Ask/Total Recommendation | | \$750,000 | \$681,918 | |
| Available | | | \$681,918 | |

6-Year Plan for Investments in the Member Jurisdictions of the Urban County

Below is the breakdown of the “fair share” of CDBG funding allocations over the next six years, based on each member jurisdiction’s percentage of the County’s low and moderate income population. The breakdown also shows how proposed the FY 2019-2020 Investment is part of this allocation of funds. Over the coming year it will be critical to engage with residents of each of these communities, as well as local government staff and elected officials to ensure that investments are being made to benefit marginalized communities that have been historically underserved. Direction from this Committee and from the Cities and Towns Advisory Committee about long term funding goals were:

- Demonstrate how each investment is not made in isolation, but aligns with other initiatives and funding
- A climate change lens should be part of all funding decisions in terms of project location and features
- Commit to social equity in terms of ensuring that all residents have access to high value amenities and that the geographic investment is made to lift up communities that have experienced historic disinvestment.
- A mobility lens should be part of all funding decisions.

| Jurisdiction | Low to Moderate Income Population(80% AMI and Below) | Total Population | Percentage of Population that is Low to Moderate Income | Percentage of the County s Low to Moderate Income Population | Percentage of the County s Total Population | 6-year Allocation based on Low to Moderate Income Population | FY 19 20 Staff Recommended Investment | Balance of Funds Available |
|--------------------------|--|------------------|---|--|---|--|---------------------------------------|----------------------------|
| Cloverdale | 3,735 | 8,625 | 43.30% | 3.56% | 3.34% | \$ 240,134.57 | \$ - | \$ 240,135 |
| Cotati | 2,910 | 7,360 | 39.54% | 2.77% | 2.85% | \$ 204,914.83 | \$ - | \$ 204,915 |
| Healdsburg | 4,715 | 11,475 | 41.09% | 4.50% | 4.44% | \$ 319,483.38 | \$ 140,000 | \$ 179,483 |
| Rohnert Park | 19,405 | 41,580 | 46.67% | 18.50% | 16.08% | \$1,157,657.43 | \$ 73,000 | \$ 1,084,657 |
| Sebastopol | 3,470 | 7,455 | 46.55% | 3.31% | 2.88% | \$ 207,559.79 | \$ 191,040 | \$ 16,520 |
| Sonoma | 3,645 | 10,635 | 34.27% | 3.48% | 4.11% | \$ 296,096.36 | \$ - | \$ 296,096 |
| Windsor | 7,400 | 27,095 | 27.31% | 7.06% | 10.48% | \$ 754,370.57 | \$ - | \$ 754,371 |
| Balance of Sonoma County | 59,585 | 144,380 | 41.09% | 56.82% | 55.83% | \$4,019,783.07 | \$ 876,949 | \$ 3,142,834 |
| Total | 104,865 | 258,605 | 40.55% | 100.00% | 100.00% | \$ 7,200,000 | \$ 1,280,989 | \$ 5,919,011 |

Shaping Future Geographic Equity in the Unincorporated County

Over the coming 6-year period, the Commission will work in close coordination with marginalized and underserved communities and the stakeholders and partners that work with these communities to make investments that create housing in high opportunity communities and capital project investments that improve access to amenities, infrastructure, and services for those who have been historically underserved in Sonoma County. Below is a list of the 11 unincorporated communities that have the highest low to moderate income populations compared to the rest of the unincorporated county. It will be important to work closely with residents of these communities in particular:

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

Requested Action

Staff requests that the Committee provide feedback on the above recommendations to include the proposed Capital Projects funding awards in the FY 2019-2020 Draft Action Plan, which will be recommended for approval by the Board of Supervisors at the Public Hearing of the Community Development Committee and the Cities and Towns Advisory Committee at the April 17th Public Hearing.

CITY OF HEALDSBURG– SIDEWALK ADA

Amount Requested: **\$140,000 (CDBG)**

Total Project Cost: **\$140,000**

Project Description Summary from Applicant's Submitted Application:

“The City of Healdsburg is seeking \$140,000 in CDBG funding to remove 11 existing concrete sidewalk ramps at street intersections, while replacing them with ADA compliant ramps to improve pedestrian travel to approximately 7,700 residents, and the number of these people who are low or moderate income under the CDBG definition is 4,230. This means that 54.86% of the population is low or moderate income. The project is anticipated to start immediately following the completion of the environmental review.”

Note: The 2011-2015 Low and Moderate Income data set was released by HUD after the applications were submitted. The population served is therefore outdated in this description from the applicant, by no fault of the applicant. The area served remains primarily low to moderate income.

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Installation or construction of a public improvement serving a low to moderate income area. Commission staff does need to conduct a site visit to confirm eligibility, but based on maps submitted with the application and conversations with the applicant, the project is eligible, as stated.

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

Yes, the project will benefit low and moderate-income individuals because the service area for the improvements encompass two census tracts in which more than 51% of residents are low to moderate income. The census tracts served are 060971539024, which has a low to moderate income population of 61.50% and 060971539021 which has a low to moderate income population of 56.68% according to the 2011-2015 Low and Moderate Income Survey Data provided by HUD. The combined census tracts have a population of 2,815 and 1,650 residents are low to moderate income. The service area has a population that is 58.61% Low to Moderate Income.

Does the project Affirmatively Further Fair Housing?

The project makes an investment in a high poverty neighborhood that lacks connectivity on par with more affluent neighborhoods within the City of Healdsburg. The project reduces pedestrian travel barriers to commerce and civic locations, improving connectivity to these amenities for the residents of this neighborhood that is equal to that enjoyed by other nearby neighborhoods.

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

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

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

Does not apply to this project.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

Not applicable.

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

Not applicable.

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

Yes, the project proposal is to replace existing concrete sidewalk ramps with ADA compliant ramps in a neighborhood in which 58.6% of residents are low to moderate-income residents, qualifying the area as CDBG eligible.

Readiness to Proceed

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

The project will have the plans mostly prepared prior to award of CDBG funds. If the environmental review is complete and the agreement is ready for execution by September, construction will start late October given ample time to fully expend CDBG funding as outlined in the guidelines.

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

Per an environmental review assessment completed by Commission staff, environmental review will likely convert to exempt.

Is the proposed project consistent with the General Plan?

Not applicable

Does the applicant possess site control?

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

Need

ADA standards state that newly constructed or altered streets must contain curb ramps. The replacement of these ramps will accommodate individuals with severe disabilities and will improve walking traffic and increase accessibility to city amenities.

Financial Feasibility

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

Outcomes

By replacing existing concrete sidewalk ramps with ADA compliant ramps the City of Healdsburg is greatly benefiting individuals with special needs and encouraging walkable and healthier communities.

Leverage

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|-----------------------|---------------|
| \$140,000 | CDBG Funding | Uncommitted |

The project does not have any additional committed or expected funds,

FY 2019-2020 Urgent Community Needs

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

Project will benefit a service area in which 58.6% of residents, a total of 1,650 people are low to moderate-income residents, qualifying the area as CDBG eligible.

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

Does not apply to this project

3. **Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.**

The project has no additional funds. However, CDBG funds leverage existing amenities by increasing accessibility and connectivity for residents in this Low-Moderate Income neighborhood.

Analysis

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

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

Pros for the Project:

- The proposed project will replace 11 existing concrete sidewalks ramps with ADA compliant ramps; therefore, the project will greatly benefit severely disabled adults.
- Project encourages physical activities such as walking, and running, promoting the well-being of a community.

Cons for the Project:

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

Consequences of no Funding:

If funding is not awarded, the City of Healdsburg will still replace some of the ramps but not all 11 ramps that they are planning to make ADA compliant.

Staff Recommendation

Staff recommends fully funding this project. Environmental review will likely convert to exempt, project meets a substantial need and achieves fair housing objectives.

CITY OF ROHNERT PARK – CENTRAL ROHNERT PARK IMPROVEMENTS

Amount Requested: \$ 538,000

Total Project Cost: \$ 758,000

Project Description Summary from Applicant's Submitted Application:

“The City of Rohnert Park seeks \$538,000 in CDBG funding for environmental documentation, construction, and construction engineering (i.e. inspection and project management) of the Central Rohnert Park Bicycle/Pedestrian Path Improvements which has a total project cost of \$758,400. The project is anticipated to complete environmental review in August 2019, start construction in February 2020, and be completed in June 2020. The project will rehabilitate deteriorated paths, replace or install lighting and landscaping, and install wayfinding signage or in-pavement treatments. The project will improve active transportation infrastructure and access to jobs and services in a neighborhood characterized by lower-income households and special populations (e.g. seniors) for whom low-cost transportation options are vital to affordable living.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Installation or construction of a public improvement serving a low to moderate income area. Commission staff needs to conduct a site visit to confirm eligibility, but based on maps submitted with the application and conversations with the applicant, the project appears to be eligible, as stated.

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

Yes, the project will benefit low and moderate-income individuals because the service area for the improvements encompasses three census tracts in which more than 51% of residents are low to moderate income. The census tracts served are 0690971503051, which has a low to moderate income population of 53.80%, 0690971503052 which has a low to moderate income population of 66.89%, and 069097150305 which has a low to moderate income population of 47.02% according to the 2011-2015 Low and Moderate Income Survey Data provided by HUD. The combined census tracts have a population of 3,885 and 2,320 residents are low to moderate income. The service area has a population that is 59.72% Low to Moderate Income.

Does the project Affirmatively Further Fair Housing?

The project makes investment in a segregated and high poverty neighborhood to improve conditions and eliminate disparities in access to opportunity between residents of this neighborhood and the rest of the jurisdiction and region.

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

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

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

Does not apply to this project.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

Not applicable.

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

Not applicable.

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

Yes, the project proposal is to enhance connectivity and walkability with path of travel improvements in a service area in which the population is more than 51% low and moderate income.

Readiness to Proceed

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

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

Per the environmental review assessment conducted by Commission staff, the application documents do not provide a sufficiently developed design necessary to determine the extent of ground disturbance near a creek trail. Specific plans detailing the depth and areas of ground disturbance are needed to fully evaluate the scope of the NEPA environmental review that would be required.

Is the proposed project consistent with the General Plan?

No land use constraints are anticipated at this time. The applicant submitted a resolution of the planning commission confirming that the planned bike path improvements are consistent with the City of Rohnert Park General Plan for 2020.

Does the applicant possess site control?

Yes, the project is located on City owned property or easements for which the City has maintenance responsibility.

