



**Sonoma County Community Development Commission
Sonoma County Housing Authority**

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Commission*

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MEMORANDUM

Date: May 21, 2025

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

From: Valerie Johnson, Community Development Program Coordinator
Veronica Ortiz-De Anda, Community Development Assistant Manager
Rhonda Coffman, Deputy Director

Subject: Draft 2025-2029 Sonoma County 5-Year Consolidated Plan and Fiscal Year (FY) 2025-2026 Annual Action Plan funding recommendations for Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and FY 2020-2021 Community Development Block Grant - Coronavirus (CDBG-CV)

Draft 2025-2029 5-Year Consolidated Plan

Background

As a grantee of federal funds governed by the U.S. Department of Housing and Community Development (HUD), specifically CDBG, HOME, and ESG, the County of Sonoma is required to prepare a 5-year Consolidated Plan (ConPlan). This strategic planning document guides the use of these federal funds to address the County's affordable housing, community development, and public service needs. The Con Plan process includes extensive consultation with local stakeholders, public engagement, and an assessment of local market conditions. These efforts help identify and prioritize the County's highest priority needs. The ConPlan strategy outlines goals and objectives to direct investments that will have the greatest impact on the community, particularly for low- and moderate-income residents.



The ConPlan is carried out through Annual Action Plans, one for each of the five years, and each Action Plan provides a summary of public participation and activities and programs that will be funded each year. The accomplishments and progress achieved to meet the ConPlan are summarized in the Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each Action Plan program year. The current 2020-2024 ConPlan was approved by the Board of Supervisors on June, 2, 2020 and will expire in June of this year.

The entitlement jurisdiction for the County of Sonoma is comprised of the unincorporated county area and the cities of Cloverdale, Healdsburg, Sonoma, Sebastopol, Rohnert Park, Cotati, and the Town of Windsor, known as the Urban County. The cities of Santa Rosa and Petaluma each receive their own entitlement grants directly from HUD and are not a part of the Urban County. There are two advisory committees that assist the Community Development Commission (CDC) in the administration of the grants and their distribution. These committees are the Community Development (CD) Committee and the Cities and Towns Advisory Committee (CTAC). Members of the CD Committee are appointed by the Board of Supervisors, one for each district in the County, and two tenant participants who are appointed by the Sonoma County Housing Authority. Members of the CTAC are comprised of one city staff member, who is appointed by each of the seven municipalities that make up the Urban County. Both committees review matters of policy related to the federal funding programs and make funding recommendations that go before the Board of Supervisors.

Description of Federal Funding Programs

Presently, the Urban County receives annual allocations of CDBG, HOME, and ESG grants. The allocations for program year 2024-2025 and estimated amounts for 2025-2026 are shown in the table below. However, given the cuts in federal financial assistance programs throughout the country, there is a high level of uncertainty on the availability of future assistance to Sonoma County.

| Funding Program | Program Year 2024-2025 Allocation Amount | Estimated Program Year 2025- 2026 Allocation Amount |
|------------------------|---|--|
| CDBG | \$1,657,853 | \$1,657,853 |
| HOME | \$660,693 | \$660,000 |
| ESG | \$149,972 | \$150,000 |
| Total | \$2,468,518 | \$2,468,853 |

The CDBG program provides financial assistance to affordable housing projects, non-housing capital projects, such as public infrastructure improvements, as well as supports economic development projects. HUD allows a maximum of 15% of CDBG funds to be used for public services. During the past five years, CDC has been using this set-aside amount to support fair housing services in the Urban County. Twenty percent (20%) of the CDBG grant is set aside for planning and administration activities. The HOME program focuses on the development and preservation of affordable housing, including permanent supportive housing, multi-family housing, transitional housing, and tenant based rental assistance. A minimum of 15% of the HOME grant is set aside for use by Community Housing Development Organizations (CHDO) and 10% of the grant is set aside for planning and administration. The ESG program supports homelessness related services, such as the operation of an emergency shelter, homeless outreach, case management, and rapid rehousing. Up to 7.5% of the ESG grant is set aside for administration. HUD, also, administers supplemental one-time funding programs such as CDBG and ESG Cares Act and the HOME American Rescue Plan programs, which were issued in response to the effects of the pandemic on lower income populations. The County of Sonoma was a recipient of all three grants and with the exception of CDBG-CV, all funds have been allocated. Currently, \$132,483.64 of CDBG-CV remains to be allocated.

Contents of the Consolidated Plan

The preparation of the ConPlan is a prescriptive process determined by HUD and it is drafted in HUD's Integrated Disbursement and Information System (IDIS), which is the HUD's online database as well as the platform to prepare and submit documents. HUD prescribes the data resources to be used in the various assessments. Below is a list of the required sections and a general description of each.

1. Public Participation and Consultations with Stakeholders:

Community engagement is a critical component of the ConPlan and a HUD requirement. HUD requires that the grantee follow their adopted Citizen Participation Plan, which identifies the opportunities for public involvement throughout the funding cycle. Additionally, the ConPlan process begins with public outreach and consultations with local stakeholders. Input is solicited from both groups to assist in determining the highest priority needs of the community.

CDC staff held remote consultations with each of the following stakeholder groups: affordable housing developers, organizations serving the homeless and veterans, fair housing organizations, and organizations that serve victims of domestic violence, human trafficking, and or stalking. All consultations were well attended by a variety of local service providers that work with different low-income populations throughout the County. General input by the groups is included in Attachment 1.

Consultations were also conducted with the Sonoma County Housing Authority, the City of Santa Rosa and the Department of Health Services. Consultation with the Homeless Coalition is planned for May 28, 2025 and input from the Coalition will be incorporated into the draft ConPlan, which will be presented again to the committees on June 25, 2025. A summary of comments is included in Attachment 2.

Additionally, four public meetings were scheduled by CDC of which two meetings were held in person (April 2 and 8, 2025) with Spanish translation available and two remote meetings (April 10 and 15, 2025) via the internet (one in English and one in Spanish). Notices of the public meetings were distributed throughout the County on multiple online venues, including the County's website and social media platforms such as Facebook and Nextdoor as well as in two newspaper publications (La Voz and The Press Democrat). Hardcopy posters and flyers in English and Spanish were posted at local libraries and community centers in different cities that make up the Urban County. Flyers were also sent to numerous service providers in the County asking them to print and post in their office in a conspicuous place. Surprisingly, overall participation in the public meetings was low and this was somewhat unexpected due to the wide distribution of notifications. The Spanish speaking community did not participate in the public meetings; however, this was expected and CDC staff attributes it to the current anti-immigration rhetoric and active deportations throughout the country. Input from meeting participants is included in Attachment 3.

A third and very successful public outreach effort was the response rate to an online survey that was distributed to the County listserv, posted on the County "News" site, and posted on CDC's website as well as emailed to all CDC subscribers, which includes participants of the Sonoma County Housing Authority. The survey was also sent to each of the cities that make up the Urban County. The survey asked respondents to rank the community needs in the categories of housing, community development, and public services as well as to rank the desired outcomes in each category. A total of 419 responses were received (413 English, 6 Spanish). The results of the survey can be found in Attachment 4.

2. Needs Assessment:

This section analyzes the needs in housing, homeless, non-homeless special needs, and non-housing community development. Housing problems such as dwellings lacking proper bathroom or kitchen facilities, households experiencing overcrowding, and cost burden (households paying more than 30% of their income on housing expenses) are assessed for all income levels for both owners and renters. Community development needs such as accessible public facilities (e.g. sidewalks, bathrooms, parks) are also included in the analysis as well as public housing agency programs and the population types that participate in these programs.

3. Market Analysis:

A market analysis that uses HUD data assesses the cost and supply of housing for different housing types (e.g. single-family home, attached multi-family developments). The analysis considers tenure, accessibility, housing condition, and vacancy rates for both market rate and affordable housing stock. Additionally, the section includes an inventory of affordable housing projects that have been supported by federal funding sources within the different jurisdictions that comprise the Urban County. The analysis also accounts for units at-risk of losing their affordability status. Housing for the homeless, and special needs populations is addressed as well. A discussion on barriers to affordable housing, broadband needs, hazard mitigation, non-housing community development assets, labor force, and education level are also included in the market analysis.

4. Strategic Plan:

Based on the results of the Community Engagement process, Needs Assessment, and Market Analysis, the Strategic Plan identifies the priority needs that will guide the use of federal fund investments over the next five years. This section discusses the federal funding sources available to address the priority needs, the institutional delivery structure in place that will assist in carrying out the ConPlan (i.e. the role of all jurisdictions, non-profit organizations, and public agencies) as well as an assessment of the strengths and gaps of the delivery structure to serve the homeless and other special needs populations. The goals are also identified in this section, which come directly from the priority needs and their level of priority. The goals are quantified and address affordable housing, non-housing community development, and public services for the homeless, non-homeless, and other non-homeless special needs populations. HUD will review the CAPER that is submitted at the end of each funding cycle against the ConPlan goals. A discussion on compliance management is included in this section as well, which provides an overview of how CDC monitors subrecipients to ensure program success.

Summary of Highest Needs and Priorities

As anticipated, the highest needs and priorities identified in the new ConPlan remain unchanged, however, more specific priorities were identified in this process when compared to the last one:

- Affordable Housing: new rental units, rental assistance, housing rehabilitation.
- Homelessness: homelessness services, including outreach, emergency shelter, homeless prevention, and rapid rehousing.
- Non-Homeless Special Needs: support lower income and special needs households with housing retention resources.
- Non-Housing Community Development: public improvements benefiting low-income residents and persons with disabilities in the Urban County, including public facility improvements, removal of architectural barriers, and microenterprise assistance

5. 2025-2026 Annual Action Plan:

The first Annual Action Plan of the new ConPlan includes the federal resources available to achieve the objectives and goals contained in the Strategic Plan section as well as the final funding allocations approved by the Board of Supervisors. At this time, the committees will review the preliminary funding recommendations described below. These funding recommendations will be incorporated into the Annual Action Plan and be available for a 30-day public review period along with the draft 2025-2029 ConPlan in accordance with the Community Participation Plan that was approved by the Board of Supervisors on January 28, 2025.

Summary of FY 2025-2026 Draft Action Plan and FY 2020-2021, FY 2022-2023, FY 2023-2024, FY 2024-2025 Substantial Amendments to the Action Plans Funding Recommendations

The CDC received twelve funding requests in response to the CDBG, HOME, ESG, and CDBG-CV Notice of Funding Availability (NOFA), published on February 21, 2025. Staff conducted a review and evaluation of each application to determine eligibility for the funding requested, conformance with the FY 2025-26 Federal Funding Policies (Funding Policies) and identified priorities contained in the draft ConPlan, application completeness, and conformance with applicable program regulations. A summary analysis of each application is included in a staff report along with a funding recommendation.

The following affordable housing, non-housing capital projects, fair housing, and public services awards will: 1) support furthering the priorities approved in the Funding Policies ; 2) support the highest priority needs of the draft Consolidated Plan; and 3) reflect projects that will be able to comply with all regulatory requirements and timely expenditure of funds awarded.

CDBG – Estimated Funds Available: \$1,880,472

| Applicant Non-Housing Capital and Economic Development Projects | Proposed Project | Requested Amount | Staff Funding Commendation |
|--|---|-----------------------------|---------------------------------------|
| Sweetwater Springs Water District | Phase 1 -Wright Drive Watermain Replacement Project | \$759,183 | \$759,183 |
| Upwards Care, Inc. | Boost | \$184,000 | \$0 |
| Community Child Care Council of Sonoma County | Build Up Childcare | \$179,684 | \$179,684 |
| | Total | \$1,122,867 | \$938,867 |

| Applicant Housing Projects | Proposed Project | Requested Amount | Staff Funding Commendation |
|---|--|-----------------------------|---------------------------------------|
| Sonoma County Community Development Commission | Countywide Housing Rehabilitation Programs | \$1,000,000 | \$941,605 |
| | Total | \$1,000,000 | \$941,605 |

CDBG Public Service Estimated Set Aside Available: \$248,683

| Applicant Public Services Set Aside | Proposed Project | Requested Amount | Staff Funding Commendation |
|--|--|-----------------------------|---------------------------------------|
| Fair Housing Advocates of Northern California | Fair Housing Education and Enforcement | \$248,683 | \$124,341 |
| Legal Aid of Sonoma County | HOME – Housing Justice Project | \$248,683 | \$124,342 |
| | Total | \$497,366 | \$248,683 |

HOME – Estimated Funds Available: \$495,519

| Applicant Housing Projects | Proposed Project | Requested Amount | Staff Funding Commendation |
|-----------------------------------|--------------------------------|-------------------------|-----------------------------------|
| Burbank Housing | George's Hideaway | \$495,519 | \$185,519 |
| Sonoma County Housing Authority | Tenant Based Rental Assistance | \$310,000 | \$310,000 |
| | Total | \$805,519 | \$495,519 |

HOME-CHDO Set Aside – Estimated Available Funds: \$99,103

| Applicant | Proposed Project | Requested Amount | Staff Funding Commendation |
|------------------|-------------------------|-------------------------|-----------------------------------|
| Burbank Housing | George's Hideaway | \$99,103 | \$99,103 |
| | Total | \$99,103 | \$99,103 |

ESG – Estimated Funds Available: \$138,724

| Applicant | Proposed Project | Requested Amount | Staff Funding Commendation |
|--------------------------------|---|-------------------------|-----------------------------------|
| Living Room Center Inc | The Living Room Homelessness Prevention Program | \$78,618 | \$0 |
| West County Community Services | Emergency Shelter – Navigation Center | \$138,724 | \$83,234* |
| West County Community Services | Rapid Rehousing | \$55,490 | \$55,490** |
| | Total | \$217,342 | \$138,724 |

*HUD regulations limit the amount that can be used towards emergency shelter and homeless outreach to 60% of the ESG grant. Staff is recommending the maximum allowed for “Emergency Shelter-Navigation Center”.