Need

The City of Rohnert Park regularly receives requests from residents and from attendees of the Rohnert Park Bicycle and Pedestrian Advisory Committee who have identified Copeland Creek Bike Paths as some of the most deteriorated connectors in the city. The Copeland Creek Bike path is an important part of the neighborhood between Santa Alicia Drive and Enterprise Drive and is within ¼ mile walking distance to a neighborhood park, grocery stores, a pharmacy, and the senior center. Low-income seniors particularly benefit from meals provided at the café, a transportation program for medical and other personal appointments, on-site insurance and legal counseling, and from activities such as senior fitness, art and language classes, and social clubs. The Hinebaugh Creek path is located in a primarily industrial neighborhood that includes projects such as The Arbors and City Center Apartments, both of which are low-income housing developments. The Hinebaugh Creek path is less than ¼ mile walking distance to SMART, the library, and police station. Improving access to SMART provides more opportunities for employment, healthcare, access to services, and arts and entertainment.

Financial Feasibility

The City of Rohnert Park has an approved budget of \$1,390,000 in local agency funding for the City's multi-year Sidewalk and Creek Path Replacement Project. A portion of this approved funding can be used as a match for the FY 19-20 CDBG award.

Outcomes

The project objective is the rehabilitation and enhancement of path segments in the Central Rohnert Park area to provide adequate alternative transportation facilities to residents of the adjacent neighborhoods. A desired outcome from the improved paths is increased path usage, especially by neighborhood residents.

Leverage (Housing Projects)

Leverage and Meeting Community Need (Non-Housing Projects)

This project leverages \$155,400 from the City of Rohnert Park and \$65,000 from an MTC grant. Additionally, it leverages the value of the amenities to which low-income neighborhoods do not currently have safe, walkable access. These improvements add value to the existing amenities by giving this whole neighborhood better access to them.

FY 2019-2020 Urgent Community Needs

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

Project will benefit a service area in which 59.72% of residents, a total of 2,320 people are low to moderate-income residents, qualifying the area as CDBG eligible.

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

Does not apply to this project

3. **Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.**

This project leverages \$155,400 from the City of Rohnert Park and \$65,000 from an MTC grant. In addition, CDBG funds leverage existing amenities by increasing accessibility and connectivity for residents in this Low-Moderate Income neighborhood.

Analysis

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

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

Pros for the Project:

- The project will benefit low- to moderate-income neighborhoods, seniors, and affordable housing developments by rehabilitating existing bicycle and pedestrian routes that connect residents to transit, groceries and pharmacy, a senior center, a library, and schools.

Cons for the Project:

- Does not meet urgent community needs criteria
- Does not result in new housing units

Consequences of no Funding:

Project will be delayed until funding becomes available.

Staff Recommendation

The application as submitted, does not provide a sufficiently developed design necessary to determine the extent of ground disturbance near a creek trail. **Staff recommends \$73,000 for pre-development work.** Staff encourages applicant to re-apply with specific plans detailing depth and areas of ground disturbance needed.

CITY OF SEBASTOPOL– BODEGA AVE ACCESSIBILTY PROJECTS

Amount Requested: **\$146,040 (CDBG)**

Total Project Cost: **\$3,146,040**

Project Description Summary from Applicant’s Submitted Application:

“The City of Sebastopol is seeking \$146,040 in CDBG funding for preparation of design plans and bid packages for the Bodega Avenue Improvement Projects which include 3 sidewalk gap closures, pavement rehabilitaion, and addition of bicycle lanes, which has a total project cost of \$3 M. Work is to begin July 2019 with the design to be finished by January 2020, and the overall project is anticipated to be completed by late 2022. This project will achieve a “Fair housing Benefit” by providing connectivity vie elimination of sidewalk gaps between senior housing and low-income census tracts and other more affluent sections of the city.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Sidewalk improvements in a Low to Moderate Income Area and that serve Low to Moderate Income residents of an affordable housing development. The service area of the activity is primarily residential.

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

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

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

| | |
|--------------|--------------------------|
| 060971534015 | LMI population of 55.50% |
| 060971534016 | LMI population of 38.05% |
| 060971534042 | LMI population of 43.01% |

The combined census tracts have a population of 3,445 and 1,545 residents are low to moderate income. Furthermore, the improvements serve the residents of the Burbank Heights and Orchards Senior Apartments, which are income restricted affordable housing developments for seniors.

Does the project Affirmatively Further Fair Housing?

The project makes an investment in an area to improve conditions and eliminate disparities in access to opportunity between residents of this neighborhood and the rest of the City. The needed improvements will remove barriers to accessibility of travel between neighborhoods,

services, amenities by eliminating multiple sidewalk gaps along the very busy thoroughfare on Bodega Avenue.

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

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

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

Not applicable - This project is not supporting the homeless system of care.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

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

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

Yes, the project proposal will connect sidewalks enabling ADA compliant access along sections of Bodega Avenue for LMI residents in the eligible service area and in the adjacent affordable housing development.

Readiness to Proceed

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

This application is requesting CDBG funds for the design and other eligible predevelopment expenses of the proposed project. The target completion of this activity is January 2020 and commencement of construction by July 2020, allowing the applicant sufficient time to fully expend CDBG funding pursuant to federal regulation requirements.

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

An Assessment of Environmental Review Level Required was performed by Commission staff and it identifies the activity will likely convert to exempt, meaning that it will not hinder the progress of the activity on its projected time line.

Is the proposed project consistent with the General Plan?

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

Does the applicant possess site control?

The proposed project will be on city owned property.

Need

The proposed improvements to eliminate sidewalk gaps on Bodega Avenue affecting the identified low-income neighborhoods and affordable housing developments will allow the residents accessibility to a bus stop within ¼ mile walking distance and thereby connect to amenities and services.

Financial Feasibility

The sources of funds planned for this project include grants from OBAG2 and CDBG in the combined amount of \$1,336,040, in addition to the city's own in kind resources of \$1,081,000 as a commitment to complete the project.

Outcomes

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

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|---|---------------|
| \$1,081,000 | City of Sebastopol City Paving & Traffic Funds | Committed |
| \$1,019,000 | OBAG2 State Grant | Committed |
| \$146,040 | Sonoma County Community Development Commission (CDC) | Uncommitted |

Leverage and Meeting Community Need (Non-Housing Projects)

The project has identified other committed funds, a state grant from OBAG2 and the city's in kind funds for predevelopment and construction.

FY 2019-2020 Urgent Community Needs

- 1. Projects that serve the maximum number of people at the lowest income threshold.**
- 2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.** *(Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.)*
- 3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.**

The sources and uses for this project identifies federal, state, and local funding to be used to meet the city's goals of creating safe accessibility to amenities and services for its residents.

Analysis

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

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

Pros for the Project:

- The project would eliminate sidewalk gaps on Bodega Avenue.
- The City has committed the largest amount needed to complete the project.
- The project would benefit LMI neighborhoods and housing developments, meanwhile encouraging physical activity.
- The project activity is consistent with the City's future plan of Sebastopol Bicycle and Pedestrian Master Plan and future plans to include the implementation of bike lines, and rehabilitation of pavement.

Cons for the Project:

- This project does not create affordable housing opportunities.

Consequences of no Funding:

If this application is not selected for full or partial funding, the Applicant would seek other funding sources to complete the project.

Staff Recommendation

Staff recommends fully funding this project.

CITY OF SEBASTOPOL– PARK VILLAGE SITE IMPROVEMENTS

Amount Requested: **\$45,000 (CDBG)**

Total Project Cost: **\$379,850**

Project Description Summary from Applicant's Submitted Application:

“The City of Sebastopol is seeking \$45,000 in HOME funding for Park Village site improvements, which involve renovating a vacant building into two ADA compliant apartments, which has a total project cost of \$379,890 . The balance of funding is set. The project is anticipated to start construction on July 1, 2019 and be completed by February 28, 2020. The project will provide two apartments, serving approximately 2 low- /very low- /extremely-low-income households that can be either single occupancy or families of up to 4 members. Thus the renovated living spaces can accommodate between 2 and 8 persons. Park Village is an ongoing facility for low- /very low- /extremely-low-income households that also provides services to transition people to permanent living situations.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Rehabilitation to meet minimum property standard or to make essential improvements.

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

Project is applying for HOME funds but if funded with CDBG the Rehabilitation of Housing serving persons of Low to Moderate Income would be the National Objective.

Does the project Affirmatively Further Fair Housing?

It maintains and preserves existing affordable rental housing stock to reduce disproportionate housing needs. The renovation of apartments in an existing building preserves the apartments for use by qualified lower income individuals. Park Village is half a mile from downtown Sebastopol. It is served by a bus station that is located just outside of the development giving residents access to many local amenities and services similar to access enjoyed by other Sebastopol residents, including two full service grocery stores, drug store, various bank branches, restaurants, post office, library, museum, weekly farmers market, and thrift store. It is within ¼ mile walking distance to a grocery store and restaurants.

Park Village is managed by West County Community Services (WCCS) a non-profit service provider. On the Park Village site, WCCS offers an ADA compliant community center for Park Village's residents. The center includes a community gathering area, an ADA restroom, and an office for the full-time Case Manager who provides on-site case management services for the residents.

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

Yes, the applicant has experience in the managing of CDBG, and other State and Federal funds. The City of Sebastopol contracted with West County Community Services (WCCS) to manage Park Village in May 2017. WCCS provides a site manager as well as a full-time Case Manager, who will provide Case Management to the families/individuals in residence.

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

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

Funding Priorities

1. Creation or Preservation of Affordable Housing.

This project proposes to rehabilitate an existing substandard apartment building that is currently vacant. The apartment building includes two legal dwelling units (although currently includes two additional rooms without restrooms or kitchens).

The project would incorporate the two rooms without bathrooms/kitchens into the two legal dwelling units to provide (2) two-bedroom apartments.

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

Not applicable.

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

Not applicable.

Readiness to Proceed

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

Design work and Bid Solicitation is anticipated to be complete by July 2019. The project is anticipated to start construction on August, 2019 and be completed by February 28, 2020.

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

Per Kenyon Webster with the City of Sebastopol there is a CEQA Exemption. The rehabilitation of the apartments should be exempt under Class 1, Existing Facilities, as the project is a rehabilitation of apartments in existing buildings involving no expansion of use, including no new square footage, and no addition of dwelling units.

This project augments a CDBG award already made. A final NEPA assessment is being completed to confirm that there are no concerns.

Is the proposed project consistent with the General Plan?

Yes, a letter from the City's Planning Director is on file.

Does the applicant possess site control?

Yes, the client possesses site control in the form of ownership. Title Report is provided as evidence.

Need

Homeless counts for Sebastopol have increased over time, with latest counts nearing 100 for the City and surrounding area. The overall Sebastopol Park Village Project is a partnership between the City, the non-profit West County Community Services (WCCS), and a group of volunteers (the Group of Advocates) to convert Park Village into an expanded housing and supportive services site in order to reduce homelessness and improve the quality of life. Refurbishing two currently vacant apartments is one of several project paths to adding to the housing capability of Park Village. The overall projects' goals include expanding the available space to accommodate between 2 and 8 additional individuals.

Financial Feasibility

The applicant has already obtained two grants totaling \$335,000. This award would provide the remaining funds to complete the project budget.

Outcomes

Refurbishing vacant apartments will allow space for up to 8 of individuals expected to be added to the Park Village community. In addition to a property manager, WCCS has assigned a community services worker to assist the Park village residents in accessing necessary services, and generally improving the quality of their life. The facility has shown success over the past year, as several families have been able to transition to more permanent living arrangements.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|--------------------------|---------------|
| \$200,000 | Partnership Health Grant | Committed |
| \$135,000 | CDC CDBG Grant 18/19 | Committed |

Leverage and Meeting Community Need (Non-Housing Projects)

Not applicable.

FY 2019-2020 Urgent Community Needs

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

Project proposes to serve up to 8 Extremely Low to Low Income individuals .

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

The project will provide two apartments, serving approximately 2 low- /very low- /extremely-low-income households that can be either single occupancy or families of up to 4 members. The project is ¼ mile away from some amenities, and others are within a short bus ride on public transit.

3. **Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.**

The rationale for doing this is that the project creates scarce permanent supportive housing units, highly leverages the other work of WCCS in West County, including HEAP funded projects that will be used to make improvements to mobile home pads within Park Village.

Analysis

Total development cost per unit (if applicable): \$0

Total hard cost per unit (if applicable): \$190,000

Pros for the Project:

- Helps maintain permanent housing for individuals.
- Project already has the majority of the funds.
- Applicant has experience with the administration and management of federal funds.

- Applicant is providing the environmental.

Cons for the Project:

- The project cannot be phased.

Consequences of no Funding/Partial Funding:

Unfortunately, phasing or partial funding is not practical. Enough money must be available to complete the work. A partially renovated apartment is still not a usable apartment.

Staff Recommendation

Staff recommends fully funding the project in the full amount requested: \$45,000 in CDBG funds.

BURBANK HOUSING– SEA RANCH 45

Amount Requested: **\$576,949**

Total Project Cost: **\$576,949**

Project Description Summary from Applicant’s Submitted Application:

“Burbank Housing is seeking \$576,949 in CDBG funding for the rehabilitation of Sea Ranch 45 which has a total project cost of \$576,949. The project is anticipated to start on June/July 2019 (depending on award and loan closing dates) and be completed by August/September 2019. The rehabilitated project will provide 45 units serving approximately 131 low and very low income households.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Rehabilitation of a multi-unit residential building.

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

The National Objective met is the serving of low and moderate income households through the provision of housing units that are income restricted to households earning less than 80% Area Median Income.

Does the project Affirmatively Further Fair Housing?

The proposed project maintains and preserves existing affordable rental housing stock to reduce disproportionate housing needs. Rehabilitating these homes will ensure that the households occupying these units have access to high quality housing on par with those in the surrounding neighborhood, with access to the same amenities and services as other households in The Sea Ranch.

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

Burbank Housing has operated as a nonprofit affordable housing developer. Burbank Housing has built over 2,800 affordable rental units in over 60 properties, and has as built and sold more than 800 affordable homes. The proposed rehabilitation at Sea Ranch includes two existing affordable rental developments (Sea Ranch 14 and Sea Ranch 31) located on the Sonoma Coast in unincorporated Sonoma County. The developments were built in 1982 and 1992 and include 45 separate parcels.

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

Not applicable

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

The proposed project objective is to preserve the housing stock that is affordable, safe, and accessible for low and very-low income families and individuals of which there is a very low supply in this region of the County.

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

See above.

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

See above.

Readiness to Proceed

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

The project is anticipated to start on June/July 2019 (depending on award and loan closing dates) and be completed by August/September 2019. The applicant has already obtained a contractor and the contractor estimates actual work will take approximately 5-6 weeks.

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

The project consists of rehabilitation of an existing affordable rental property. Other than replacing the roofs there is no planned change in use. The proposed rehabilitation work will require one or more applications for building permits, which are ministerial and can be obtained over the counter and the roofing contractor will be responsible to obtain. As a rehabilitation activity, this project is consistent with the General Plan, confirmed by Permit Sonoma. No ground disturbance or other significant or negative impacts on the surrounding environment expected, so the project will likely qualify as exempt from a NEPA Environmental Review. This means that the process of completing the NEPA review can be completed within 4 to 6 weeks of awards being made, and will not delay the progress of the project. The project should also qualify for a CEQA Categorical Exemption (class 2: replacement or reconstruction of existing structures or facilities).

Is the proposed project consistent with the General Plan?

A General Plan of Consistency Determination was provided from Permit Sonoma assigning a readiness rating of 3. There will be one discretionary approval required—preliminary design review approval by Sea Ranch Association. In view of the fact that design of the roof will not substantially, and will, in fact, improve the performance of the roof system, we anticipate prompt approval from the Association.

Does the applicant possess site control?

Yes, Burbank Housing owns the property and provided a copy of the deed of trust as documentation.

Need

The buildings have suffered from long-term exposure to the marine elements. The rehabilitation scope of work to be performed under this funding application will be replacement of roofs on 16 residential buildings, gutter replacement on 16 residential buildings, and roof replacement on 45 sheds. This work needs to be completed urgently to prevent further deterioration of the structures.

Financial Feasibility

Staff considers this project to be financially feasible, demonstrating careful and accurate project planning. The applicant has provided a detailed development budget which includes hard and soft project costs. The budget includes a 20% hard cost contingency of nearly \$90,000. In addition, the budget is based on an estimate from a roofing contractor. The itemized soft cost budget accounts for all components necessary to complete the project and includes a 2% contingency. The project will not require any additional financing—100% of the development budget will be covered by the requested CDBG loan.

Outcomes

The project objective is to preserve the housing stock that is affordable, safe, and accessible for low and very-low income families and individuals of which there is a very low supply in this region of the County.

Leverage (Housing Projects)

The project has no funds from other sources. However, it will leverage the existing housing resource, extending the life of these affordable units so that they continue to serve 45 low income households.

Leverage and Meeting Community Need (Non-Housing Projects)

Not applicable

FY 2019-2020 Urgent Community Needs

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

The rehabilitated project will provide 45 units serving approximately 131 low and very low income residents.

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

This project does not create new rental housing opportunities.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

This project meets a particular need that cannot be met by other funding sources. It is difficult to fund rehabilitation of existing units, and CDBG is a source that is uniquely suited to meet this need.

Analysis

Total development cost per unit (if applicable): \$12,821.09

Total hard cost per unit (if applicable): \$11,849.69

Pros for the Project:

- Project is ready to proceed once environmental clearance is given; staff believes this project to qualify for exemptions from NEPA and CEQA.
- Preserves existing housing stock in an area of Sonoma County where affordable rental housing is extremely scarce.

Cons for the Project:

- There are no leveraged funds for the project.

Consequences of no Funding:

If partial funding were awarded, Burbank Housing would prioritize replacement work to match the available funds.

Staff Recommendation

This project is eligible for full funding based on staff analysis of readiness and the degree to which the proposed project meets objectives set out in the Notice of Funding Availability and FY 18-19 Funding Policies. **Staff recommends full funding for this project.**

CATHOLIC CHARITIES– CARITAS CENTER

Amount Requested: \$300,000 (CDBG)

Total Project Cost: \$34,950,000

Project Description Summary from Applicant's Submitted Application:

“Catholic Charities of the Diocese of Santa Rosa requests \$300,000 in Capital Projects CDBG funding for eligible predevelopment costs for Caritas Center, which has an estimated total cost of \$35 million. Caritas Village, which includes the new Caritas Center and permanent supportive housing, is being developed in downtown Santa Rosa to transform our approach to end homelessness in Sonoma County. Being developed on the site of our current Family Support Center and Homeless Services Center, Caritas Center will integrate comprehensive services and programs in a central location, allowing us to serve more clients with substantially-enriched offerings. Caritas Center will include new facilities to expand emergency housing for families, increase the clients served by our homeless day center, host our rapid rehousing, coordinated entry, and homeless services outreach, and incorporate the Nightingale respite program. We expect the Center to start construction July, 2020 and be completed January, 2022.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Predevelopment Costs for Homeless Facilities.

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

National Objective met because the project serves homeless households who are presumed to be low to very low-income under CDBG regulations.

Does the project Affirmatively Further Fair Housing?

The project increases access for individuals with protected characteristics to existing affordable housing in higher opportunity areas. The project provides emergency housing, homeless services, rapid re-housing and referrals to affordable housing in high opportunity communities where people who have experienced homelessness can gain stability.

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

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

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

Yes, Chuck Mottern, funding coordinator with the public services, reviewed the project description checklist and confirmed that it meets threshold criteria for Home Sonoma.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

Not applicable

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

Not applicable

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

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

Readiness to Proceed

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

Site control is in place, environmental reviews have been submitted. Funding requested will be used for predevelopment.

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

The Lead Agency, City of Santa Rosa, is completing an Environmental Impact Report (EIR) using a qualified environmental consultant, Stantec. The Applicant anticipates getting CEQA approval by September 2019. A NEPA Environmental Assessment (EA) was prepared in 2015 by AEM Consultants in conjunction with site acquisition, which was accomplished using CDBG funds from the City of Santa Rosa. The NEPA review will require an update to encompass any additional CDBG funding awarded.

Is the proposed project consistent with the General Plan?

Yes, the City of Santa Rosa Planning and Economic Development determined that the project site is consistent with current land use designations and that the proposed use furthers a number of the City's General Plan policies.

Does the applicant possess site control?

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

Need

After the October 2017 fires, Sonoma County declared a homeless state of emergency in July, 2018. The 2018 Point-in-Time Homeless Count identified 2,996 persons experiencing homelessness in Sonoma County. This represents an increase of 6% from the count conducted in 2017. The proposed plan consist of a construction of a new comprehensive family emergency shelter for families and individuals, the goal is to increase the number of beds from 138 to 200. Expand Catholic Charities’ current Homeless Services Center to be able to provide day time services to 50 percent more households experiencing homelessness or who are at imminent risk of becoming homeless and incorporate a Nightingale respite program for medically vulnerable individuals.

Financial Feasibility

A large portion of the required funds in this project are already committed or accounted for, so the project is financially feasible. Catholic Charities has demonstrated that it is capable of funding administration and can deliver proposed projects.

Outcomes

Among other outcomes, Caritas Center will expand their services to provide emergency housing for families and individuals. It will increase the homeless day center capacity by 50%, providing unsheltered individuals with access to emergency housing and it will expand Nightingale Respite Program for homeless patients exiting local hospitals from 26 to 40 beds.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|--------------------------------------|---------------|
| \$850,000 | Memorial Hospital | Committed |
| \$375,000 | City of Santa Rosa | Committed |
| \$200,000 | SCCDC | Committed |
| \$2,500,000 | Public Funding (including CDBG) | Uncommitted |
| \$2,000,000 | Development fees for Caritas Village | Uncommitted |
| \$500,000 | Predevelopment reimbursement | Uncommitted |
| \$1,500,000 | Sale of Housing Sites | Uncommitted |
| \$7,000,000 | New Market Tax Credits | Uncommitted |
| \$11,150,000 | Capital Campaign | Committed |
| \$8,875,000 | Capital Campaign | Uncommitted |

Leverage and Meeting Community Need (Non-Housing Projects)

Catholic Charities demonstrates significant leveraging of other funds. If applicant receives all of the requested local funding, each \$1 of CDBG funds would leverage to \$116.50 from other sources.