**West County Community Services requested LMIHAF funding for their “Rapid Rehousing” program, however, in an effort to expend all ESG funds available, staff is recommending ESG funding in addition to LMIHAF for this program. The rapid rehousing program is an eligible use of ESG and LMIHAF funds.

CDBG-CV Total Funds Available: \$132,483.64

| Applicant | Proposed Project | Requested Amount | Staff Funding Commendation |
|---|------------------------------------|-------------------------|-----------------------------------|
| Fair Housing Advocates of Northern California | Coronavirus Education and Outreach | \$30,000 | \$30,000 |
| | Total | \$30,000 | \$30,000 |

CDBG Funds

The eligible activities for the CDBG program include affordable housing projects, non-housing capital projects such as ADA improvements to public facilities, improvements to parks, and microenterprise assistance. The estimated amount available for FY 2025-26 is \$1,880,472. This includes \$802,846 in unspent funds from projects awarded in FY 2022-2023, 2023-2024, and 2024-2025.

CDBG - Fair Housing Set Aside

CDBG regulations allow a maximum of 15% of the annual CDBG grant award from the to be set aside for Public Services activities. The Funding Policies, as approved by the Committees, designate this set aside for Fair Housing Services. The estimated amount available for FY 2025-26 is \$248,683.

HOME Funds

Eligible activities for HOME funds include development or preservation of affordable housing and tenant-based rental assistance. The estimated amount available for FY 2025-26 is \$495,519.

HOME Community Housing Development Organization (CHDO) Set-Aside

The HOME program requires 15% of the HOME annual grant to be set-aside for use by a CHDO. To be certified as a CHDO, the development sponsor must meet specific criteria in accordance with HUD regulations. Staff received one application for HOME-CHDO funds. The CHDO application submittal was reviewed by staff and met the CHDO certification requirements. The estimated amount available for FY 2025-2026 is \$99,103.

ESG Funds

Eligible activities for ESG funds include homelessness related services, emergency shelter, and rapid rehousing. The estimated amount of ESG funds available is \$138,724. Per HUD regulations, the maximum of ESG funds that can be awarded for outreach services and emergency shelter is 60% of the allocation, which is approximately \$83,234 of the estimated ESG available.

CDBG-CV Funds

CDG-CV funds are subject to the CDBG statutory regulations with an additional requirement that they be used for activities that will prevent, prepare for, or respond to Coronavirus. The funds became available due to a project that did not move forward and funds were returned to CDC for reprogramming. One eligible and competitive application was received for these funds and their full request is being recommended for funding. The balance will be carried over and made available in the next funding cycle.

Ineligible / Incomplete Applications

All applications for funding must be for eligible activities that comply with the Federal Funding Policies and HUD regulations. Applications are also required to include all information and attachments to be deemed complete, including all required signatures. As stipulated in the Funding Policies, incomplete or ineligible applications will not be considered for funding. Applicants are made aware of these requirements through the NOFA, the public technical assistance workshops, and individual technical assistance meetings with CDC staff.

Funding Recommendations

As noted in the tables above, several funding requests did not receive a funding recommendation as the funds requested exceeded the funds available. Staff notified these applicants prior to this meeting. Other factors included strategic investments of very limited fund sources available for homelessness-related activities and services, awards recommended as close to the full request as possible to better support organizations in effective service delivery. Additionally, beyond meeting the threshold criteria and funding priorities, consideration was given to geographic equity investments, based on where services are delivered, population to be served, and the total number of beneficiaries proposed to be served by the funds requested.

Brown Act

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

CD Committee and CTAC Review of Preliminary Funding Recommendations

The committees will review staff analyses of proposals submitted under the competitive funding categories, hear comment from the public and applicants, and provide feedback to staff that will be integrated into the draft FY 2025-2026 Action Plan and FY 2020-2021, 2022-2023, 2023-2024, 2024-2025 Action Plan Substantial Amendment funding recommendations. All applicants must be present at the public meeting to be considered for funding.

Requested Actions

1. Review and provide input on the draft 2025-2029 Consolidated Plan, which will be published for a 30-day comment period following this meeting and presented to the committees at concurrent public hearings on June 25, 2025; and
2. Review and approve preliminary funding recommendations as presented by staff that will be integrated into the draft FY 2025-2026 Action Plan and prepare FY 2020-2021, 2022-2023, 2023-2024, 2024-2025 Action Plan Substantial Amendments accordingly, which will be published for a 30-day comment period and presented to the committees at concurrent public hearings on June 25, 2025.

Attachments:

1. Stakeholder Consultations Input
2. City of Santa Rosa, Department of Health Services, and Sonoma County Housing Authority Input
3. Input from Public Meetings
4. CDC Public Survey Results
5. Draft 2025-2029 Consolidated Plan
6. Funding Application Staff Reports

ATTACHMENT 1 – STAKEHOLDER CONSULTATION INPUT

- *Homeless Service Providers (March 12, 2025):* More alternative emergency shelters that are less costly to develop, such as tiny homes; more permanent supportive housing; more mental health care services, particularly for persons with severe cases; more emergency safe housing given the federal administration's current policy on migrants and trans persons; more educational services against racism; more services and protection for the LGBTQ community, who get harassed when accessing services; need more non-congregate transitional shelters; need more funding to support services; new housing standards being used by the Department of Health Services should be applied to shelters; more access to behavior health supportive services; more resources and housing for transitional aged youth given the closure of SAY, including women with children; more resources for persons entering homelessness for the first time is needed; and need more homeless prevention resources.
- *Affordable Housing Developers (March 13, 2025):* More funding is needed for housing projects, includes rental and ownership; there is a high need for services in permanent supportive housing projects; more funds to support the operational component of permanent supportive housing projects is needed; more housing that is accessible to an aging population is needed, because this population is growing; more local funds are needed to be successful in state and federal funding requests; not all homeless want transitional housing; [they] would like to see more access to permanent supportive housing; have the County synchronize the funding process to align with state and federal level funding applications; [they] would like to see more access to affordable housing by all income levels.
- *Fair Housing Service providers (March 18, 2025):* Cases of illegal rent increases and imposition of junk fees are rising and many landlords do not abide by state law or local ordinances; some landlords threaten to call immigration enforcement on their tenants regardless of citizenship; there is a rise in racism related issues as well as credit [scores] being used as a means to deny housing; there are many older homeowners who are renting bedrooms in their home to maintain housing stability; housing retention is critical to combat homelessness; the current federal administration is attacking fair housing legal services and availability of future funding sources is concerning; new affordable housing development is needed, but it takes a long time to develop; more resources to support fair housing services are needed; more resources to assist homeowners are needed; more permanent supportive housing is needed; supplemental financial support was available during covid-19 and programs served more clients, but now with cuts in funding, fair housing services are struggling to maintain the same level of services; due to testing and enforcement by fair housing organizations some larger landlords were able to revise their practices to comply with state laws, so we know that services are effective; we would like to see more landlords abide by state laws, but it takes education; there is a rise in mold issues and in some cases the issue is so severe where the tenant cannot continue residing in their home; a tenant needing air conditioning is being used as a tactic to evict them; and landlords are burdening low income tenants with additional utility expenses, even in situations where the landlord is supposed to be responsible for them.

- *Victims of Domestic Violence, Stalking, Assault, and/or Human Trafficking (March 27, 2025):* With the closure of The Rose shelter there is a higher need for emergency shelters as well as safe housing that does not have strict time limits, because often times, the person moving out of a shelter will have to start over again and can regress; local planning ordinances to rehabilitate an existing property into a shelter make the process long and costly, it's not easy to navigate all the requirements imposed on a project; more financial support for these types of projects is needed; more partnership efforts are needed to create a housing and services inventory program to prevent clients from "timing-out" of the shelter and or services and returning to homelessness; more transitional housing is needed as well as permanent supportive housing; more different models of housing are needed, because affordable housing projects take a long time to develop and there is a high need now; the model used by SHARE [shared housing] has been very helpful and clients can create positive relationships amongst themselves; the fastest growing population in the County are seniors and senior women, who had a working career, but Social Security does not cover their housing expenses and they become homeless; persons fleeing domestic violence is only one type of clients being served, there are many other types of clients, including trans persons, mothers with youth children, and youth alone, who seek emergency safe housing and or services; more financial support resources are needed for emergency safe housing.

ATTACHMENT 2
INPUT PROVIDED BY CITY OF SANTA ROSA, ENDING HOMELESSNESS TEAM IN DEPARTMENT OF
HEALTH SERVICES AND SONOMA COUNTY HOUSING AUTHORITY

Monthly Meeting with Ending Homelessness Team of Department of Health Services (May 1, 2025): Funding is being focused on rapid rehousing services, emergency shelter, homeless outreach, permanent supportive housing, coordinated entry, and other nuanced programs such as those provided at drop-in centers and congregate permanent supportive housing for households exiting homelessness.

City of Santa Rosa (May 7, 2025): The city needs more housing for the homeless, whether its emergency shelters, transitional housing, and or permanent supportive housing. The city adopted their three-year Consolidated Plan in 2024 and will focus on the following goals:

- Increase the supply of affordable rental housing for the City's lowest income households;
- Preserve existing affordable housing stock;
- Provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families;
- Provide housing and services to special needs populations;
- Increase access to home ownership opportunities for City residents;
- Provide funding for public facilities and improvements;
- Promote economic development activities in the City;
- Assist the City's lowest-income households through rent subsidies partially funded by HOME in the form of Tenant-Based Rental Assistance (TBRA); and
- Provide Community Housing Development Organizations (CHDOs) Seed Money Loans or funds for Operating Expenses.

Sonoma County Housing Authority (May 9, 2025): To maintain housing stabilization, the County needs more supportive services to serve Housing Authority clients and resources that supports these services. Supportive services, including emergency financial assistance as well as financial literacy training, are highly needed by persons and households exiting homelessness. Additionally, increased access to services by persons suffering mental health conditions is needed.

ATTACHMENT 3 – INPUT PROVIDED AT PUBLIC MEETINGS

- More farmworker affordable housing, including housing for the low and very-low income populations.
- More shared living options as affordable housing.
- More housing for the workforce populations, such as those who work in restaurants and grocery stores.
- More housing for persons with disabilities.
- More housing that is reasonably priced for the workforce not CEOs.
- Would like to see less homeless populations, and hence more homeless being served by organizations.
- Would like to see less unspent funds that are awarded to service providers.
- More bike lanes throughout.
- More electric vehicle charging stations throughout.
- More walkable developments and better maintenance of existing sidewalks.
- More reliable electrical grid.
- More access to life skill classes as well as job training programs and career planning.
- More support services that serve the youth population.
- More access to mental health services and more organizations with the capacity to provide them.
- More widely available and affordable healthcare.
- More adult training programs, such as those for a trade that can provide income increase opportunities.
- More healthier and diverse grocery food sources as Safeway is the only one serving the west county area.
- Would like to see increased access to housing stability by transitioned-aged youth.
- Would like to see an increase in the number of beds available for persons in mental health treatment facilities.

Question: Are there programs or incentives to motivate homeowners of second homes, whose home sits vacant for months throughout the year, to rent them to lower income populations?

ATTACHMENT 4 - RESULTS OF WEBPAGE SURVEY

The results of the public survey identify the highest needs as:

- affordable housing, including housing rehabilitation;
- address homelessness, including more shelters, access to services, and outreach;
- housing retention resources for the non-homeless special needs populations;
- support for economic development activities; and
- better public infrastructure systems for all, including persons with disabilities.

ATTACHMENT 5

Draft 2025-2029 Consolidated Plan

You may access the draft of the FY2025-2029 Consolidated Plan at the following link:

<https://sonomacounty.ca.gov/development-services/community-development-commission/plans-policies-and-reports>

If you experience any technical difficulties while trying to access the Consolidated Plan, or if you would like to review a physical copy of this document, please contact Matthew Burns by email at matthew.burns@sonoma-county.org or by phone at 707-565-1268.