FY 2019-2020 Urgent Community Needs

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

Project is classified as a Homelessness related project considering to expand emergency housing, homeless services and be able to reach out to 2,200 people experiencing homelessness annually, placing 1,365 in temporary housing, and exiting at least 144 people to permanent housing each year.

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

Does not apply to this project.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The proposed project leverages greatly from other funding sources to \$116.50 for each \$1 of CDBG funds. Catholic Charities states that while CDBG funding will increase the remaining funds required for the project, denial of them will not derail the project from moving forward.

Analysis

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

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

Pros for the Project:

- Catholic Charities allied with Burbank Housing for this project, contributing many years of combined experience to make it successful.
- Addresses current need to provide emergency services to the most vulnerable in our community, and increase the capacity of a key partner in HOME Sonoma County, Sonoma County's homeless system of care.
- Funds are part of a greater enterprise to centralize services for families, children, and homeless individuals.

- Solid capital campaign and commitment from other public funding.

Consequences of no Funding:

- Catholic Charities states that the project would rely on capital campaign funding, private loans, and internal resources. However, not receiving a CDBG award would likely slow down the pace of predevelopment activities.

Staff Recommendation

Staff recommends fully funding for this project based on analysis of readiness and the degree to which the proposed project meets objectives set out in the Notice of Funding Availability and FY 18-19 Funding Policies. This is an important investment in the future of our homeless system of care.

BURBANK HOUSING DEVELOPMENT CORPORATION– CARITAS HOMES

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

Total Project Cost: **\$39,677,193**

Project Description Summary from Applicant's Submitted Application:

“Burbank Housing is seeking \$500,000 in HOME funding for predevelopment expenses for Caritas Homes, Phase 1, which has a total project cost of \$39,677,193, inclusive of a Capitalized Operating Subsidy Reserve (COSR) of \$5,414,760 (\$34,262,433 without the COSR). The 64-unit affordable rental housing project is currently in the environmental assessment and pre-entitlement stage and expected to be completed in 2021. The project is part of the larger Caritas Village redevelopment project in downtown Santa Rosa being developed in conjunction with Catholic Charities. Approximately half of the newly constructed units will be reserved for chronically homeless individuals. It is anticipated that Caritas Homes, Phase 1, would house about 111 residents at any given time.”

Note: Applicant applied for both HOME and CDBG funding, the above project description is from the HOME application but the same as their CDBG application.

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Predevelopment costs for Affordable Housing, Multifamily Residential

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

Applicant has applied for both HOME and CDBG funding.
The eligible CDBG National Objective is Low-Mod Housing

Does the project Affirmatively Further Fair Housing?

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

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

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

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

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

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

The proposed project will create 64 new housing opportunities for households with incomes ranging from 20% - 60% of AMI. One unit will be reserved for a resident manager. Housing has been identified as a priority goal #5 in the Sonoma County Housing Element.

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

Not applicable – this is a housing project.

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

Not applicable – this is housing project.

Readiness to Proceed

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

The City of Santa Rosa indicates the subject parcels include the following land designations: Residential Medium Density and Residential Medium Density Residential & Retail Business Services which support the multifamily housing and supportive services proposed.

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

Catholic Charities obtained a NEPA Environmental Assessment prepared by AEM and certified by the City of Santa Rosa. Currently, a full Environmental Impact Report for the entire Caritas Village is underway by Stantec as commissioned by the City of Santa Rosa as part of their entitlement process to be completed by the Fall of 2019.

Is the proposed project consistent with the General Plan?

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

Does the applicant possess site control?

Yes, the applicant provided a copy of a fully executed Option Agreement with Catholic Charites (current owner).

Need

The proposed project will consist of 64 new rental housing units addressing the housing shortage throughout Sonoma County. Caritas Homes will be a 100% affordable project for households with incomes ranging from the deepest affordability of 20% of AMI to 60% of AMI. Half of the units will be dedicated to chronically homeless individuals also identified as a priority in the Sonoma County Housing Element.

Financial Feasibility

The development budget includes federal, state, local and private funding sources, including CDBG-DR, No Place Like Home, Low Income Housing Tax Credits, and Housing Choice Vouchers from the City of Santa Rosa currently uncommitted to the project. However, if all identified project funding sources are successfully obtained the project budget shows a positive cash flow for years 1-14, budgeted replacement reserves, operating reserves, and a capitalized operating subsidy reserve.

Outcomes

Sonoma County has a housing shortage that was exacerbated after the recent fires in 2017. The project proposes to create new affordable housing opportunities including homeless dedicated units for the most vulnerable people.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|---|---------------|
| \$11,625,380 | California Department of Housing and Community Development (HCD) | Uncommitted |
| \$ 630,000 | No Place Like Home program (NPLH) | Uncommitted |
| \$15,380,100 | Federal Home Loan Bank of San Francisco (FHLBSF) | Uncommitted |
| \$ 410,000 | Affordable Housing Program (AHP) | Uncommitted |
| | Tax Credit Equity from the 4% Low Income Housing Tax Credit program | Uncommitted |
| | Sonoma County Community Development Commission (CDC) | Committed |
| | County Fund for Housing (CFH) | Committed |

| | | |
|--------------|---|-------------|
| \$1,000,000 | Sonoma County Community Development Commission (CDC) Partnership HealthPlan of California (PHC) | Committed |
| \$10,331,568 | City of Santa Rosa – Community Development Block Grant-Disaster Recovery (CDBG-DR) | Uncommitted |

The City of Santa Rosa has contributed \$750,000 of CDBG funds to Catholic Charities for acquisition costs for the overall Caritas Village project. The applicant is seeking \$10,331,568 of CDBG-DR program dollars to fill their identified development budget funding gap. If the applicant obtains partial funding or no funding of CDBG-DR they intend to apply for additional local funds from City of Santa Rosa or Commission.

The applicant submitted a HOME and CDBG application in the amount of \$500,000 each with the intent to obtain an award from one or the other. If they received the requested local funding, each \$1 of CDC funds would leverage \$19.88 from other sources. The full amount of CDC subsidy requested would be \$30,317 per affordable unit. The Applicant described the need to obtain an allocation of Project-Based Vouchers (PBV) from the City of Santa Rosa Housing Authority to keep the housing costs no greater than 30% of tenants’ incomes, as well as supporting the operating budget and supportive services for the project.

Leverage and Meeting Community Need (Non-Housing Projects)

Not Applicable – Caritas Homes is a housing project.

FY 2019-2020 Urgent Community Needs

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

This project will create 64 new affordable housing opportunities of which 30 units will be deeply affordable at 20% of AMI (under the 30% category) and half of the units will be reserved for homeless individuals.

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

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

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The development budget for this project identifies federal, state, and local funding to be used for the development of the project, of which the Commission currently has the largest amount of funds committed to Caritas Homes. The project is in its early stages and will continue to seek additional permanent financing for the development.

Analysis

Total development cost per unit (if applicable): \$619,956

Total hard cost per unit (if applicable): \$290,781

Pros for the Project:

- The project would create 64 new units of affordable housing.
- Half of the housing units will be dedicated to homeless individuals.
- The project will have deeply affordable units restricted and suitable for residents with incomes ranging from 20% - 60% of AMI.
- The Applicant proposes to obtain a non-competitive 4% tax credit allocation, providing some assurance of their proposed timeline.
- The Applicant has a proven track records of successfully completing projects involving supportive housing.
- The City of Santa Rosa has contributed \$750,000 of CDBG funding to Catholic Charities for acquisition costs for the project.
- Using Permit Sonoma's project readiness scoring, this project has a readiness score of 2, deemed consistent with the City of Santa Rosa's General Plan, and the current land use designations support the proposed project.

Cons for the Project:

- The project will be developed in phases and prolonging the completion of the project and full occupancy.
- The applicant represents a need for PBV's from the City of Santa Rosa.
- A large part of the permanent financing has not been committed or available yet.
- Project indicates a predevelopment and construction funding gap of \$10,331,568.

Consequences of no Funding:

If this application is not selected for funding, the Applicant would utilize various funding sources to pay for predevelopment expenses but would not derail the project in this early stage.

Staff Recommendation

This project is eligible for funding meanwhile addressing an underserved need countywide. The amount of uncommitted funds to the project injects some uncertainties into the project timeline and ability to comply with federal regulation timeliness provisions. **Staff recommends a partial HOME funding for predevelopment expenses of \$161,918 for the Caritas Homes proposal on a contingent basis that the developer secure No Place Like Home and CDBG-DR funding identified in the application. This is necessary because HOME requires all funding**

sources to be committed to a project prior to committing HOME dollars. Once the applicant can show that they have filled their largest funding gap, this will provide the confidence that HOME dollars can be spent within the 24 month timeliness provisions of the Funding Policies and the HOME regs.

PEP HOUSING– LINDA TUNIS SENIOR HOUSING

Amount Requested: \$500,000 (CDBG)

Total Project Cost: \$4,000,000

Project Description Summary from Applicant's Submitted Application:

“PEP Housing is seeking \$500,000 in CDBG funding for a rehabilitation of an unoccupied facility formerly the site of the Valley of the Moon Children's Center, to be Linda Tunis Senior Housing which has a total project cost of \$4,000,000. The project is anticipated to start February 2019 and be completed by March 2020. The project will provide 21 senior (studios and 1 bdrm) units with an additional manager's unit serving Sonoma County fire victims, low and very low-income seniors.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity: Low-Mod Housing

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

The project proposes to meet the National Objective through the conversion of non-residential structures to housing units.

Does the project Affirmatively Further Fair Housing?

In response to the question about how the project affirmatively furthers fair housing, the applicant responded that the project “provides affordable housing in an area(s) of opportunity to combat segregation and promote integration”. The explanation provided discusses that the Sonoma County region excludes those with moderate to low incomes because of the high cost of housing. While this statement is certainly true, it does not respond to the federal fair housing guidelines to which CDBG funds are subject: affirmatively furthering the policies of the Fair Housing Act, including overcoming patterns of segregation and denial of opportunity.

The proposed Linda Tunis Senior Housing is geographically isolated from community assets and transit. It is a ½ mile walk to the nearest bus stop on Highway 12. The access road has no sidewalk, and the stop is located on the side of a major thoroughfare without a bus shelter or bench. At the February 20th workshop of the Cities and Towns Advisory Committee and the Community Development Committee, when the applicant was questioned about the development's isolation from amenities and transit, the response provided referenced the availability of this bus-stop. Given the population served, this limited access to transit is likely to pose significant accessibility challenges. The general standard for accessibility is a ¼ of a mile, with sidewalks and bike lanes providing safe routes for pedestrians or cyclists.

Within the application, the applicant does state that each resident will have access to an individualized case manager to ensure access to services needed to live independently. However, without a detailed description of how on-site programming or

transportation services would be tailored to meet residents' needs, staff cannot determine if barriers posed by the geographic isolation of the proposed project site will be adequately addressed. The current proposal would inhibit resident's access to cultural resources, transit, services and amenities on par with those enjoyed by other members of the community at large.

The Commission has an obligation to fund activities that can clearly demonstrate compliance with the Fair Housing Act by affirmatively furthering fair housing. Staff determination is that, as currently designed and proposed, this project does not meet this threshold requirement.

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

Pep Housing has 40 years of experience in management and development of affordable housing for seniors.

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

Per the Homelessness-Related Projects Threshold Criteria Checklist signed by Chuck Mottern, Public Services Funding Coordinator, the project meets the threshold criteria for Home Sonoma.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

The project proposes to rehabilitate the former Valley of the Moon Children's Home into 22 units (21 plus a manager's unit) of affordable housing for low-income seniors, 55 and older.

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

Not applicable.

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

Not applicable.

Readiness to Proceed

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

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

There is still a great deal of uncertainty regarding zoning and use of site, specifically whether these units can/will be designated for permanent supportive housing. Without a specific determination regarding zoning, staff is unable to form an accurate timeline for the project. Although the applicant indicates construction is slated to begin in October 2019, there is insufficient information regarding the entitlement process.

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

A preliminary letter was included in the application provided by the Sonoma County Permit and Resource Management Department (PRMD), stating, “The proposed project is categorically exempt under Section 15301(a) of the State CEQA Guidelines. The project is a lease of an existing public structure involving negligible expansion of use. The project occurs almost entirely within an existing building, and will generate few additional vehicle trips...” However, in consultation with PRMD, staff has been informed that there has been no decision made regarding which jurisdiction will entitle the project, or where the project is actually consistent with zoning and the General Plan. As such, the CEQA/NEPA review process is also still undetermined.

Is the proposed project consistent with the General Plan?

Please see comments above related to entitlement review. Preliminary information provided by PRMD regarding General Plan consistency has not been verified.

Does the applicant possess site control?

Project applicant has stated that the draft lease for the property has been reviewed by their attorney and is now with the County, on schedule for a March 19th Board of Supervisor meeting and approval.

Need

Project application highlights the 2018 Point-In-Time Count, which stated, “43% of those temporarily housed due to fires were age 55 or older.”

Financial Feasibility

According to the development budget submitted with the application the project seems to be financially feasible, pending the commitment of additional funds.

Outcomes

The Project proposes to provide housing to 21 seniors (plus a managers unit) who are homeless and displaced by the wildfires.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|-------------------------------------|---------------|
| \$100,000 | Wells Fargo | |
| \$1,000,000 | Kaiser Permanente | |
| \$880,000 | HEAP/County Housing Fund/CDBG | Uncommitted |
| \$420,000 | AHP fed Home Loan Bank | Uncommitted |
| \$1,100,000 | Other Grants Including Rotary Grant | Uncommitted |

If applicant receives all of the requested local funding, each \$1 of CDC funds would leverage \$7.00 from other sources. The full amount of CDC subsidy requested would be \$23,810 per affordable unit.

FY 2019-2020 Urgent Community Needs

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

The project proposes to create 13 studios dedicated to very-low income seniors, 7 studios dedicated to seniors at 80% of area median income and 1 bedroom dedicated to very low-income seniors.

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

Per a letter provided by County of Sonoma Permit and resource Management Department, the project is consistent with the County’s General Plan policies that support affordable housing for seniors and other special needs populations, use of County-owned land for affordable housing, and use of sites with adequate services and infrastructure for housing.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The project proposes to leverage nearly \$3.5 million in other funding sources, including a future HEAP request. However, only \$1.1 million is currently committed.

Analysis

Total development cost per unit (if applicable): \$181,818.18

Total hard cost per unit (if applicable): \$113,148.86

Pros for the Project:

- Serves a underrepresented demographic
- Serves the senior population which has been identified as a goal of the CD Committee
- Leverages an existing structure for the creation of affordable housing
- Narratives states project will target most vulnerable population

Cons for the Project:

- \$1.1 million of uncommitted funds represents only a quarter of the total project cost (\$4 million)
- Due to age of building and length of vacancy, rehab might accrue greater costs than demolition
- Location of building raises question of mobility; what type of transportation is available to residents? The relative seclusion of building could present challenges for the target demographic

Consequences of no Funding:

Due to the small scale of the project, applicant has indicated that phasing would no be an option due to development costs. Application did not indicate the consequences of partial or no funding. However, due to the nature of the project, it can be assumed that the project would be delayed without any award.

Staff Recommendation

Without significant changes to the project design and onsite programming that decrease the inherent isolation of the project location, funding cannot be recommended at this time because the project does not Affirmatively Further Fair Housing. Additionally, uncertainties related to zoning and environmental review have not been resolved. Until these issues are addressed **staff cannot recommend funding.**

**DISABILITY SERVICES AND LEGAL CENTER-HOUSING ACCESS
MODIFICATION PROGRAM**

Amount Requested: \$ 85,000

Total Project Cost: N/A

Project Description Summary from Applicant's Submitted Application:

“The Disability Services & Legal Center is seeking \$85,000 in CDBG funding that provides consumers independence and quality of life and increases the available, accessible and affordable units in Sonoma County through our Housing Access Modifications Program (HAM) . We receive consumer referrals from hospital discharge planners, health professionals and social workers associated with MSSP, Rebuilding Together and other agencies. In the 21 years of this program we have installed ramps, roll-in showers, grab bars, porch lifts and flashing light alert systems. We have modified the homes of senior veterans and people with disabilities for access needs. These cost-effective modifications offer freedom and independence for our qualified consumers to remain safely in their homes rather than risk homelessness, institutionalization, or some form of assisted living.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Rehabilitation of existing low-income residential housing

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

The project benefits persons who are Low to Moderate Income. Limited Clientele Benefit. Project/activity has income eligibility requirements that limit the activity exclusively to L/M income persons.

Does the project Affirmatively Further Fair Housing?

Yes. The project increases access for individuals with protected characteristics to existing affordable housing in higher opportunity areas, and allows people with disabilities to remain in their homes, providing stability, affordability, and continued participation in their community.

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

Staff analyzed 16/17 and 17/18 award compliance and timeliness. The average cost of a DSLC project (including NEPA) is \$5,630. The capacity of DSLC to spend awarded funds from April 2019 through April 2021 is about \$80,000. DSLC has a current award balance of \$90,000 from prior years' funding awards. At the rate of completed projects, DSLC may well find it necessary to request a contract extension to have funds spent before CDC is required to reprogram funds for 16/17 and 17/18 awards.

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

Not applicable.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

See below.

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

The Housing Access Modification program ensures that low-income households with disabilities maintain the ability to remain in their homes by adding improvements that make homes accessible

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

Not applicable.

Readiness to Proceed

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

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

DSLDC has an existing NEPA for these projects. Additionally, CDC staff helped secure an exemption from the California Office of Historic Preservation for effected projects.

Is the proposed project consistent with the General Plan?

Not applicable.

Does the applicant possess site control?

Not applicable.

Need

DSLCL states that there is a great need for accessible rental and single-family housing units. As of January of 2019 DSLCL references a list of 23 consumers that are in need of projects.

Financial Feasibility

The average cost of a DSLCL project (including NEPA) is \$5,630. Based on the last year's performance during which DSLCL completed 7 projects, the capacity of DSLCL to spend funding is about \$40,000 per year. DSLCL currently has an unspent balance of \$90,000 from awards made in prior years. Staff estimates that this will take DSLCL until approximately April 2021 to exhaust, meaning that the applicant does not have capacity to spend a new award within the timeliness period provided in the FY 19-20 Funding Policies.

Outcomes

DSLCL helps increase the availability of accessible, low-income housing units in Sonoma County. Additionally, the HAM program facilitates existing tenants and homeowners to stay housed and prevents the need to relocate or succumb to placement in an institutional setting.

Leverage (Housing Projects) N/A

Leverage and Meeting Community Need (Non-Housing Projects)

DSLCL helps increase the availability of accessible, low-income housing units in Sonoma County. Additionally, the HAM program facilitates existing tenants and homeowners to stay housed and prevents the need to relocate or succumb to placement in an institutional setting.

FY 2019-2020 Urgent Community Needs

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

See below.

2. Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.

See below.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The Housing Access Modification program meets a community need of providing modification to existing housing that ensures persons with disabilities can remain in their homes. This allows them to maintain housing affordability and to remain in their

community. DSLC serves between 7 and 11 households annually, serving households that do not have access to other resources to make these improvements to their housing.

Analysis

Total development cost per unit: ongoing

Total hard cost per unit: approximate average cost per unit \$5,630 including NEPA (based on staff calculations of average costs last year)

Pros for the Project:

- Increases accessible, low income housing units throughout Sonoma County
- Keeps existing residents housed

Cons for the Project:

- Does not meet urgent community needs criteria.

Staff investment in assuring subrecipient's accurate reporting and program compliance:

16/17 Even with staff support, DSLC's first and second quarter reporting requirement was not in compliance with program requirements.

The third quarter report shows two projects completed for \$4,050 and \$10,805

There were no completed projects in the fourth quarter

17/18 First quarter three projects in process for \$5,025, \$4,936 and \$4,350

The second quarter report shows three projects in process for \$3,947 and \$5,875

Consequences of no Funding:

The HAM program is a true asset to the community and profoundly improves the quality of life for program beneficiaries. DSLC should have sufficient funding to meet HAM program capacity until the 2020-2021 funding cycle, at which time they will be eligible to apply for more funds.

Staff Recommendation

Staff recommends no funding.

The Housing Access Modification or "HAM" program has two open CDBG awards: \$40,307 for 16/17 and \$85,000 for 17/18. DSLC anticipates spending the remaining 16/17 award by the end of the first quarter of 2019. The agreement for the 17/18 award states that DSLC has 22 remaining months to spend the entire \$85,000.

The average cost of a DSLC project (including NEPA) is \$5,630. At its current rate of project completion, DSLC's capacity is to complete 7 Housing Access Modification projects each year, meaning that DSLC has sufficient funds to operate at capacity until at least April 2021. DSLC is on track to request a contract

extension to have funds spent before being subjected to CDC reprogramming of existing 16/17 and 17/18 awards.

Following best practices and considering the current policy limiting contract terms to 18 months, staff recommends that DSLC should spend down the 17/18 award and reapply for funding in the 2020-2021 funding cycle. Additionally, staff recommends that DSLC continues to work with staff on compliance and technical assistance.