Attachment 6: Funding Application Staff Reports

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Community Development Block Grant (CDBG)

- Sweetwater Springs Water District – Phase 1 Wright Drive Watermain Replacement Project
- Upwards Care, Inc. – BOOST
- Community Child Care Council of Sonoma County – Build Up Childcare
- Sonoma County Community Development Commission – Countywide Housing Rehabilitation Programs
- Fair Housing Advocates of Northern California (FHANC) – Fair Housing Education and Enforcement
- Legal Aid of Sonoma County – HOME - Housing Justice Program

HOME Investment Partnerships Program (HOME)

- Burbank Housing and Development Corporation – George's Hideaway
- Sonoma County Housing Authority – Tenant-Based Rental Assistance

HOME Community Housing Development Organization (HOME-CHDO)

- **Burbank Housing and Development Corporation – George’s Hideaway***

Emergency Solutions Grant (ESG)

- **The Living Room – Homeless Prevention Program***
- **West County Community Services – Emergency Shelter – Navigation Center**
- **West County Community Services – Rapid Rehousing***

Community Development Block Grant – Coronavirus (CDBG-CV)

- **Fair Housing Advocates of Northern California (FHANC) – Coronavirus Education and Outreach**

*This staff report is included as an attachment to Agenda Item #5 and #6. George’s Hideaway originally submitted a request for the County Fund for Housing (CFH), but staff have recommended federal funding in an effort to allocate all of the funds that are available. Similarly, West County Community Services submitted a request for the Low-Moderate Income Housing Asset Fund (LMIHAF) to support their Rapid Rehousing program, but staff are recommending both ESG and LMIHAF awards. The Living Room requested both ESG and LMIHAF funds, so the staff report is included once for both agenda items.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
NON-HOUSING CAPITAL PROJECTS

Applicant Name: Sweetwater Springs Water District

Project Name: Phase 1 - Wright Drive Watermain Replacement Project

Project Type: Non-Housing Community Development - Infrastructure Systems and Public Facilities

Project Description (Applicant-Provided Summary Description):

“The project replaces old water mains with new, improved water mains sufficient to provide domestic and fire flows and reduce repairs. The project will be completed in two phases. This application is for construction of Phase 1. Approximately 1,800 feet of water main serving 25 low-income households will be completed in Phase 1. The water main will be replaced with 6-inch HDPE piping. The water system will be upgraded with five hydrants and valve assemblies, and the service lines will be equipped with meters. The disturbed portion of the asphalt road will be repaved. The project will increase flow and pressure for hydrant requirements.”

Amount Requested: \$759,183

Proposed Use of Funds: The CDBG funds will be used for the construction of the new pipeline, hydrants, and service meters. The funds will be used to pay the contractor's invoices for the procurement and installation of the materials.

SELECTION CRITERIA

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

Water line repair needs in the area have increased greatly over recent years due to aged infrastructure that is in poor condition. The new water mains will replace aged and obsolete infrastructure, and the required level of maintenance is anticipated to decrease with this project. Improvements constructed with this project will be part of the district's water system, which is routinely monitored and maintained by staff. The project will be maintained with hydrant flushing and valve exercising. Valves and hydrants will be fixed if found leaking, broken, etc.

Please describe the documented and verifiable need for the project above and beyond existing facilities.

This project will assist in replacing and improving infrastructure systems that meet the needs of lower-income households that are now being served by a system that is insufficient to provide adequate and effective levels of domestic water supply and fire protection. The area benefit of this project is that it is available to all persons in the service area regardless of income. The area where the project is located qualifies as primarily residential, and at least 51% of the residents are lower-income individuals.

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

Improved water pressure, flows, and reliability will be provided as the outcome of the project and will serve a disadvantaged community that is low- or moderate-income (LMI) qualified. With additional fire hydrants and new/upsized lines, fire flows are anticipated to meet minimum standards of 1,000 gallons per minute upon completion of the project. Substandard galvanized and other material lines will be replaced with High Density Polyethylene water mains for improved reliability, pressures, flows.

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

Yes, CDBG funds were awarded to the project in FY 2022-2023 for the design and engineering of the project. NEPA and CEQA Clearances have been completed for this project and all that is needed is an encroachment permit from Permit Sonoma for work within the roadways.

THRESHOLD CRITERIA

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

Sweetwater Springs Water District has been in existence since 1988. The district has been granted and administered many grants, including Federal Emergency Management Agency, CDBG, Department of Water Resources, United States Department of Agriculture, and State Revolving Fund. The district has successfully complied with all elements of each grant using administrative and programmatic capacity. The district has always had clean audits and has the managerial and administrative capacity to administer the project successfully, including all funding grants. There have been no past negative issues with respect to the administration of grant funding.

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

Yes. This project is replacing existing infrastructure and is in conformance with the Sonoma County General Plan. The project is consistent with the Sweetwater Springs Water District board-approved 2020-2025 Capital Improvement Program.

Does the project Affirmatively Further Fair Housing?

This is an infrastructure/public facility project supporting LMI populations. The project has the contributory potential to preserve affordable housing by virtue of improving fire protection resources in the LMI community, protecting the housing stock from destruction by fire.

FUNDING POLICIES

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

Yes, the project will benefit low- and moderate-income individuals because the service area for the improvements encompasses census tract 1537.10 in which more than 51% of residents have incomes at or below 80% Area Median Income (AMI). It therefore meets the Low/Mod Income Area Benefit National Objective.

Does the proposed project or activity meet the eligibility requirements of the CDBG Funding Policies? If no, please explain.

Yes, this project improves the infrastructure of the area with the replacement of aged and undersized waterlines.

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

Yes, the project will benefit low- and moderate-income individuals because the service area for the improvements encompasses census tract 1537.10 in which more than 51% of residents have incomes at or below 80% AMI.

Using the 2016-2020 LMI Survey Data provided by HUD, 54% of residents are low to moderate income in the census tract block groups in the service area.

ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING

| Funding Source | Amount | Commitment Status |
|-----------------------|---------------------|--------------------------|
| Donations | \$189,796.00 | Committed |
| CDBG Funding | \$759,183.00 | Not Committed |
| TOTAL | \$948,979.00 | |

If applicant receives all of the funding that has been requested from the Commission, each \$1 of CDBG funds would leverage \$00.25 from other sources.

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

The project is located in the jurisdiction of Sonoma County and will be coordinated with the Sonoma County Public Works Department and the California Department of Transportation. The Sweetwater Springs Water District is fully supportive of this project and must obtain encroachment permits from Permit Sonoma.

Additional Information:

None

Potential Impacts Due to Lack of Funding:

The project has already been phased and is line with a typical District Critical Infrastructure Project (CIP) budget amount. The project can proceed with partial funding but could be delayed based on available District CIP funding

STAFF RECOMMENDATION:

Staff recommends full funding of \$759,183

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. All grants for public improvements are subject to the provisions of the FY 2025-26 Funding Policies and the CDBG Regulations.
2. CDBG funds will be used to reimburse allowable construction costs only.
3. The use of CDBG funds will require the entire construction contract to comply with federal requirements for contract documents, contracting, and labor standards. The general contractor and subcontractors performing the work must pay federal Davis-Bacon prevailing wages for all contract activities.
4. Funds for all public facilities and improvement projects must be expended within 18 months of the date on which the Funding Agreement is offered for execution.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ECONOMIC DEVELOPMENT STAFF REPORT

Organization Name: Upwards Care, Inc.

Project Name: Boost

Project Description (Applicant-Provided Summary Description):

“Upwards’ Boost program supports low-to-moderate-income women and minority childcare microenterprise owners with personalized coaching and digital tools to streamline operations, boost revenue, and expand capacity. Providers receive 1-on-1 guidance in marketing, enrollment, accounting, and curriculum planning, helping them reduce admin time and focus on quality care. Ongoing professional development in early childhood education empowers them to elevate the quality and inclusivity of care. As revenue grows, providers can hire staff, creating quality local jobs and expanding access to affordable care for working families. Boost not only strengthens these microenterprises but also improves the lives of the families they serve, creating a ripple effect of positive change in the community.”

Program Type: Economic Development

Amount Requested: \$184,000

Proposed Use of Funds: Funds are used to compensate staff members involved in the administration, coordination, and delivery of the Boost program. The total cost to support each childcare microenterprise for a full year is about \$12,000, but the applicant requests only \$8,000 per microenterprise. Upwards also offers a Teacher Assistant Subsidy to eligible providers to help them pay for a portion of the teaching assistant’s salary (ranging from \$800-\$1200).

SELECTION CRITERIA

Does the applicant describe the primary outcome(s) of the activity?

The applicant describes the primary outcome for participants who enroll in the program as business expansion and retention. Specific 12-month goals include: 30% of providers will see a 30% revenue increase; 80% of providers will retain jobs; 30% will create new teaching assistant positions (approximately 7.5 teaching assistant positions); 30% will expand childcare slots, increasing access for working families; and 75% of families will report satisfaction with the care they receive.

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

The applicant notes that individual participant goals are variable and, therefore, not included in the measurable outcomes. Outside of that, monthly and quarterly reporting is used to ensure Low and Moderate Income (LMI) providers have equal access to the program and include additional demographic data. Providers who receive assistance from the Boost program are evaluated in three phases: before, during, and after. To inform the progress tracking Boost tracks: income, facility size, certifications, and demographics. The program also utilizes pre- and

post-program surveys to track participants and families receiving childcare assistance. Key Program Indicators (KPIs) include:

- Number of childcare providers supported.
- Number of new teaching assistant jobs created.
- Number of childcare jobs retained.
- Number of new childcare slots created.
- Revenue growth of participating providers.
- Number of training sessions completed.
- Number of support requests answered.
- Number of family tours and enrollments.
- Hours saved on administrative tasks, reported by providers.
- Level of family engagement with providers

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

This project is aligned with the goals of the Con Plan because it is an economic development project targeting microenterprises which will primarily benefit low-income households.

| Outcomes | Number of LOW-INCOME households/microenterprise business owners anticipated to achieve outcomes | TOTAL number of households/microenterprise businesses anticipated to achieve outcomes |
|--|--|--|
| Creation of a new microenterprise business | 0 | 0 |
| Expansion of a current microenterprise business | 7 | 7 |
| Retention of an existing microenterprise business | 16 | 16 |

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

| Household Income | Estimated Percentage of Total Households Served |
|---------------------------------|---|
| Extremely Low (Below 30% AMI) | 6 |
| Very Low (Between 31% -50% AMI) | 9 |
| Low (Between 51% -80% AMI) | 15 |
| Moderate (Over 80% AMI) | 0 |

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

The applicant anticipates that 100% of participants will meet the LMI criteria. At intake, an initial income eligibility process is completed to ensure that the household size and annual income meet the appropriate threshold. Participants self-certify and then provide supporting documentation such as W-2 forms, pay stubs, bank statements, or tax returns.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

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

THRESHOLD CRITERIA

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

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

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Yes, the proposed project is an economic development project, which is CDBG eligible project. It is unclear if there is a program match. The applicant notes that they do cover all administrative costs.

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

While the applicant has received CDBG funding in the past, there have been historic issues with reimbursement requests. The submitted budget indicates that they are operating at a \$6,750,000 deficit.

The applicant mentions partnering with the California Department of Social Services (CDSS) to streamline subsidy distribution, encourage provider participation in the subsidy program, and guide families through the application process. They also have a rigorous outreach process, including social media campaigns, local newspaper ads, and announcements through community organizations. All marketing and training materials are translated into the languages representative of the community. Upwards will take out paid advertisements in key locations such as grocery stores, bus stops, clinics, Women, Infant, and Children (WIC) offices, and other locations where a need has been identified.

PROJECT BUDGET

| | |
|--|--------------|
| Total Organization Budget | \$13,000,000 |
| Total program budget | \$315,163 |
| Percent of program to organization budget | 2.4% |
| Percent of CDBG request to program budget | 58% |
| Unduplicated businesses/households proposed to be served with program | 30 |
| Program cost per microenterprise business/household | \$10,505.43 |

Long-Term Financial Sustainability:

The applicant notes that to not rely on ongoing funding, the program model equips home-based childcare providers with the tools, training, and support needed to build financially self-sustaining businesses. By the end of the 12-month program, providers are prepared to independently manage operations, attract enrollments, and grow their enterprises. Upwards' commitment continues beyond the program: all providers retain free access to the Childcare Management System, and those who remain low-to-moderate income are eligible for ongoing Boost services at no cost for an additional year.

Potential Impacts Due to Lack of Funding:

The applicant notes that the program is incredibly scalable. If fewer funds are committed, fewer providers are assisted.

Additional Information:

The total program budget indicates that it costs about \$10,505 to serve a household or business. The applicant notes in other areas that they estimate it to be about \$12,000 per household or business but the request is for only \$8,000 per household.

STAFF RECOMMENDATION:

Staff recommends not funding this project due to historic reporting challenges and the organizational budget deficit.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

ECONOMIC DEVELOPMENT STAFF REPORT

Organization Name: Community Child Care Council of Sonoma County (4Cs)

Project Name: Build Up Child Care

Project Description (Applicant-Provided Summary Description):

“Build Up Child Care increases the supply of licensed family childcare providers in Sonoma County’s Urban County by training and supporting low- to moderate-income women, primarily women of color, to start or grow home-based childcare businesses. 4Cs will lead in-person Spanish-language training cohorts in Healdsburg and Sonoma Valley, along with virtual sessions for Urban County participants. Following training, participants receive one-on-one assistance to navigate the licensing process, including home visits and support with required fees and certifications. The program also provides retention and expansion support for existing licensed providers. The program responds to the urgent need for accessible, culturally responsive childcare options for working families”

Program Type: Economic Development

Amount Requested: \$179,684

Proposed Use of Funds: The funds are used to pay for staff time for the trainings hosted with Corazon Healdsburg and La Luz Center. Staff funding is broken up by the following:

- Resource & Referral Specialist (trainer) English: 105% FTE= \$72,644
- Resource & Referral Specialist (trainer) Spanish: 80% FTE = \$58,240
- Assistant Director of Provider Services: 10% FTE = \$9,568
 - o Total Salaries = \$140,452
 - o Benefits = \$30,897 TOTAL PERSONNEL = \$171,349
 - o Mileage reimbursement = \$335 for home visiting and training sessions in Sonoma and Healdsburg Program
- TOTAL PROGRAM FINANCIAL ASSISTANCE = \$8,000
 - o Financial Assistance to Participants: Includes Community Care Licensing (orientation and licensing) fees, health & safety training fees, fingerprinting fees, and fire alarm costs required for expansion from small to large family childcare home businesses

SELECTION CRITERIA

Does the applicant describe the primary outcome(s) of the activity?

The applicant utilizes a flexible model to ensure that all participants receive the support needed to continue towards licensure. This means that participants can come in at any point in their process – perhaps completing the initial 27-hour training but needing to complete the other licensure requirements. A project exit is a participant who has become a licensed family childcare provider. Additional outcomes expected to result from the program: Participants gain foundational knowledge in business operations, child development, and licensing requirements. They also join a peer support network of fellow providers that continues beyond the formal training period. For some participants who are not yet ready to complete licensing, the program serves as an entry point—building confidence, creating connections, and encouraging future steps toward formal licensure. These early outcomes help grow the provider pipeline and expand access to childcare options in underserved communities. Steps to complete the licensing process are as follows: -Completion of 27-hour 4Cs training (in-person or virtual) - Completion of required Community Care Licensing Orientation (4.5 hours) – Cardiopulmonary Resuscitation/First Aid certification (8 hours) - Health & Safety training (8 hours) - Tuberculosis clearance for all adults in the household - Updated pertussis, measles, and influenza vaccines for the primary caregiver - Submission of complete licensing application with all required documentation - Fingerprinting and background clearance for all adults in the household (after application approval) - Home visit by 4Cs to prepare for inspection - Community Care Licensing (CCL) home inspection - License issued

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

4Cs has well-established systems for tracking participant engagement, milestones, and outcomes. Every participant contact is documented, and progress is monitored through a centralized internal database. Data collected includes training attendance, licensing steps completed, application submissions, and licensing outcomes. For the Build Up Child Care program, all participants in the Urban County are tracked and reported separately to ensure accurate reporting to the Community Development Commission. Program performance is evaluated every quarter and measured against established outcomes, such as training completion, licensing application submissions, and successful licensure or expansion. In addition to quantitative data, participant input is regularly gathered through informal feedback, follow-up conversations, and staff debriefs. This input directly informs adjustments to training formats, locations, scheduling, and content. 4Cs also consults with community partners to assess outreach effectiveness and address barriers to participation. In-person training sessions are adapted based on enrollment trends and participant preferences, and virtual options are adjusted to improve accessibility and engagement. This flexible, feedback-informed model ensures the program remains responsive, culturally relevant, and aligned with the evolving needs of the communities it serves.

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

This project is aligned with the goals of the Con Plan because it is an economic development project targeting microenterprises which will primarily benefit low-income households.

| Outcomes | Number of LOW-INCOME households/microenterprise business owners anticipated to achieve outcomes | TOTAL number of households/microenterprise businesses anticipated to achieve outcomes |
|--|--|--|
| Creation of a new microenterprise business | 6 | 10 |
| Expansion of a current microenterprise business | 1 | 2 |
| Retention of an existing microenterprise business | 48 | 80 |

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

| Household Income | Estimated Percentage of Total Households Served |
|--|--|
| Extremely Low (Below 30% AMI) | 9 |
| Very Low (Between 31% -50% AMI) | 10 |
| Low (Between 51% -80% AMI) | 51 |
| Moderate (Over 80% AMI) | 30 |

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

The applicant utilizes income verification forms (income calculation worksheet – self-certification) to document household income. Staff are able to request income documentation if needed. Demographic data, participant progress, and services received are all tracked and are in alignment with Housing and Urban Development (HUD) requirements and program objectives.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

Yes, the applicant's project falls under item #3. The target group is primarily women, many with low- and moderate-incomes who would like to generate an income while staying at home with their children. Many of these people may already be caring for children informally.

THRESHOLD CRITERIA

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

Yes, the program activities benefit low-and moderate- income persons.

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Yes, the proposed project is an economic development project, which is a CDBG eligible project.

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

Yes, the applicant has a strong history of supporting the community with education and childcare. They are knowledgeable on all elements of the program and understand that they need to support the community with education while also providing childcare service. They maintain a database of all the licensed providers in the service area, 4Cs maintains regular communication with CCL (the childcare licensing body), regarding new licensees, complaints, and licensing closures.

They collaborate with the following agencies:

- La Luz Center
 - o Assisting low-income individuals currently providing unlicensed services to become licensed and to improve business practices & quality of care
- Corazon Healdsburg
 - o Assisting low-income individuals currently providing unlicensed services to become licensed and to improve business practices & quality of care
- River to Coast Children's Services (RCCS)

- RCCS in Guerneville serves the lower Russian River and West County areas, providing training and support for home-based providers. Build Up Child Care will incorporate any RCCS participants into the program benefits, such as paying for required trainings.

PROJECT BUDGET

| | |
|--|--------------|
| Total organization budget | \$53,179,545 |
| Total program budget | \$316,614 |
| Percent of program to organization budget | 1% |
| Percent of CDBG request to program budget | 57% |
| Unduplicated businesses/households proposed to be served with program | 100 |
| Program cost per microenterprise business/household | \$3,166.14 |

Long-Term Financial Sustainability:

The Build Up Child Care program is an extension of over 30 years of work by 4Cs. The base funding by the California Department of Social Services is limited, and 4Cs has a strong history of leveraging public and private funding. While state funding is expected to continue, ongoing diversification of funding sources remains central to 4Cs' strategy for maintaining and growing this program to meet the urgent and evolving needs of families and providers.

Potential Impacts Due to Lack of Funding:

The work of increasing the supply of licensed family childcare providers will continue with phasing or partial funding, but the scale and impact would be significantly reduced. 4Cs would need to limit the number of participants served, the number of training cohorts offered, and the level of financial assistance provided to support successful licensure.

Additional Information:

Federal and other funders recognize that the true cost of providing services to the public includes general administrative or indirect costs in addition to the cost of the stated purpose of a particular program. 4Cs utilizes the federally recognized de minimis indirect rate to capture indirect costs. The de minimis rate is applied consistently to all cost objectives and activities. As with Economic Development programs, the application of the de minimis rate does not indicate the ability to recover general administrative (indirect) costs on all federal and state awards or other activities. When a funding source does not allow cost recovery for indirect costs, 4Cs will utilize Net Assets Without Donor Restrictions to cover the indirect costs. 4Cs can cover ineligible general administrative (indirect) costs on certain programs because the overwhelming majority of 4Cs funding sources allow for cost recovery on indirect costs.

STAFF RECOMMENDATION:

Staff recommends a funding award of \$179,684 of CDBG funds.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
AFFORDABLE HOUSING PROJECTS STAFF REPORT

Organization Name: Community Development Commission (CDC)

Project Name: Countywide Housing Rehabilitation Programs

Project Description (Applicant-Provided Summary Description):

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

Amount Requested: \$ 1,000,000

Type of Funds Requested: CDBG

Proposed Use of Funds:

Loans or grants to provide housing rehabilitation and hazard mitigation, and Community Development Commission (CDC) direct program delivery costs.

FUNDING POLICIES

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

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

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

Not applicable to this type of project.

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

Yes, the project addresses the preservation of affordable housing.

If the application is for housing acquisition and/or preservation, are the units at risk of becoming market rate housing without additional CDC funding?

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

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

Not applicable.

Will the project provide units for special needs populations?

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

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

Housing rehabilitation to provide health, safety, and code-related improvements, to help preserve existing affordable housing. The HRLP and ERBS programs will serve up to 54 households at or below 80% AMI with the requested funding depending on the project type and project specific improvements needed.

SELECTION CRITERIA

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The project benefits persons who have incomes at or below 80% of the AMI. Under the Low/Mod (L/M) Limited Clientele National Objective, the project has income eligibility requirements that limit the activity exclusively to L/M income persons. , The HRLP program ensures that lower-income households maintain the ability to remain in their homes.

If applicable, does the proposed number of units exceed the minimum HOME requirements?

Not applicable.

If applicable, are the proposed rents below the maximum rents allowed by the HOME requirements?

Not applicable.

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

Yes, the HRLP and ERBS programs are of a scattered site nature, and the CDC provides loans or grants to the property owners who apply to the programs. Building permits are obtained as each project is approved. The environmental review is a multi-tiered review type; first, a 5-year tier I review will be completed by CDC staff. A tier II site-specific review will be completed by CDC staff for each individual property rehabilitated prior to work commencement.

For HOME funding requests, does the application indicate how the HOME match requirement will be satisfied?

Not applicable.

If applicant receives the funding requested in this proposal, each \$1 of HOME funds would leverage \$_____ from other sources. The full amount of HOME funds requested would be \$_____ per HOME-assisted unit.

Not applicable.

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

Not applicable. Housing rehabilitation programs administered by the CDC are not subject to leveraging requirements. Funds are used to directly administer the rehabilitation programs.

ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING

| <u>Funding Source</u> | <u>Amount</u> | <u>Commitment Status</u> |
|-----------------------|---------------|--------------------------|
| CDC CDBG | \$500,000 | uncommitted |
| TOTAL | \$500,000 | |

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

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

Does the project affirmatively further fair housing?

Yes, the HRLP and ERBS programs affirmatively further fair housing by making low-interest loans available to extremely low, very low- and low-income households, including special needs populations, which help preserve existing housing that is affordable to homeowners. Marketing and outreach is conducted through flyers containing program information in English and Spanish. These flyers for HRLP have been distributed by staff in mobile home parks with large Latino populations, including Roseland and the Boyes Hot Springs communities, which have very concentrated low-income populations. CDC regularly updates flyers and works to update the website to enhance and expand the information available to residents who are limited in English proficiency.

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

Yes, the HRLP and ERBS programs are two of the “programs” that carry out the important work included in the Sonoma County General Plan Housing Element (HE) adopted on 08-22-2023. On page HE-34, Goal 1 states: “continue existing CDC efforts and programs, specified in the Sonoma County Consolidated Plan, to use CDBG and other sources to provide comprehensive rehabilitation loans, to complete flood and earthquake hazard mitigation measures, to eliminate health hazards by connecting properties to public water and/or sewer systems, and to carry out access modifications for units occupied by persons with disabilities, when those units are owned and/or occupied by extremely low-, very low-, and low-income households. Funding may be provided for conventional single and multifamily housing, for mobile homes, and for special needs and/or accessible housing units.”

Self-Sustaining Financial Viability:

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

Additional Information:

None.

Consequences of No Funding:

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

Staff Recommendation:

Staff recommends funding this request in the amount of \$941,605.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☒

1. All grants are subject to the provisions of the Sonoma County Community Development Commission FY 2025-2026 Funding Policies and the CDBG Regulations.
2. A NEPA environmental review must be completed before applicant can be offered a Grant Agreement.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

FAIR HOUSING

Organization Name: Fair Housing Advocates Northern California (FHANC)

Project Name: Fair Housing Education and Enforcement

Project Description (Applicant-Provided Summary Description):

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

Fair Housing Project Type: Fair Housing Education, providing the following services:

- Education about fair housing laws
- Investigative testing and auditing
- Tenant advocacy
- Fair housing law enforcement

Amount Requested: \$248,683

Proposed Use of Funds: Operating costs and employee expenses: The requested funds will enable FHANC to offer client complaint intake, referral, testing, advocacy, intervention, and enforcement for Sonoma County clients, and affirmatively further fair housing. The funds will be used for program operating expenses. The staff who will oversee the project include:

- Caroline Peattie, Executive Director, 37+ yrs. of fair housing experience including 12 yrs. as FHANC’s Executive Director
- Jeff Bissell, Bookkeeper and Accountant, 4 yrs. of experience at FHANC
- Julia Howard-Gibbon, Supervising Attorney, 12 yrs. of housing experience including 6 yrs. at FHANC
- Adriana Ames, Education Director and Certified Housing and Urban Development (HUD) Housing Counselor, 31 yrs. of experience at FHANC

THRESHOLD CRITERIA

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

The applicant has many years of managing federal, state and local CDBG grant experience and has served Sonoma County for almost 10 years. The agency has thorough tracking and

reporting processes. The agency partners with Disability Services and Legal Center, as well as Legal Aid of Sonoma County. They have also managed HUD grants and California State Bar awards.