SONOMA COUNTY REGIONAL PARKS – SPRING LAKE PARK FAMILY CAMPGROUND ADA IMPROVEMENTS

Amount Requested: **\$165,000**

Total Project Cost: **\$200,000**

Project Description Summary from Applicant's Submitted Application:

“Sonoma County Regional Parks is seeking \$165,000 in CDBG funding for removing barriers to accessibility for persons with disabilities at the Family Campground in Spring Lake Regional Park. Work would start this summer with completion December 2020. Matched with local funds, the total project cost is \$200,000 and includes:

- Path of travel improvements to connect accessible cabins and campsites to the campground office, camp host, outdoor story telling area, and the restroom. This includes new accessible route signs.
- Replacement of two non-compliant drinking fountains.
- Restroom and shower building improvements including leveling the existing concrete floor, replacing and reconfiguring partitions and plumbing fixtures, replacing the exterior pot washing sink with an accessible model, and new building identification signs.

This 320-acre park is one of Sonoma County’s most popular parks, supporting over one million visits per year. The campground welcomes tent, trailer, and RV campers year-round and features several sleeping cabins.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

While this project would be making accessibility improvements to a public facility, it is in service to a regional park. The first test of any CDBG public improvements project is whether it has a service area that is at least 51% Low to Moderate Income. The service area of Spring Lakes Campground is arguably the entire Bay Area, which does not qualify under Area Benefit in the CDBG regulations.

This means that the project has to be examined to determine if it qualifies under “Limited Clientele” – meaning that a reasonable assumption can be made that at least 51% of the users of the improvements will be Low to Moderate Income. Although the proposed improvements are being made to serve people with disabilities, who are presumed to be low-income under the CDBG regulations, a reasonable assumption cannot be made that 51% or more of those using the facilities will be disabled or otherwise qualify as Low to Moderate Income.

The results of this analysis is the determination that this project is ineligible for funding because it does not meet a national objective.

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

While the project proposes to serve people with disabilities, who are presumed to be low or moderate income under the CDBG regulations, it is likely that HUD would question whether this

was the highest and best use of funds, given that this project is for a campground, serving campers from the region at large. Sonoma County as a whole does not have a predominantly Low to Moderate Income population, so without further documentation that at least 51% of the households using Spring Lake Campground, the case can't be made that this project will primarily serve Low to Moderate Income people. When HUD makes a determination about "reasonableness" there must be a reasonable assumption that at least 51% of the population served will be low to moderate income in order for a project to be eligible. While there will certainly be some campers who will need access to accessible camping amenities in order to recreate at Spring Lake, there are other public facilities projects competing for funds that will more readily serve people with disabilities at a neighborhood level, and that serve a higher percentage of low to moderate income people.

Does the project Affirmatively Further Fair Housing?

No. It does not improve access to amenities in a segregated or high poverty neighborhood or provide housing in a high opportunity neighborhood.

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

As a County agency, Sonoma County Regional Parks receives HUD funding as an entitlement jurisdiction along with the other members of the Urban County. Regional Parks is experienced at managing CDBG funds, having been consistently awarded CDBG funds since the program began.

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

Not applicable. This project does not propose to serve people who are homeless.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

Not applicable.

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

Not applicable.

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

This project proposes to improve a campground so that it is better accessible to people with disabilities, who are presumed to be low or moderate income under CDBG

regulations. However, whether the project will serve 51% or more low to moderate income population overall is unlikely.

Readiness to Proceed

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

Regional Parks expects environmental clearance by May 2020 and a construction completion date of December 2020. Permit Sonoma gave it a readiness score of 1, (all entitlements, except building permit, are in place and valid.)

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

CEQA is expected to be complete before May 2020. New pathway presents ground disturbance within an existing campground near possible Native American cultural sites. This poses the potential for project delay, so there is a possibility that the project would not be able to complete any project work other than the completion of environmental review portion within the timeliness provisions of the FY 19-20 Funding Policies.

Is the proposed project consistent with the General Plan?

Yes, assist in creating and/or replacing infrastructure systems and public facilities that meet the needs of lower-income people, people with disabilities, and other special needs subpopulations county-wide. Permit Sonoma approved consistency.

Does the applicant possess site control?

Yes, there is an operation agreement between Sonoma County Water Agency and Regional Parks, The Sonoma County Water Agency Constructed the dam at Spring Lake Park for flood control purposes and entered into an agreement with Sonoma County Regional Parks for maintenance and operation of the park.

Need

The County of Sonoma allocates funding to remove physical barriers per the approved County of Sonoma 2009 updated Accessibility (ADA) Transition Plan. A portion of this funding is earmarked to improve access to Regional Park facilities. Combined with CDBG funding, Regional Parks is systematically removing barriers in parks and along trails that it manages. The demand for barrier removal projects in Regional Parks remains high. Regional Parks has over \$2.5 million of remaining accessibility capital project needs that are detailed in the 2009 ADA Transition Plan.

In addition there are several well attended programs at Spring Lake that benefit low income local residents. These include Campfire programs, Saturday Science, Family hikes and the Environmental Discovery Visitor Drop In Center. While these programs are made available to households of all income, without documentation that at least 51% of participating households are Low to Moderate income, this is not sufficient documentation of a need for CDBG funding for this project.

Financial Feasibility

This analysis was not completed, given the ineligibility of the project.

Outcomes

This project will reduce material and architectural barriers at camping facilities in a public park used by Sonoma County residents and visitors. According to Census and American Community Survey 2013-2017, up to 12.23% of Sonoma County population has a disability. A reasonable assumption cannot be made that at least 51% of the population being served by these improvements would be low to moderate income.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

Leverage and Meeting Community Need (Non-Housing Projects)

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|-----------------------|---------------|
| \$165,000 | CDBG | Uncommitted |
| \$35,000 | General Services ADA | Uncommitted |

FY 2019-2020 Urgent Community Needs

- 1. Projects that serve the maximum number of people at the lowest income threshold.**
This project does not maximize the number of low income people served, in comparison to some of the neighborhood serving public facility improvements.

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

This is not a housing project.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

This project is using CDBG and General Services ADA funds. The General Services funds are 17.5% of the proposed budget and CDBG funds make up 82.5% of the proposed budget. Given that General Services has some funding for this work, it is possible that this work could be completed in phases without an investment of CDBG dollars.

Analysis

Total development cost per unit (if applicable):

Total hard cost per unit (if applicable):

Pros for the Project:

- Improves access to all individuals at a County Park
- Can be phased if given partial funding
- Readiness score of 1

Cons for the Project:

- Project serves the Sonoma County Region, not a local neighborhood and does not meet Area Benefit test, nor can a reasonable assumption be made that 51% or more of users of the facility will be low to moderate income.
- Most of the funds are coming from CDBG
- Need is not as great as some of the other projects

Consequences of no Funding:

Fewer ADA improvements will be made if given no funding and fewer site facilities will be accessible.

Staff Recommendation

Due to concerns about not being considered reasonable by HUD in terms of eligibility or meeting the National Objective, staff recommends no funding for this project that has been determined to be ineligible.

BURBANK HOUSING DEVELOPMENT CORPORATION– CARITAS HOMES

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

Total Project Cost: **\$39,677,193**

Project Description Summary from Applicant’s Submitted Application:

“Burbank Housing is seeking \$500,000 in HOME funding for predevelopment expenses for Caritas Homes, Phase 1, which has a total project cost of \$39,677,193, inclusive of a Capitalized Operating Subsidy Reserve (COSR) of \$5,414,760 (\$34,262,433 without the COSR). The 64-unit affordable rental housing project is currently in the environmental assessment and pre-entitlement stage and expected to be completed in 2021. The project is part of the larger Caritas Village redevelopment project in downtown Santa Rosa being developed in conjunction with Catholic Charities. Approximately half of the newly constructed units will be reserved for chronically homeless individuals. It is anticipated that Caritas Homes, Phase 1, would house about 111 residents at any given time.”

Note: Applicant applied for both HOME and CDBG funding, the above project description is from the HOME application but the same as their CDBG application.

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Predevelopment costs for Affordable Housing, Multifamily Residential

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

Applicant has applied for both HOME and CDBG funding.
The eligible CDBG National Objective is Low-Mod Housing

Does the project Affirmatively Further Fair Housing?

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

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

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

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

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

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

The proposed project will create 64 new housing opportunities for households with incomes ranging from 20% - 60% of AMI. One unit will be reserved for a resident manager. Housing has been identified as a priority goal #5 in the Sonoma County Housing Element.

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

Not applicable – this is a housing project.

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

Not applicable – this is housing project.

Readiness to Proceed

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

The City of Santa Rosa indicates the subject parcels include the following land designations: Residential Medium Density and Residential Medium Density Residential & Retail Business Services which support the multifamily housing and supportive services proposed.

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

Catholic Charities obtained a NEPA Environmental Assessment prepared by AEM and certified by the City of Santa Rosa. Currently, a full Environmental Impact Report for the entire Caritas Village is underway by Stantec as commissioned by the City of Santa Rosa as part of their entitlement process to be completed by the Fall of 2019.

Is the proposed project consistent with the General Plan?

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

Does the applicant possess site control?

Yes, the applicant provided a copy of a fully executed Option Agreement with Catholic Charites (current owner).

Need

The proposed project will consist of 64 new rental housing units addressing the housing shortage throughout Sonoma County. Caritas Homes will be a 100% affordable project for households with incomes ranging from the deepest affordability of 20% of AMI to 60% of AMI. Half of the units will be dedicated to chronically homeless individuals also identified as a priority in the Sonoma County Housing Element.

Financial Feasibility

The development budget includes federal, state, local and private funding sources, including CDBG-DR, No Place Like Home, Low Income Housing Tax Credits, and Housing Choice Vouchers from the City of Santa Rosa currently uncommitted to the project. However, if all identified project funding sources are successfully obtained the project budget shows a positive cash flow for years 1-14, budgeted replacement reserves, operating reserves, and a capitalized operating subsidy reserve.

Outcomes

Sonoma County has a housing shortage that was exacerbated after the recent fires in 2017. The project proposes to create new affordable housing opportunities including homeless dedicated units for the most vulnerable people.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|---|---------------|
| \$11,625,380 | California Department of Housing and Community Development (HCD) | Uncommitted |
| \$ 630,000 | No Place Like Home program (NPLH) | Uncommitted |
| \$15,380,100 | Federal Home Loan Bank of San Francisco (FHLBSF) | Uncommitted |
| \$ 410,000 | Affordable Housing Program (AHP) | Uncommitted |
| | Tax Credit Equity from the 4% Low Income Housing Tax Credit program | Uncommitted |
| | Sonoma County Community Development Commission (CDC) | Committed |
| | County Fund for Housing (CFH) | Committed |

| | | |
|--------------|---|-------------|
| \$1,000,000 | Sonoma County Community Development Commission (CDC) Partnership HealthPlan of California (PHC) | Committed |
| \$10,331,568 | City of Santa Rosa – Community Development Block Grant-Disaster Recovery (CDBG-DR) | Uncommitted |

The City of Santa Rosa has contributed \$750,000 of CDBG funds to Catholic Charities for acquisition costs for the overall Caritas Village project. The applicant is seeking \$10,331,568 of CDBG-DR program dollars to fill their identified development budget funding gap. If the applicant obtains partial funding or no funding of CDBG-DR they intend to apply for additional local funds from City of Santa Rosa or Commission.