Does the project Affirmatively Further Fair Housing?

The proposed project supports Housing and Community Development (HCD)'s AFFH rule by providing fair housing services to reduce discrimination against protected classes, educating landlords and tenants on fair housing laws, and advocating for legislative policies.

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

- Serving clients alleging fair housing concerns, referring to staff attorneys or bilingual housing counselors for advice and/or representation, and assisting tenants with disabilities who need reasonable accommodations. FHANC conducts testing as part of its investigation into allegations of discrimination whenever possible.
- Addressing systemic discrimination through testing and other investigative efforts, filing complaints when testing uncovers evidence of discrimination, resulting in positive policy changes and fewer barriers to housing opportunity.
- Serving protected classes under federal, state, and local fair housing laws, and partnering with community organizations for an integrated referral system. FHANC's attorneys and bilingual housing counselors work to keep people housed, and they also help clients in transition, assisting them with housing needs such as termination notices and reasonable accommodation requests.
- Offering services in English and Spanish.
- Providing fair housing education to private and public housing providers, tenants, social service organizations, government offices, and elected officials.

SELECTION CRITERIA

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

A large component of the applicant's program is providing fair housing education by offering technical training to housing providers, including public housing authorities, CDBG/Home Investment Partnerships Program (HOME) recipients, and entitlement jurisdictions. Annually, FHANC offers to host a free annual fair housing training seminar open to all housing providers in Sonoma County. The agency also provides trainings, upon request, to other government and non-government groups. The applicant is also involved in tenant advocacy on relevant fair housing issues at the local and state levels. FHANC has also completed rental testing audits in the area, assessing the extent of discrimination. They are the only agency in Sonoma County that provides educational fair housing services and does not limit their clients by income. The seminars hosted by the applicant are open to both public and private housing providers.

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

The applicant notes that training is offered in both English and Spanish. Outreach is conducted via reaching out to local service providers and providing phone calls, emails, brochures, local newspaper/social media campaigns, poster distribution, and community presentations. Literature is distributed in English, Spanish, Vietnamese, and Tagalog. In addition, this training is offered to voucher recipients.

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

The applicant describes partnerships with many local agencies including: Legal Aid Sonoma County; Disability Services and Legal Center; and Sonoma County/Santa Rosa Housing Authorities. In addition to their outreach measures, their knowledge and research has been used to inform the current Housing Element.

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

Every time a client calls FHANC, an initial intake is completed to receive client address and income. This information is tracked in their database, and they are able to assess and confirm that a minimum of 51% of their clients reside in the Urban County and qualify as low-income or lower. The income verification, FHANC's standard intake protocol is as follows:

- The intake counselor asks all clients to disclose their household's income (monthly or annual), as well as the income source (e.g. employment, retirement, social security, disability benefits) when determining the client's fair housing needs.
- The client's income is documented in their database program. Approximately 90% or more of their clients are below 80% Area Median Income (AMI). At the intake stage, FHANC currently asks clients to self-certify their income and demographic information. However, prior to noting demographic or income information, intake staff explain that services are available to all clients, regardless of income. This explanation removes any incentive for clients to misrepresent their income.
- Following intake, if the client's income level is otherwise unknown, a FHANC attorney or housing counselor can require the client to provide adequate documentation (e.g. pay stubs or receipt of benefits).
- All clients are required to sign a retainer agreement stating that their cooperation with document requests is required in order to receive representation from FHANC attorneys. The database tracks demographics, income, and other information. The demographic and income classifications are aligned with HUD's classifications for race, ethnicity, and income. The database also tracks the source of the documentation that was used to verify income: self-certification, third party, or primary source.

Does the project/activity support the goals of the Five-Year Consolidated Plan?

Yes, the proposed project supports the following funding priority: 1) promoting effective and proven strategies for homelessness prevention and intervention countywide. FHANC provides fair housing services to low-income people at no cost, and these services help to prevent housing displacement that can occur as a result of discrimination, illegal evictions, and other fair housing violations.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|---|---|--|--|
| | Sept. 1, 2025 to Aug. 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| Number of <u>households</u> served | 150 | 158 | 190 |
| Number of <u>persons</u> served | 320 | 337 | 338 |

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

The applicant has increased the projected number of households based on the reclassification of some intakes of this fiscal year.

| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below |
|---|--|--|
| Extremely Low (Below 30% AMI) | 56% | 57% |
| Very Low (Between 31% - 50% AMI) | 17% | 16% |
| Low (Between 51% -80% AMI) | 16% | 16% |
| Moderate (Over 80% AMI) | 11% | 11% |

FUNDING POLICIES

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

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

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

Yes, this project meets the Low/Moderate Income Limited Clientele National Objective. The project focuses on the most vulnerable populations, such as persons with disabilities, persons of color, and families with children that are of lower income. CDBG funds must be spent only on

direct services to income-documented households, and at least 51% of beneficiaries must reside in the Urban County with an income at or below 80% of AMI.

PROJECT BUDGET

| | |
|---|-------------|
| Total organization budget | \$1,886,584 |
| Total program budget | \$514,516 |
| Percent of program to organization budget | 27% |
| Percent of CDBG request to program budget | 48% |
| Unduplicated household number proposed to be served with program | 150 |
| Program cost per household | \$3,430 |

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

The applicant receives diverse funding, though notes that the federal funding remains at risk. To maintain long-term sustainability, they apply and receive multiple types of funding, including government, foundation, and corporate grants/sponsorships and individual donations, which are leveraged and contribute toward program costs and overhead. Sonoma County CDBG dollars fund direct one-on-one fair housing counseling services to Sonoma County residents. The agency will continue to apply for and solicit grants and donations to continue their work.

Potential Impacts Due to Lack of Funding:

If FHANC receives an award less than requested for CDBG Fair Housing funds, reduced funding will mean that 1) there will be reduced outreach, which may cause a natural reduction in the number of clients contacting the agency; and/or 2) we will offer more limited services to clients who contact our agency. If Fair Housing Initiative Program grants are canceled, our ability to conduct investigations will also be curtailed.

Additional Information:

None at this time.

STAFF RECOMMENDATION: Staff recommends funding this award with half of the maximum set aside, which is approximately \$124,341 of CDBG funds.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. A NEPA environmental review must be completed before the applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

FAIR HOUSING

Organization Name: Legal Aid of Sonoma County (LASC)

Project Name: Housing Justice Program (HJP)

Project Description (Applicant-Provided Summary Description):

“The Housing Justice Program (HJP) provides legal services to tenants in Urban County zones disproportionately impacted by housing discrimination, including BIPOC residents, people living with disabilities, low-income families, and monolingual Spanish speakers. HJP affirmatively furthers fair housing by combating discriminatory practices in eviction defense matters, Section 8 terminations, and in cases of landlord discrimination, harassment, and retaliation. In a county where high housing costs and limited stock continue to displace vulnerable residents, housing justice is essential to advancing racial, economic, and disability equity.

HJP’s services include education to tenants and landlords on fair housing laws, as well as the direct services of legal advice, landlord negotiations, pleading preparation, and in-court representation. HJP leverages partnerships with local organizations to conduct outreach at community sites and offers home visits to increase accessibility. HJP’s services help families remain stably housed, which reduces homelessness and ensures vulnerable tenants are protected under fair housing laws.”

Fair Housing Project Type:

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

Amount Requested: \$248,683.00

Proposed Use of Funds:

- Eligible operational costs
- Employee expenses

Ninety percent of the requested funding will support personnel, including one full-time staff attorney, as well as a portion of the salary for a supervising attorney, program manager, and a variety of intake staff, and partial funding for the business manager. The remaining ten percent will be used to cover the program’s share of non-personnel and overhead costs.

THRESHOLD CRITERIA

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

Yes, LASC has successfully administered over \$4 million annually in funding. They have the capacity to deliver the proposed project as they have been providing housing justice services for over 20 years and are fully staffed.

Does the project Affirmatively Further Fair Housing?

Yes, this project affirmatively furthers fair housing. HJP represents low-income tenants and helps them assert their rights under fair housing laws. They also address broader identified issues that align with fair housing, such as the lack of affordable rental housing and inadequate tenant protections, which mostly black, indigenous, and people of color. The project does not conduct fair housing testing or engage in affirmative enforcement practices under the Affirmatively Furthering Fair Housing (AFFH) rule, due to the fact that those services are provided for a separate agency in Sonoma County, and they want to avoid duplication. They do still play a role in supporting the County's fair housing enforcement framework and effectively reduce eviction and homelessness.

SELECTION CRITERIA

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

Housing Justice Program raises awareness of housing rights and protections through education and outreach. They regularly offer trainings and workshops to tenants, community members, non-profit organizations, etc, which cover topics such as eviction defense, tenant rights, section 8 protections, and fair housing rights. For the purpose of not duplicating Fair Housing Advocates of Northern California (FHANC) efforts, they do not provide technical fair housing trainings. The HJP helps increase awareness of Fair Housing laws and how they apply in real-world situations.

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

The applicant states that, during the year of 2024, they provided educational outreach to over 370 attendees at 11 in-person events. They organize and participate in community meetings with groups that are mostly composed of Black, Indigenous, and People of Color (BIPOC) tenants. The program has educational seminars, know your rights presentations, and various resource materials that are aimed at assisting the most vulnerable population. Vulnerable populations include elders, individuals with disabilities, Spanish-speakers, and residents in underserved areas. HJP collaborates with numerous partner agencies that work with low-income and disabled tenants. These partnerships ensure that clients who are especially vulnerable receive prompt legal support and rights-based counseling. Since launching their outreach program in 2015, they have more than doubled the percentage of rural and geographically isolated tenants they serve.

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

The applicant partners with various community members such as Petaluma Peoples Services, Catholic Charities and Committee on the Shelter less (COTS). They also collaborate with FHANC.

This project is designed to coordinate tenant protection efforts throughout the jurisdiction and includes collaborative policy work, collaborative training, and sharing best practices.

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

One hundred percent of project clients are low-income. LASC uses low-income guidelines issued by the U.S. Department of Housing and Urban Development (HUD) and the State Bar of California to determine eligibility for services. Clients are screened for eligibility during the intake process. If clients are accepted, a case is created for them, and demographic information is put into the client database. Proof of income is requested for all clients. Acceptable proofs of income include copies of an Electronic Benefit Transfer (EBT) card, recent pay stubs, a letter describing benefits, a signed statement by the individual attesting to spousal and/or child support for the potential client, three (3) months of bank statements, or a recent tax return. For geographically isolated clients, the initial screening is done over the phone by trained intake specialists. If a client does not have access to email or fax and cannot transmit the proof of income, they will accept a self-declaration under penalty of perjury. When that tenant comes into the office later on, the documents are again requested. All documents are retained in the client's file.

Does the project/activity support the goals of the Five-Year Consolidated Plan?

Yes, the proposed project supports the following funding priority: 1) promoting effective and proven strategies for homelessness prevention and intervention countywide that align with Continuum of Care Strategic Plan goals. LASC provides legal representation to low-income clients at zero cost, and these services prevent illegal evictions, which can lead to housing displacement and increased risk of homelessness.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|---|---|--|--|
| | Sept. 1, 2025 to Aug. 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| <u>Number of households</u> served | 200 | 139 | 171 |
| <u>Number of persons</u> served | 350 | 271 | 328 |

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

They are expecting to serve more households than the past proposals. The current figures reflect hiring new staff and therefore increasing their capacity to serve. They state that continued growth is anticipated as staff continues to become fully trained.

| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below |
|---|--|--|
| Extremely Low (Below 30% AMI) | 47% | 45% |
| Very Low (Between 31% - 50% AMI) | 29% | 30% |
| Low (Between 51% -80% AMI) | 24% | 25% |
| Moderate (Over 80% AMI) | 0% | 0% |

FUNDING POLICIES

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

The project supports the preservation of affordable housing in the Urban County by providing legal representation to low-income clients facing eviction or fair housing discrimination. These services help clients remain in their homes, and in some cases, clients may even be able to improve their housing situation. The proposed services help to foster housing stabilization, which prevents housing disruption and lowers the risk of homelessness for clients served. These services preserve housing for lower-income households while addressing a critical need for legal representation among low-income people within Sonoma County.

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

Yes, the application indicates that one hundred percent of the clients served by this program are low-income and therefore, this project meets the Low/Moderate Income Limited Clientele National Objective.

PROJECT BUDGET

| | |
|---|-----------------|
| Total Organization Budget | \$ 4,677,967.00 |
| Total program budget | \$ 826,065.00 |
| Percent of program to organization budget | 17.65% |
| Percent of CDBG request to program budget | 30.1% |
| Total proposed number of households to be served | 200 |
| Program cost per household | \$4,130.33 |

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

They will continue to apply for funding through the Community Development Commission. They acknowledge that funding this year is more uncertain due to changes at the Federal level, but believe the strong partnerships they have built will help ensure long-term sustainability. They also leverage additional funding from the State Bar of California's Interest on Lawyers' Trust Accounts (IOLTA) program and from the City of Santa Rosa and COTS Keeping People Housed. By combining all the funding sources, they believe they will be able to maintain and grow over time.

Potential Impacts Due to Lack of Funding:

Partial funding would result in a reduction of staff hours and number of participants receiving services. If no funds at all were received, the impact would be a significant reduction in services and staffing capacity.

Additional Information:

None.

STAFF RECOMMENDATION:

Staff recommends funding this request with half of the maximum set aside, which is approximately \$124,342 in CDBG funds.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. A NEPA environmental review must be completed before the applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

COUNTY FUND FOR HOUSING (CFH)
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)
HOME COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (HOME-CHDO)
AFFORDABLE HOUSING PROJECT STAFF REPORT

Organization Name: Burbank Housing Development Corporation (BHDC)

Project Name: George's Hideaway

Project Description (Applicant-Provided Summary Description):

George's Hideaway, in Guerneville, will provide 21 new studio units dedicated to homeless households in an area of the county with limited Permanent Supportive Housing. There will be one full time on-site manager dedicated to managing the property and tenant needs, alongside a resident services and case management team. All 21 units will be filled using the County's coordinated entry system that prioritizes the most vulnerable homeless persons for housing placement and all 21 units affordable at 30% AMI. This deep affordability means that homeless persons with extremely low or even zero income will qualify and can afford the provided housing. Thus, George's Hideaway, will provide critically needed affordable rental housing and services to highly vulnerable homeless persons.

Amount Requested: \$1,000,000 CFH, HOME, HOME CHDO

Proposed Use of Funds:

Construction Costs

FUNDING POLICIES

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

Yes, BHDC has 44 years of experience developing and managing affordable housing, including rental and homeownership communities. BHDC have completed over 135 affordable housing communities totaling more than 4,500 rental units.

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

Yes, BHDC has successfully secured federal, state, local, tax credits, and private sources to develop affordable housing within the last seven years.

Does the project address one of the following funding priorities?

1) Creating or preserving affordable housing,

Yes, the project will be new construction creating affordable housing.

2) Building infrastructure or public facilities that support creation or preservation of affordable housing,

3) Building infrastructure or public facilities that support low-income communities,

4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,

The project creates 21 new units of Permanent Supportive Housing (PSH). West County Community Services (WCCS) will be providing supportive services to all future tenants. The project will also create the office space for WCCS to operate a new Navigation and Empowerment Center where they will provide resources and services to the community.

5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?

If the application is for acquisition and/or preservation, are the units at risk of becoming market rate housing without additional CDC funding?

Not applicable, the application is not for acquisition or preservation.

Will the project provide units for special needs populations?

Yes, the project is 100% PSH providing 21 units for persons or households experiencing homelessness or are at-risk of becoming homeless.

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

Yes, the project is 100% PSH providing 21 units for persons or households experiencing homelessness or are at-risk of becoming homeless.

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

- New Construction
- 100% Permanent Supportive Housing
- 22 studio units including 1 manager unit
- 374 sq ft
- 21 units at Extremely low-income (30% Area Median Income (AMI))

SELECTION CRITERIA

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The project aligns with the Five-Year Consolidated Plan by creating 21 new affordable housing for extremely low-income families and individuals who are homeless or at-risk of being homeless. To ensure the tenants success and stability, WCCS will be providing supportive services to all future tenants. The project will also create an office space for WCCS to operate a navigation and empowerment center to provide services to tenants and the community.

If applicable, does the proposed number of units exceed the minimum HOME requirements?

The project is 100% PSH, 21 units at extremely low-income 30% AMI.

If applicable, are the proposed rents below the maximum rents allowed by the HOME requirements?

The project is 100% PSH, 21 units at extremely low-income 30% AMI.

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

Yes, the project is under construction and received building permits on 7/12/2024 and 11/13/2024. The project is in compliance with the Sonoma County General Plan and Zoning requirements. All funding sources to begin construction were secured, the additional funds requested in this NOFA are to help support costs not previously captured in the construction budget due to increased hard costs because of unexpected scope of work. The project is exempt from CA Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) has been completed and received the Authority to Use Grant Funds (AUGF) approval prior to construction start.

For HOME funding requests, does the application indicate how the HOME match requirement will be satisfied?

Yes, the HOME match requirements include \$148,655 in CDBG-CV grant.

If applicant receives the funding requested in this proposal, each \$1 of requested funds would leverage \$ 94 from other sources. The full amount of funds requested would be \$7,599 per Commission-assisted unit.

Project Budget: \$15,025,784.00

1. CFH units: $\$15,025,784 / \$159,583 = 94:1$
 - a. CFH funds per unit: $\$159,583 / 21 \text{ units} = \$7,599$
2. HOME/HOME CHDO units: $\$15,025,784 / \$284,622 = 53:1$
 - a. HOME/HOME CHDO funds per unit: $\$284,622 / 21 \text{ units} = \$13,553$
3. PLHA units: $\$15,025,784 / \$555,795 = 27:1$
 - a. PLHA funds per unit: $\$555,795 / 21 \text{ units} = \$26,466$

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

The leverage of funds against total development costs will be 94:1 CFH, 53:1 HOME, HOME CHDO, 27:1 PLHA.

ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING

| <u>Funding Source</u> | <u>Amount</u> | <u>Commitment Status</u> |
|-------------------------------|-----------------|--------------------------|
| CA - Homekey Capital Award | \$5,209,584.00 | Committed |
| Sonoma County - PLHA | \$700,000.00 | Committed |
| Sonoma County - CDBG-CV | \$700,000.00 | Committed |
| Sonoma County DHS - Measure O | \$4,570,000.00 | Committed |
| CA - ERAP | \$955,000.00 | Committed |
| Sonoma County - ARPA | \$300,000.00 | Committed |
| Sonoma County - CFH | \$405,378.00 | Anticipated |
| Sonoma County - HOME | \$495,519.00 | Anticipated |
| Sonoma County - HOME CHDO | \$99,103.00 | Anticipated |
| TOTAL | \$13,434,584.00 | |

ESTIMATED PERMANENT FINANCING

| <u>Funding Source</u> | <u>Amount</u> | <u>Commitment Status</u> |
|---|----------------|--------------------------|
| Sonoma County - Homekey Operational Award | \$1,091,200.00 | Committed |
| Providence | \$500,000.00 | Committed |
| CA - Homekey Capital Award | \$5,209,584.00 | Committed |
| Sonoma County - PLHA | \$700,000.00 | Committed |
| Sonoma County - CDBG-CV | \$700,000.00 | Committed |
| Sonoma County DHS - Measure O | \$4,570,000.00 | Committed |
| CA - ERAP | \$955,000.00 | Committed |
| Sonoma County - ARPA | \$300,000.00 | Committed |
| Sonoma County - CFH | \$405,378.00 | Anticipated |
| Sonoma County - HOME | \$495,519.00 | Anticipated |
| Sonoma County - HOME CHDO | \$99,103.00 | Anticipated |
| TOTAL | \$15,025,784 | |

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

The project has several committed funding sources for ongoing maintenance and operations, in particular, the Homekey award of \$1,091,200.00 established in operational reserves at conversion to permanent financing and Project Based Voucher assistance to subsidize rents. The developer has stated in previous correspondence relating to project that they will continue to source funds for operational expenses as needed.

Does the project affirmatively further fair housing?

Yes, the project will be providing affordable housing in an area of opportunity to combat segregation and promote integration. WCCS will provide case management and on-site programming. The project will transform an area with limited resources into a thriving, inclusive community with 21 deeply affordable homes for the homeless population. As well as the creation of a Navigation and Empowerment Center operated by WCCS, accessible by the future tenants at George's Hideaway and the greater Sonoma County community. This redevelopment prioritizes equitable access, stability, and opportunity for protected classes by addressing housing quality, affordability, and accessibility in a community currently underserved.

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

Yes, the project demonstrates existing support from Sonoma County Community Development Commission through previous funding commitments.

Self-Sustaining Financial Viability:

The 30-year cash flow demonstrates the project's financial feasibility with an 11-year capital services and operating reserve until the project generates cash flow at year 12 for the ongoing operations of the project.

Additional Information:

The project is currently under construction and is estimated to be complete in March 2026.

Potential Impacts Due to Lack of Funding:

Potential impacts due to lack of funding could delay the construction, as BHDC would need to secure additional funding to close the construction deficit. Delays typically result in increased construction costs, further widening funding gaps.

Staff Recommendation:

Staff recommends full funding of the \$1,000,000 request in the following amounts,

HOME - \$185,519

HOME CHDO - \$99,103

CFH - \$159,583

PLHA - \$555,795

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☐ a loan ☒

1. All loans for Affordable Housing Acquisition, Predevelopment, Construction, Multi-family Housing Rehabilitation, and Community Facilities are subject to the provisions of the Sonoma County Community Development Commission (CDC) Loan Policies, the FY 25-26 Funding Policies, and the HOME, HOME CHDO, CFH, PLHA Final Rule.
2. HOME funds will be used to reimburse allowable construction costs only.
3. In compliance with Section 504 of the federal Rehabilitation Act of 1973, developer must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. An additional 2 percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.
4. The CDC will make the HOME, HOME CHDO, CFH, PLHA loan to Burbank Housing Development Corporation as the Developer. A subsequent assignment to a limited partnership must comply with federal regulations. Notwithstanding this requirement, Developer may assign the loan to a limited partnership prior to project completion and occupancy of the development.
5. Developer will be required to submit evidence that all required construction and permanent financing has been committed prior to being offered a Developer Agreement.
6. The level of HOME and HOME CHDO funding allocated to the development cannot exceed the amount that a federal subsidy layering analysis would permit. The CDC must complete a federal subsidy layering analysis prior to final loan approval. Developer will be required to submit an updated Sources and Uses Table that breaks out the estimated cost of any community building or other non-housing components, as well as other required data to enable the CDC to complete this analysis.
7. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. Any property tax waiver will qualify as sources to satisfy the match obligation. When the sources are known, the CDC can calculate their match value and confirm whether the project will comply with this HOME Program requirement.
8. Developer must satisfy all regulatory requirements and all conditions of approval that are set forth in the SCCDC Loan Policies as prerequisite to the CDC offering the Developer Agreement for execution within 12 months of the start of the fiscal year associated with the award. Disbursement of funds must be initiated within 24 months of the date on which the Developer Agreement is offered for execution. All funds must be disbursed within 36 months of the date on which the Developer Agreement is offered for execution. Funding awards that do not meet these deadlines will be reprogrammed.
9. The project must be completed within four years of the date on which the Developer Agreement is offered for execution. Project completion will be documented by the submission of a temporary or permanent certificate of occupancy for HOME, HOME CHDO, CFH, PLHA funded units. HOME assisted rental units must be occupied by income-eligible households within 12 months of project completion.

HOME INVESTMENT PARTNERSHIP (HOME)
AFFORDABLE HOUSING PROJECTS STAFF REPORT

Organization Name: Sonoma County Housing Authority (Housing Authority)

Project Name: Tenant-Based Rental Assistance Program (TBRA)

Project Description (Applicant Provided Summary Description):

The Housing Authority provides rental assistance through a variety of TBRA programs which serve low-income populations. A major barrier to clients achieving permanent housing utilizing a rental assistance voucher is access to deposit funds which are frequently equivalent to two months rent. Given the rental prices in Sonoma County, it is not unusual for deposits to be \$4,000. In order to assist in eliminating this barrier, the Housing Authority is seeking funding to provide deposit assistance for 50 households. Assistance will be provided in the form of a one-time grant. The requested funds will also be used to pay monthly rental subsidies of approximately 8 households, if not required for deposit assistance.

Amount Requested: \$310,000

Type of Funds Requested: HOME

Proposed Use of Funds:

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

FUNDING POLICIES

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

The Housing Authority has successfully administered a rental deposit grant program since 2020 in which it has assisted over 200 formerly homeless clients in achieving permanent housing.

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

Not applicable.

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

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

If the application is for acquisition and/or preservation, are the units at risk of becoming market rate housing without additional CDC funding?

Not applicable.

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

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

Will the project provide units for special needs populations?

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

Project Type, Number and Size of Units, Income Levels to be Served:

TBRA in the form of deposit assistance grants and monthly rental subsidies for up to 58 clients seeking to occupy all sizes of units. Income level of clients to be served will be less than 50% of the area median income (AMI).