The applicant submitted a HOME and CDBG application in the amount of \$500,000 each with the intent to obtain an award from one or the other. If they received the requested local funding, each \$1 of CDC funds would leverage \$19.88 from other sources. The full amount of CDC subsidy requested would be \$30,317 per affordable unit. The Applicant described the need to obtain an allocation of Project-Based Vouchers (PBV) from the City of Santa Rosa Housing Authority to keep the housing costs no greater than 30% of tenants' incomes, as well as supporting the operating budget and supportive services for the project.

Leverage and Meeting Community Need (Non-Housing Projects)

Not Applicable – Caritas Homes is a housing project.

FY 2019-2020 Urgent Community Needs

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

This project will create 64 new affordable housing opportunities of which 30 units will be deeply affordable at 20% of AMI (under the 30% category) and half of the units will be reserved for homeless individuals.

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

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

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The development budget for this project identifies federal, state, and local funding to be used for the development of the project, of which the Commission currently has the largest amount of funds committed to Caritas Homes. The project is in its early stages and will continue to seek additional permanent financing for the development.

Analysis

Total development cost per unit (if applicable): \$619,956

Total hard cost per unit (if applicable): \$290,781

Pros for the Project:

- The project would create 64 new units of affordable housing.
- Half of the housing units will be dedicated to homeless individuals.
- The project will have deeply affordable units restricted and suitable for residents with incomes ranging from 20% - 60% of AMI.
- The Applicant proposes to obtain a non-competitive 4% tax credit allocation, providing some assurance of their proposed timeline.
- The Applicant has a proven track records of successfully completing projects involving supportive housing.
- The City of Santa Rosa has contributed \$750,000 of CDBG funding to Catholic Charities for acquisition costs for the project.
- Using Permit Sonoma's project readiness scoring, this project has a readiness score of 2, deemed consistent with the City of Santa Rosa's General Plan, and the current land use designations support the proposed project.

Cons for the Project:

- The project will be developed in phases and prolonging the completion of the project and full occupancy.
- The applicant represents a need for PBV's from the City of Santa Rosa.
- A large part of the permanent financing has not been committed or available yet.
- Project indicates a predevelopment and construction funding gap of \$10,331,568.

Consequences of no Funding:

If this application is not selected for funding, the Applicant would utilize various funding sources to pay for predevelopment expenses but would not derail the project in this early stage.

Staff Recommendation

This project is eligible for funding meanwhile addressing an underserved need countywide. The amount of uncommitted funds to the project injects some uncertainties into the project timeline and ability to comply with federal regulation timeliness provisions. **Staff recommends a partial HOME funding for predevelopment expenses of \$161,918 for the Caritas Homes proposal on a contingent basis that the developer secure No Place Like Home and CDBG-DR funding identified in the application. This is necessary because HOME requires all funding**

sources to be committed to a project prior to committing HOME dollars. Once the applicant can show that they have filled their largest funding gap, this will provide the confidence that HOME dollars can be spent within the 24 month timeliness provisions of the Funding Policies and the HOME regs.

CITY OF HEALDSBURG– VICTORY STUDIOS/APARTMENTS

Amount Requested: \$250,000 (HOME)

Total Project Cost: \$250,000

Project Description Summary from Applicant's Submitted Application:

“The City of Healdsburg is seeking \$250,000 in HOME funding for the rehabilitation of 11 existing units at the Victory Studios/Apartments. The project will make needed improvements to the exterior and interior of the Victory Studio/Apartments that currently serve 9 low-income and 20 extremely-low-income residents. The project is anticipated to start upon completion of the design documents and the selection of a contractor to complete the rehabilitation.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Rehabilitation to meet minimum property standard or to make essential improvements, including energy-related repairs or improvements.

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

Project is applying for HOME funds only.

Does the project Affirmatively Further Fair Housing?

The project provides/maintains affordable housing in area(s) of opportunity to combat segregation and promote integration. The rehabilitation will provide improved permanent supportive housing for low-and-very-low income individuals and families. Victory Studios is designed to serve clients who are exiting homelessness and will participate in Coordinated Entry, ensuring that households with high vulnerability are prioritized for permanent supportive housing. The project will also add a wheelchair accessible bathroom to a ground floor 2-bedroom apartment, increasing the supply of housing for people with disabilities

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

Yes, the applicant has experience in the managing of HOME, CDBG, ESG, and other State and Federal funds. The applicant partners with Reach for Home, a non-profit organization with experience in service delivery and property management specialized to serve people exiting homelessness.

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

Per the Homelessness-Related Projects Threshold Criteria Checklist signed by Chuck Mottern, Public Services Funding Coordinator, the project meets the threshold criteria for Home Sonoma. Victory Studios preserves scarce permanent supportive housing units, highly leverages use of an

existing facility and increases geographic coverage of Sonoma County's homeless system of care in the north part of the county.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

Project proposes the rehabilitation/preservation of 11 transitional apartment units for homeless individuals. The applicant plans provide the following improvements: new roofs, solar panels, tankless water heaters, new appliances (stoves, refrigerators, dishwashers, and microwave ovens), exterior and interior painting, on-site drainage improvements, air-conditioning for the 2-bedroom units, stackable washers and dryers in each unit, fencing along the southern and northern property lines and ADA improvements to the property.

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

Not applicable.

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

Not applicable.

Readiness to Proceed

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

Applicant does not expect any zoning or land use approval issues. applicant shows a professional service agreement to be completed in March 2019, issue an RFP for contractor in March 2019, award the aforementioned RFP in May 2019 and begin construction in July 2019.

Based on the provided information, it appears that applicant plans to complete improvements and property upgrades in a two-month period and even if there should be a delay, it is still very likely that funds could be expended in line with program timeliness requirements.

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

The Sonoma County Community Development Commission determined that the project was likely to convert to exempt from a NEPA Environmental Review. The project expects no ground disturbing activity.

Is the proposed project consistent with the General Plan?

A letter from Maya DeRosa, Planning and Building Director for the City of Healdsburg, confirmed that the proposed project are consistent with the city’s general plan and will “further the Healdsburg 2030 General Plan Guiding Principles, Goals, Policies and Implementation Measures.”

Does the applicant possess site control?

Yes, the client possesses site control in the form of ownership. A grant deed was provided as evidence.

Need

The 2018 Sonoma county Homeless Census stated that, on any given night, 129 people experience homelessness in the City of Healdsburg. While the Victory/Studio apartments currently serve 29 families in low to extremely-low income ranges, units are fully occupied and in need of repairs to convert the housing into permanent supportive housing.

Financial Feasibility

Per the budget supplied by the City of Healdsburg, \$242,000 total direct construction costs, \$7,000 in predevelopment and \$700 in a contingency for soft costs.

The application proposes no other leveraged/committed funds. Applicant has applied for \$250,000 in HEAP funds to be used to construct a Navigation Center at the site. This center will serve both the residents of Victory Studios/Apartments as well as provide services to walk-in consumers. The Navigation Center will have space available for case managers and other providers so services can be centrally located and accessed.

Outcomes

The rehabilitation of 11 existing housing units that will be available as permanent supportive housing low to extremely low income residents upon project completion

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

The project proposes to leverage the value of the building, land and \$250,000 in HEAP funds that will be used to assist in the rehabilitation and construct a Navigation Center on site.

Leverage and Meeting Community Need (Non-Housing Projects)

Not applicable.

FY 2019-2020 Urgent Community Needs

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

Project proposes to serve 9 low-income and 20 extremely-low income residents.

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

Project will extend the life of the existing units through the rehabilitation of 11 (7 studios and 4 2-bedrooms) permanent supportive housing units for homeless individuals.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

Applicant has applied for HEAP funds and has received a preliminary commitment from the Community Development Homeless Services Team for \$250,000 in funding.

Analysis

Total development cost per unit (if applicable): \$22,727

Total hard cost per unit (if applicable): \$22,000

Pros for the Project:

- Helps maintain housing for homeless individuals
- Funds are part of a larger initiative to create a Navigation Center and permanent supportive housing
- Applicant has experience with the administration and management of federal funds
- Provides affordable housing in an area struggling to maintain affordability
- A relatively quick way to expend funds if awarded

Cons for the Project:

- No cost per-unit breakdown, but if the project should hit a shortfall it will likely limit the number of appliances installed rather than stopping the entire project

Consequences of no Funding/Partial Funding:

- Lack of this needed investment in the homeless system of care in north county will leave this part of the county's homeless system of care underserved.

Staff Recommendation

Staff recommends full funding of the applicant's requested amount of \$250,000

CITY OF SEBASTOPOL– PARK VILLAGE SITE IMPROVEMENTS

Amount Requested: **\$45,000 (CDBG)**

Total Project Cost: **\$379,850**

Project Description Summary from Applicant’s Submitted Application:

“The City of Sebastopol is seeking \$45,000 in HOME funding for Park Village site improvements, which involve renovating a vacant building into two ADA compliant apartments, which has a total project cost of \$379,890 . The balance of funding is set. The project is anticipated to start construction on July 1, 2019 and be completed by February 28, 2020. The project will provide two apartments, serving approximately 2 low- /very low- /extremely-low-income households that can be either single occupancy or families of up to 4 members. Thus the renovated living spaces can accommodate between 2 and 8 persons. Park Village is an ongoing facility for low- /very low- /extremely-low-income households that also provides services to transition people to permanent living situations.”

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Rehabilitation to meet minimum property standard or to make essential improvements.

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

Project is applying for HOME funds but if funded with CDBG the Rehabilitation of Housing serving persons of Low to Moderate Income would be the National Objective.

Does the project Affirmatively Further Fair Housing?

It maintains and preserves existing affordable rental housing stock to reduce disproportionate housing needs. The renovation of apartments in an existing building preserves the apartments for use by qualified lower income individuals. Park Village is half a mile from downtown Sebastopol. It is served by a bus station that is located just outside of the development giving residents access to many local amenities and services similar to access enjoyed by other Sebastopol residents, including two full service grocery stores, drug store, various bank branches, restaurants, post office, library, museum, weekly farmers market, and thrift store. It is within ¼ mile walking distance to a grocery store and restaurants.

Park Village is managed by West County Community Services (WCCS) a non-profit service provider. On the Park Village site, WCCS offers an ADA compliant community center for Park Village’s residents. The center includes a community gathering area, an ADA restroom, and an office for the full-time Case Manager who provides on-site case management services for the residents.

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

Yes, the applicant has experience in the managing of CDBG, and other State and Federal funds. The City of Sebastopol contracted with West County Community Services (WCCS) to manage Park Village in May 2017. WCCS provides a site manager as well as a full-time Case Manager, who will provide Case Management to the families/individuals in residence.