SELECTION CRITERIA

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The project benefits persons who have incomes at or below 80% of the AMI. Under the Low/Mod (L/M) Limited Clientele National Objective, the project has income eligibility requirements that limit the activity exclusively to L/M income persons.

If applicable, does the proposed number of units exceed the minimum HOME requirements?

Not applicable.

If applicable, are the proposed rents below the maximum rents allowed by the HOME requirements?

Not applicable.

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

Not applicable.

For HOME funding requests, does the application indicate how the HOME match requirement will be satisfied?

Not applicable

If applicant receives the funding requested in this proposal, each \$1 of HOME funds would leverage \$_____ from other sources. The full amount of HOME funds requested would be \$_____ per HOME-assisted unit.

Not applicable.

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

Not applicable.

ESTIMATED PREDEVELOPMENT AND CONSTRUCTION FINANCING

| <u>Funding Source</u> | <u>Amount</u> | <u>Commitment Status</u> |
|-----------------------|---------------|--------------------------|
| CDC HOME | \$310,000 | uncommitted |
| TOTAL | \$310,000 | |

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

Not applicable.

Does the project Affirmatively Further Fair Housing?

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

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

Not applicable

Additional Information:

None.

Consequences of No Funding:

If the requested HOME funds are not provided for the Housing Authority's TBRA program, approximately 58 very low-income households will not be able to pay the up-front costs required to access rental homes on the private market. These households may therefore lose the ability to use their Housing Choice Voucher and other rental subsidy program funds and would remain homeless or housed in potentially substandard or cost-burdened conditions.

Staff Recommendation:

Staff recommends full funding for this request in the amount of \$310,000.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. All grants for Tenant-based Rental Assistance are subject to the provisions of the Community Development Commission (CDC) FY 2025-2026 Funding Policies and the HOME Final Rule.
2. HOME funds will only be used to provide tenant-based rental subsidies and/or deposit assistance to make market rate housing units affordable to extremely low-income households, some with special needs.
3. The required NEPA environmental review must be completed before the Housing Authority can be offered a Subrecipient Agreement.
4. Approval of the requested HOME funds will require a match obligation equal to 25% of any HOME award. This match may be met through use of excess match provided to HOME-funded capital projects.
5. Funds for Tenant-based Rental Assistance must be expended within the 48 months of the fiscal year for which funding is allocated.

EMERGENCY SOLUTIONS GRANT (ESG)
LOW-MODERATE INCOME HOUSING ASSET FUND (LMIHAF)
PUBLIC SERVICES STAFF REPORT

Organization Name: The Living Room (TLR)

Project Name: The Living Room Homelessness Prevention

Project Description (*Applicant-Provided Summary Description*):

“The Living Room’s Homelessness Prevention Program increases housing stability among low-income women who are experiencing, or at risk of experiencing, homelessness. Lived experience, bilingual and bicultural staff provide trauma-informed care and services such as housing navigation, housing stability support, landlord-tenant mediation, life and work skills development, the provision of emergency meals and supplies, support groups, art therapy, and rental and financial assistance. Community partners provide onsite specialized services including medical screenings, legal services, parenting classes, pet care, financial literacy workshops, and more. Evidence-based techniques lead to increasing numbers of women improving their lives and securing housing.”

Amount Requested: \$78,618 – Emergency Solutions Grant / \$196,330 – Low- and Moderate-Income Housing Asset Fund

Public Services Project Type: Homelessness Prevention

Proposed Use of Funds: The requested funding will support personnel costs for a variety of different employees that are involved in the provision of homelessness prevention services.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|---|---|--|--|
| | Sept. 1, 2025 – August 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| Number of <u>households</u> served | 255 | 230 | 200 |
| Number of <u>adults</u> served | 173 | 160 | 81 |
| Number of <u>children</u> served | 270 | 235 | 205 |
| Number of <u>people</u> served | 443 | 395 | 286 |

| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below |
|---|--|--|
| Extremely Low (Below 30% AMI) | 98% | 98% |
| Very Low (Between 31% - 50% AMI) | 2% | 2% |
| Low (Between 51% -80% AMI) | 0% | 0% |
| Moderate (Over 80% AMI) | 0% | 0% |

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

There are no significant changes. The applicant has projected a slight increase in the number of people that will be served in the upcoming fiscal year given the organization's success in utilizing previous funding awards from the Commission.

Federal regulations require that 51% of participants are located within the Urban County of Sonoma (excluding the cities of Petaluma and Santa Rosa). Does the applicant describe the method that will be used to verify income eligibility and track other required demographic and quantitative data?

The Living Room employs a comprehensive intake process where clients are asked to submit information regarding their current level of income, place of residency, employment status, and other details. Client data is stored in a digital format so that it can be referenced by other staff members, and this same data is also recorded within the Homeless Management Information System (HMIS). Some program-specific data, such as housing placements and successful program exits, is tracked for up to four years, and this same data is reviewed on an annual basis to evaluate program efficacy and overall attainment of permanent housing.

SELECTION CRITERIA

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

Yes, the applicant notes that homelessness prevention and housing retention are the primary outcomes of the activity. Additionally, applicant notes that the two main goals of the program are increasing the attainment and retention of permanent housing among low-income, housing-insecure women and children, and increasing participants' income through employment assistance or other benefits enrollment, which further aids clients in the pursuit of securing permanent affordable housing.

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The proposed outcomes of the project are aligned with the Five-Year Consolidated Plan because they promote effective and proven strategies for homelessness prevention and intervention countywide.

Does the applicant demonstrate capacity to effectively deliver the proposed project? Does the applicant have experience providing the proposed services?

The Living Room regularly administers federal, state, local, and private grant funds, and they have received funding awards from the Commission in previous years. The Living Room has an extensive history of providing homelessness prevention services, and this type of activity has been a priority for the agency since they opened for business in 1993. The organization currently operates the only drop-in center that specifically caters to women within Sonoma County.

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

The applicant states that data is collected several times throughout the provision of supportive services. For example, clients are asked for their demographic, income, and other personal information during the intake process. The Living Room uses data collection to improve the overall quality of their services and organization. In the feedback provided by clients, many participants explained that reliable transportation proved to be a serious barrier when trying to access services. In response to this feedback, The Living Room has aggressively pursued funding that can be used to cover bus passes, Uber vouchers, and other transportation expenses.

For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of the organization's ability, knowledge, and potential challenges related to participation in Coordinated Entry.

The Living Room participates in Coordinated Entry. Staff are trained to assist with the intake process and are responsible for entering client data into Homeless Management Information System (HMIS). Furthermore, the agency works with other community partners to make referrals, and they also help connect clients with other service providers throughout Sonoma County, ensuring that clients are matched with the most relevant and useful services based upon their unique needs and housing situation.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

This project meets both of the following funding priorities: 1) promoting effective and proven strategies for homelessness prevention and intervention countywide that align with Continuum of Care Strategic Plan goals, 2) emphasizing self-sufficiency of agencies and or life skills for beneficiaries. The Living Room uses evidence-based techniques that help low-income women find permanent housing opportunities while promoting long-term life skills through employment training, nutrition coaching, and a variety of other services.

THRESHOLD CRITERIA

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Homeless prevention is an eligible activity under both LMIHAF and ESG programs. Beneficiaries of the LMIHAF program can be countywide, however, ESG beneficiaries are limited to the Urban

County. The application notes in the project narrative that the organization's data collection methods have been updated, and they have determined that 25% of their clients are located within the Urban County. Given this recent development, applicant is not eligible to receive ESG funds at this time.

Does the project Affirmatively Further Fair Housing?

Yes, this project affirmatively furthers fair housing because it provides services to low-income women. This project helps to prevent gender discrimination, which is prohibited by the Fair Housing Act, while also identifying existing inequities among low-income women in the Sonoma County area.

PROJECT BUDGET

| | |
|---|-------------|
| Total Organization Budget | \$2,464,105 |
| Total program budget | \$748,358 |
| Percent of program budget to organization budget | 30.4% |
| Percent of funds requested to program budget | 36.7% |
| Total proposed number of households to be served | 255 |
| Program cost per person/household | \$2,934.74 |

ONLY APPLICABLE TO ESG APPLICATIONS: Does the applicant identify non-federal funding sources that will be used to meet the ESG match requirement?

Partnership Healthplan has committed \$83,306 to the project, which would cover the funding requested from the Emergency Solutions Grant of \$78,618.

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

The applicant acknowledges the current uncertainty regarding federal funding. However, the applicant affirms that they remain committed to providing these services and will ensure they have the proper financial backing by soliciting grant funding from private/corporate, local, federal, and state funding sources. Additionally, the applicant has a large volunteer base that may help assist with service delivery.

Additional Information:

The applicant operates the only shelter that specifically caters to women, which is a developing, critical need within Sonoma County. However, the applicant noted that their data collection process has improved, and they have determined that approximately 25% of their clientele are coming from within the Urban County, and the remaining 75% of clients are from within the city limits of Santa Rosa. Given this development, the applicant is not eligible to receive ESG funds.

Potential Impacts Due to Lack of Funding:

This funding request will be spent almost entirely on staff salaries and related expenses. If the organization receives less funding than requested, they will have to scale down the number of participants served by the program. In terms of a worst-case scenario, The Living Room may have to resort to layoffs if they cannot acquire the necessary funds, and any loss of staff would definitely lead to a decrease in the number of households receiving assistance.

STAFF RECOMMENDATION:

The applicant stated that their data collection methods have been updated, and as a result of this improved data analysis, the organization has determined that their client base is primarily located within Santa Rosa at this point in time. Due to this change, the agency is no longer eligible to receive ESG funds. However, the activity is eligible under the LMIHAF program and staff recommends \$75,000 of funding for this project.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. CDBG funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement.
2. The subrecipient must verify demographic data, including race and ethnicity, place of residency, and income with proper documentation.

EMERGENCY SOLUTIONS GRANT (ESG)

PUBLIC SERVICES STAFF REPORT

Organization Name: West County Community Services

Project Name: West County Navigation Center/Emergency Shelter

Project Description (*Applicant-Provided Summary Description*):

“WCCS Navigation Site Shelter serves as a critical intervention point for individuals experiencing homelessness in West Sonoma County, offering a low-barrier, trauma-informed environment that meets immediate safety and stability needs. By integrating intensive case management and housing navigation services, the site functions as a launchpad to permanent housing. Participants receive individualized support to secure income, obtain documentation, and access housing opportunities. The Navigation Site brings together behavioral health support, substance use resources, peer mentoring, and workforce development services. These robust supports meet people where they are, ensuring that underlying issues contributing to homelessness are addressed in tandem with housing needs.”

Amount Requested: \$138,724 – Emergency Solutions Grant (ESG)

Public Services Project Type: Emergency Shelter and Homeless Services

Proposed Use of Funds: The requested funds will primarily be used to offset personnel and administration costs. Additionally, these funds will be used for operational expenses such as shelter/client supplies, mileage reimbursements, and related incidentals.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|---|---|--|--|
| | Sept. 1, 2025 – August 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| Number of <u>households</u> served | 110 | 103 | 129 |
| Number of <u>adults</u> served | 110 | 103 | 131 |
| Number of <u>children</u> served | 0 | 0 | 2 |

| Number of <u>people</u> served | 110 | 103 | 133 |
|----------------------------------|---|--|-----|
| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u> , list the estimated percentage of households served in each of the income categories below | |
| Extremely Low (Below 30% AMI) | 85% | 85% | |
| Very Low (Between 31% - 50% AMI) | 15% | 15% | |
| Low (Between 51% -80% AMI) | 0% | 0% | |
| Moderate (Over 80% AMI) | 0% | 0% | |

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

The shelter offers a maximum capacity of 27 beds. WCCS had previously expanded their capacity without any additional funding, but they recently had to reduce the nightly maximum capacity due to limited financial resources.

Federal regulations require that 51% of participants are located within the Urban County of Sonoma (excluding the cities of Petaluma and Santa Rosa). Does the applicant describe the method that will be used to verify income eligibility and track other required demographic and quantitative data?

WCCS staff will provide intensive, personalized case management services to all clients, which includes gathering the necessary documentation to verify income and current place of residency. Furthermore, the organization is located within Guerneville, which is an area that is included in the Urban County of Sonoma – any clients that reside in this area are eligible for ESG funds.

SELECTION CRITERIA

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The proposed outcomes of the project are aligned with the Five-Year Consolidated Plan because they promote effective and proven strategies for homelessness prevention and intervention countywide.

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

The primary outcome for the proposed project includes providing shelter or transitional housing for clients until they are ready to exit the program and enter permanent housing.

Does the applicant demonstrate capacity to effectively deliver the proposed project? Does the applicant have experience providing the proposed services?

Yes, WCCS has demonstrated success in managing a variety of funding sources, and the agency has been awarded funding by the Commission multiple times during previous funding cycles. The applicant states that shelter staff are trained in housing navigation and have connected hundreds of clients to various types of housing, including permanent supportive housing, transitional housing, and even fair-market rentals.