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

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

Funding Priorities

1. Creation or Preservation of Affordable Housing.

This project proposes to rehabilitate an existing substandard apartment building that is currently vacant. The apartment building includes two legal dwelling units (although currently includes two additional rooms without restrooms or kitchens).

The project would incorporate the two rooms without bathrooms/kitchens into the two legal dwelling units to provide (2) two-bedroom apartments.

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

Not applicable.

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

Not applicable.

Readiness to Proceed

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

Design work and Bid Solicitation is anticipated to be complete by July 2019. The project is anticipated to start construction on August, 2019 and be completed by February 28, 2020.

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

Per Kenyon Webster with the City of Sebastopol there is a CEQA Exemption. The rehabilitation of the apartments should be exempt under Class 1, Existing Facilities, as the project is a rehabilitation of apartments in existing buildings involving no expansion of use, including no new square footage, and no addition of dwelling units.

This project augments a CDBG award already made. A final NEPA assessment is being completed to confirm that there are no concerns.

Is the proposed project consistent with the General Plan?

Yes, a letter from the City's Planning Director is on file.

Does the applicant possess site control?

Yes, the client possesses site control in the form of ownership. Title Report is provided as evidence.

Need

Homeless counts for Sebastopol have increased over time, with latest counts nearing 100 for the City and surrounding area. The overall Sebastopol Park Village Project is a partnership between the City, the non-profit West County Community Services (WCCS), and a group of volunteers (the Group of Advocates) to convert Park Village into an expanded housing and supportive services site in order to reduce homelessness and improve the quality of life. Refurbishing two currently vacant apartments is one of several project paths to adding to the housing capability of Park Village. The overall projects' goals include expanding the available space to accommodate between 2 and 8 additional individuals.

Financial Feasibility

The applicant has already obtained two grants totaling \$335,000. This award would provide the remaining funds to complete the project budget.

Outcomes

Refurbishing vacant apartments will allow space for up to 8 of individuals expected to be added to the Park Village community. In addition to a property manager, WCCS has assigned a community services worker to assist the Park village residents in accessing necessary services, and generally improving the quality of their life. The facility has shown success over the past year, as several families have been able to transition to more permanent living arrangements.

Leverage (Housing Projects)

This project proposes to leverage funds from the following sources:

| <u>Amount</u> | <u>Funding Source</u> | <u>Status</u> |
|---------------|--------------------------|---------------|
| \$200,000 | Partnership Health Grant | Committed |
| \$135,000 | CDC CDBG Grant 18/19 | Committed |

Leverage and Meeting Community Need (Non-Housing Projects)

Not applicable.

FY 2019-2020 Urgent Community Needs

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

Project proposes to serve up to 8 Extremely Low to Low Income individuals .

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

The project will provide two apartments, serving approximately 2 low- /very low- /extremely-low-income households that can be either single occupancy or families of up to 4 members. The project is ¼ mile away from some amenities, and others are within a short bus ride on public transit.

3. Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.

The rationale for doing this is that the project creates scarce permanent supportive housing units, highly leverages the other work of WCCS in West County, including HEAP funded projects that will be used to make improvements to mobile home pads within Park Village.

Analysis

Total development cost per unit (if applicable): \$0

Total hard cost per unit (if applicable): \$190,000

Pros for the Project:

- Helps maintain permanent housing for individuals.
- Project already has the majority of the funds.
- Applicant has experience with the administration and management of federal funds.

- Applicant is providing the environmental.

Cons for the Project:

- The project cannot be phased.

Consequences of no Funding/Partial Funding:

Unfortunately, phasing or partial funding is not practical. Enough money must be available to complete the work. A partially renovated apartment is still not a usable apartment.

Staff Recommendation

Staff recommends fully funding the project in the full amount requested: \$45,000 in CDBG funds.

Sonoma County Housing Authority– HOME TENANT BASED RENTAL ASSISTANCE

Amount Requested: \$270,000

Total Project Cost: \$270,000

Project Description Summary from Applicant’s Submitted Application:

The Community Development Commission’s Tenant Based Rental Assistance Program (TBRA) currently serves 38 households. The households currently served include:

- 14 individuals with HIV/AIDS who are clients of Face 2 Face
- 8 senior citizens who are clients of the Human Services Department Linkages program that helps older adults remain safely and independently at home
- 13 seniors in a housing development in Rohnert Park that converted to market rate
- 3 senior households who live in mobile homes who were part of the Mobilehome Space Rent Assistance Program and whose landlords have historically not taken Housing Choice Vouchers

TBRA provides a two year contract to each household with the purpose of stabilizing them in existing housing or providing them with access to housing when they are experiencing homelessness or at risk of homelessness. TBRA is particularly useful if a household is not eligible for other housing assistance at the time that they are experiencing housing instability, homelessness or are at risk of homelessness.

\$270,000 will ensure that the 38 households currently receiving TBRA maintain stability in their housing while other rental assistance is secured or until a permanently affordable unit is identified for the client household to move into. All households being served are on fixed incomes and in need of permanent rental assistance or a permanently affordable unit in order to maintain housing stability. The Housing Authority is working with each household, often in coordination with case workers to ensure that each household access permanent affordable housing at the end of the term of the HOME Tenant Based Rental Assistance and do not experience gaps in housing stability.

FY 19-20 CDBG & HOME for Capital Projects Threshold Criteria

Eligible Activity:

Not applicable.

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

Project will be funded by HOME funds and therefore is not subject to CDBG National Objective requirements.

Does the project Affirmatively Further Fair Housing?

The project furthers Fair Housing by providing HOME tenant based rental assistance vouchers to very low and low-income households including seniors, people with disabilities, and people

experiencing homelessness. Having this limited term rental assistance allows them to gain housing stability and access permanently affordable housing in high opportunity neighborhoods

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

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

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

Not applicable.

FY 19-20 CDBG & HOME for Capital Projects Selection Criteria

Funding Priorities

1. Creation or Preservation of Affordable Housing.

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

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

Not applicable.

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

Not applicable.

Readiness to Proceed

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

The Sonoma County Housing Authority HOME Tenant Based Rental Assistance program is already active and funds would be used to complete the 24-month term of committed rental payments for 38 individuals on 24-month long contracts.

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

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

Is the proposed project consistent with the General Plan?

Not applicable for tenant based rental assistance projects.

Does the applicant possess site control?

Not applicable for tenant based rental assistance program

Need

The program currently provides rental assistance for 38 households who are low-income, and who require rental assistance in order to maintain housing stability. Continued funding would allow the Sonoma County Housing Authority to fulfill their end of the 24-month long contracts with project participants, at which point the households assisted would access rental assistance or a restricted, affordable unit.

Financial Feasibility

\$270,000 covers the cost of housing assistance payments for the 38 households with current TBRA contracts. A projection of the anticipated rent payments was submitted by the Housing Authority to demonstrate how funds would be used.

Outcomes

Program will provide tenant based rental assistance for 38 low-income, disabled or senior households experiencing homelessness or housing instability.

Leverage (Housing Projects)

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

FY 2019-2020 Urgent Community Needs

1. **Projects that serve the maximum number of people at the lowest income threshold.**
2. **Projects that expedite the creation of as many new rental housing opportunities as possible in areas of opportunity or improve access to important community assets in low-income communities, in particular, racially and ethnically concentrated areas of poverty.** (*Projects should take advantage of the maximum density permitted under the Sonoma County or local jurisdiction's General Plan, Zoning Ordinance, and other relevant regulations.*)
3. **Projects that leverage public funds to the greatest extent possible or meet a particular community need that cannot be met by other funding sources.**

This project creates or maintains housing stability for 38 households who are disabled or seniors. These households do not currently have access to long-term permanent rental housing assistance, and this program provides an important bridge for these vulnerable populations to ensure long-term housing stability.

Analysis

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

Total hard cost per unit (if applicable): Average rental assistance paid per individual is \$21,000 per 24-month contract. The funds requested reflect that some households will be able to transfer to permanent assistance through the Housing Choice Voucher program or to an affordable unit before the end of the FY 2019-2020 Fiscal Year.

Pros for the Project:

Ensures housing stability for 38 low and very low income disabled or senior households

Cons for the Project:

Does not produce any new housing units

Consequences of no Funding:

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

Staff Recommendation

Staff recommendation is to fund the TBRA program in the amount of \$270,000.

CD Committee Preliminary 2019 Calendar

Updated March 6, 2019

| Date | Event | Time | Tentative Action Items/Notes |
|---------------------------|--|-----------------|--|
| March 12, 2019 | Board of Supervisor's Meeting | Awaiting Agenda | Roseland Village Milestones Presentation |
| March 20, 2019 | Committee Meeting | 10:00am-1:00pm | <ul style="list-style-type: none"> Review and update Bylaws Public Housing Authority Draft Annual Plan Recommendations on funding for CDBG and Fair Housing Set-Asides |
| March 28, 2019 | Los Cien Housing Equity and Accountability Event | 10:30am-1:00pm | <i>Please contact Sonya Keller if you would like to attend: Sonya.keller@sonoma-county.org</i> |
| April 17, 2019 | Committee Meeting concurrent w/ CTAC | 10:00am-11:30am | <ul style="list-style-type: none"> Transfer of Successor Agency Funds from City of Sonoma to CDC for Administration Review of Draft FY 19/20 Consolidated Action Plan and Recommendation |
| April 30, 2019 | Board of Supervisor's Meeting | Awaiting Agenda | <ul style="list-style-type: none"> Approval of FY19/20 Action Plan |
| May 22, 2019* | Committee Meeting | 10:00am-11:30am | <ul style="list-style-type: none"> Housing Authority Administrative Plan Update |
| June 19, 2019 | Committee Meeting | 10:00am-11:30am | <ul style="list-style-type: none"> Begin discussing FY 20-21 Funding Policies Discuss Draft Profile of Sonoma Report |
| July 17, 2019 | Committee Meeting | 10:00am-11:30am | <ul style="list-style-type: none"> Site Tours (<i>Tentative</i>) |
| August 21, 2019 | Committee Meeting | 10:00am-11:30am | |
| September 18, 2019 | Committee Meeting concurrent w/ CTAC | 10:00am-1:00pm | <ul style="list-style-type: none"> Public Hearing for FY 18/19 Consolidated Annual Performance and Evaluation Report (CAPER) Update on CDBG-DR |
| October 16, 2019 | Committee Meeting | 10:00am-11:30am | <ul style="list-style-type: none"> Public Hearing for County Fund for Housing proposals and recommendations |
| November 20, 2019 | Committee Meeting | 10:00am-11:30am | <ul style="list-style-type: none"> Discuss goals for the 2020-2025 Consolidated Plan |
| December 18, 2019 | Committee Meeting | 10:00am-11:30am | |

**May meeting will be held on the fourth Wednesday of the month rather than the third*