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

Applicant states that staff utilize HMIS data to track demographic and outcome information, and there are also internal systems that help track client participation and success. Furthermore, the organization employs the HUD Housing First Assessment Tool on a yearly basis to better understand the efficacy of the program while gaining a better understanding of client needs. WCCS uses this data to identify aspects of the program that may need improvement and can respond to developing needs amongst their clientele.

For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of the organization's ability, knowledge, and potential challenges related to participation in Coordinated Entry.

WCCS has demonstrated robust participation in the Coordinated Entry system, and the organization hosts four different Coordinated Entry Access Points throughout the West County region. The application notes that limited staffing and funding have presented a challenge, but staff maintain a high level of internal coordination to alleviate these issues as they arise.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

This project is aligned with the following funding priority: Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals.

THRESHOLD CRITERIA

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Yes, the proposed project meets the eligibility requirements of the Emergency Solutions Grant because the project is providing emergency shelter services to homeless individuals.

Additionally, given the proposed outcomes reported by the applicant, it can be assumed that this project will aid in preventing homelessness, shortening the length of homeless episodes, decreasing returns to homelessness, increasing placements in permanent housing, or providing direct rapid re-housing assistance.

Does the project Affirmatively Further Fair Housing?

While the proposed activity is not housing related, it supports the principles of Affirmatively Furthering Fair Housing by providing services to low-income clients that cannot access services due to financial or geographical barriers. The proposed activity will deliver services to low-income households that can help to improve their lives and promote self-sufficiency.

PROJECT BUDGET

| | |
|--|--|
| Total Organization Budget | \$ 5,187,470 (current) \$5,311,602 (proposed) |
| Total program budget | \$ 821,001 (current) \$932,977 (proposed) |
| Percent of program budget to organization budget | 15.8% (current) 17.6% (proposed) |
| Percent of funds requested to proposed program budget | 14.9% |
| Total proposed number of households to be served | 110 |
| Proposed program cost per household | $\$932,977 / 110 =$ \$8,481.61 |

ONLY APPLICABLE TO ESG APPLICATIONS: Does the applicant identify non-federal funding sources that will be used to meet the ESG match requirement?

Yes, the applicant notes that funding from the Sonoma County Department of Health Services will be used to satisfy the match requirement. These funds were not committed at the time of application submission, but DHS staff have confirmed that WCCS will be receiving a funding award of approximately \$663,905.60 for their navigation center – this award amount is enough to cover the request for ESG funds.

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

The applicant notes that WCCS will continue to solicit funding from the Commission and the Sonoma County Department of Health Services to support the project. The organization will continue to apply for local funding from organizations like the Commission, while also securing private grant funds whenever possible, in order to remain financially stable.

Additional Information: Applicant has requested the full amount of ESG funds available – however, only 60% of the maximum amount of ESG funds may be spent on emergency shelter.

Potential Impacts Due to Lack of Funding: If the organization receives less funding than requested, the shelter may have to remain closed on certain days or otherwise reduce their business hours, which would lead to a smaller number of clients served.

STAFF RECOMMENDATION: The applicant has presented a strong rationale for receiving ESG funds. However, there is a 60% maximum imposed on the amount of ESG funding that can be awarded specifically for emergency shelter. Staff recommends awarding the full 60% of ESG funds, which would total \$83,234.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. A NEPA environmental review must be completed before applicant can be offered a Funding Agreement. The Sonoma County Community Development Commission staff will prepare the NEPA.
2. CDBG funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement

EMERGENCY SOLUTIONS GRANT (ESG)
LOW-MODERATE INCOME HOUSING ASSET FUND (LMIHAF)
PUBLIC SERVICES STAFF REPORT

Organization Name: West County Community Services

Project Name: Rapid Rehousing

Project Description (*Applicant-Provided Summary Description*):

“WCCS Rapid Rehousing Program provides short to medium term rental assistance and supportive services to help individuals and families experiencing homelessness quickly secure and maintain permanent housing. Through housing navigation, landlord engagement, case management, and connection to employment and behavioral health services, WCCS works to stabilize clients and prevent returns to homelessness. The program prioritizes vulnerable populations in West Sonoma County, as well as the Sonoma County as a whole, and leverages strong partnerships with local agencies and landlords. By addressing both the immediate housing crisis and underlying barriers, WCCS Rapid Rehousing promotes long-term stability and community well-being.”

Amount Requested: \$250,000 – Low- and Moderate-Income Housing Asset Fund (LMIHAF)

Public Services Project Type: Rapid Re-Housing

Proposed Use of Funds: The requested funds will support personnel and administrative costs. Furthermore, the requested funding will allow staff to offer flexible rental assistance to program participants.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|------------------------------------|--|---|---|
| | Sept. 1, 2025 – August 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| Number of <u>households</u> served | 40 | 48 | 49 |
| Number of <u>adults</u> served | 45 | 52 | 52 |
| Number of <u>children</u> served | 9 | 38 | 24 |
| Number of <u>people</u> served | 54 | 90 | 76 |

| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u> , list the estimated percentage of households served in each of the income categories below |
|----------------------------------|---|--|
| Extremely Low (Below 30% AMI) | 85% | 85% |
| Very Low (Between 31% - 50% AMI) | 15% | 15% |
| Low (Between 51% -80% AMI) | 0% | 0% |
| Moderate (Over 80% AMI) | 0% | 0% |

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

The proposed number of households and persons to be served in the upcoming fiscal year will be less than the current year, however, the change is not substantial.

Federal regulations require that 51% of participants are located within the Urban County of Sonoma (excluding the cities of Petaluma and Santa Rosa). Does the applicant describe the method that will be used to verify income eligibility and track other required demographic and quantitative data?

Applicant is only requesting LMIHAF funds in this application, so the Urban County requirement does not apply. However, WCCS has experience with administering federal funds from the Commission, and the agency is aware of the Urban County obligations and has developed a process for collecting the necessary documentation to verify income and place of residence.

SELECTION CRITERIA

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

Yes, the applicant notes that homeless prevention and housing retention are the primary outcomes of the proposed activity. Applicant further explains that staff provide case management services, which may include benefits/employment assistance, a personalized housing plan, and landlord-tenant mediation. Furthermore, all clients may receive financial assistance for up to 12 months.

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The proposed outcomes of the project are aligned with the Five-Year Consolidated Plan because they help to promote effective and proven strategies for homelessness prevention and intervention countywide.

Does the applicant demonstrate capacity to effectively deliver the proposed project? Does the applicant have experience providing the proposed services?

Yes, WCCS has demonstrated success in managing a variety of funding sources, and the agency has been awarded funding by the Commission multiple times in past funding cycles. The applicant notes that the West County area presents unique challenges in service delivery, but by leveraging local partnerships and securing a variety of grant funding, the organization has achieved continued success in meeting their proposed goals.

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

Yes, the applicant notes that staff utilize data from the Homeless Management Information System (HMIS) to ensure clients are achieving the most beneficial outcomes. Case managers are able to review changes in income, housing status, or access to services in real-time, and can then make changes to service delivery in order to support individual client goals.

For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of the organization's ability, knowledge, and potential challenges related to participation in Coordinated Entry.

WCCS has demonstrated robust participation in the Coordinated Entry system, and the organization hosts four different Coordinated Entry Access Points throughout the West County region. The application notes that limited staffing and funding have presented a challenge, but staff maintain a high level of internal coordination to alleviate these issues as they arise. Should the program assist homeless clients, they will be required to participate in Coordinated Entry.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

This project is aligned with the following funding priority: Promoting effective and proven strategies for homelessness prevention and intervention county-wide that align with Continuum of Care Strategic Plan goals. Furthermore, by providing short-term financial assistance to low-income households, the proposed project will also emphasize self-sufficiency for beneficiaries.

THRESHOLD CRITERIA

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Yes, the proposed project meets the eligibility requirements of the Low- and Moderate-Income Housing Asset Fund because the project will directly benefit low- and moderate-income people throughout the West County area and rapid rehousing is an eligible activity under the funding program.

Does the project Affirmatively Further Fair Housing?

The proposed activity affirmatively furthers fair housing by providing services to low-income clients that cannot access services due to financial or geographical barriers. Additionally, the proposed services will help to reduce income discrimination by providing short-term financial support to assist low-income households in securing permanent housing.

PROJECT BUDGET

| | |
|--|--|
| Total Organization Budget | \$ 5,187,470 (current) \$5,311,602 (proposed) |
| Total program budget | \$ 260,330.71 (current) \$261,078 (proposed) |
| Percent of program budget to organization budget | 5.02% (current) 4.92% (proposed) |
| Percent of funds requested to program budget | 96% |
| Total proposed number of households to be served with program | 40 |
| Proposed program cost per household | \$6,508.27 |

ONLY APPLICABLE TO ESG APPLICATIONS: Does the applicant identify non-federal funding sources that will be used to meet the ESG match requirement?

The applicant did not request ESG, but staff have decided to recommend this project for ESG funds in an effort to allocate all of the funding that is currently available from this source. This applicant has received ESG funding awards during previous funding cycles and has demonstrated success in complying with the guidelines and underlying policies of the program. The applicant may satisfy the match requirement by utilizing the funding from the Department of Health Services (DHS) in addition to the LMIHAF award from the Commission.

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

The application notes that WCCS will continue to solicit funding from the Commission and the Sonoma County Department of Health Services to support the project. The organization will continue to apply for local funding from organizations like the Commission, while also securing private grant funds whenever possible, in order to remain financially stable.

Additional Information: The application notes that the Commission would be funding almost the entire program. Other than approximately \$11,000 in funding from the Department of Health Services, there are no other funding sources committed to the project.

Potential Impacts Due to Lack of Funding:

The application notes that staffing levels are fixed, so if the funding request is only partially fulfilled, the number of participants served will be reduced accordingly.

STAFF RECOMMENDATION:

Staff recommends funding this project with \$55,490 of ESG funds and \$50,000 of LMIHAF funds.

COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT (CDBG-CV)

PUBLIC SERVICES STAFF REPORT

Organization Name: Fair Housing Advocates of Northern California (FHANC)

Project Name: Coronavirus Education and Outreach

Project Description (*Applicant-Provided Summary Description*):

“During and post pandemic, Fair Housing Advocates of Northern California (FHANC) staff have provided education, outreach, and counseling services to residents impacted by Covid-19 in Marin, Sonoma, and Solano counties. While many Covid-19 programs have ended, there are many community members who are still experiencing the long-term impacts of Covid-19. Sonoma residents have been impacted by Covid-19 in the areas of health, housing, education, and finances. The actual number of individuals impacted is unknown due to changes in data collection requirements and lack of reporting. If funded, we will conduct Covid-19 education/outreach: 5 email marketing campaigns, 5 social media posts, distribute 200 posters, air 10 PSAs [public service announcements], offer Covid content in trainings, and update FHANC’s Covid-19 page”.

Amount Requested: \$30,000

Public Services Project Type: Homeless Prevention

Proposed Use of Funds: The applicant proposes to use the funds for personnel expenses and indirect costs for email campaigns, social media posts, and printing and distribution needs.

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

| | <u>Proposed</u> number to be served by project in upcoming Fiscal Year | Current number served as of the filing of this application (if project is currently in operation) | Number served by project last Fiscal Year |
|---|---|--|--|
| | Sept. 1, 2025 – August 31, 2026 | July 1, 2024 to Current Date | July 1, 2023 - June 30, 2024 |
| Number of <u>households</u> served | 130 | Program not in service | 154 |
| Number of <u>adults</u> served | 65 | | 322 |
| Number of <u>children</u> served | 65 | | |
| Number of <u>persons</u> served | 130 (65 + 65) <i>assumed</i> | | |

| Household Income | List the total estimated percentage of the households served in each of the income categories below | <u>Considering only Urban County residents</u>, list the estimated percentage of households served in each of the income categories below |
|---|--|--|
| Extremely Low (Below 30% AMI) | 56% | 57% |
| Very Low (Between 31% - 50% AMI) | 17% | 16% |
| Low (Between 51% -80% AMI) | 16% | 16% |
| Moderate (Over 80% AMI) | 11% | 11% |

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

The program was not implemented last fiscal year, but was implemented in Fiscal Year (FY) 2023-2024. The application states that in FY2023-2024, a total of 154 households and 322 adults were assisted under this program, which are higher figures than proposed in the upcoming fiscal year. The proposed figures are lower, but not significantly. The application does indicate that the change in figures is attributed to a change in their in-take form in FY 2024-2025, which omitted coronavirus related questions given the lower number of coronavirus-specific programs available to FHANC.

Federal regulations require that 51% of participants are located within the Urban County of Sonoma (excludes the cities of Petaluma and Santa Rosa). Does the applicant describe the method that will be used to verify income eligibility and track other required demographic and quantitative data?

Fifty-one percent of beneficiaries of CDBG-CV funds must be reside in the Urban County as indicated in the U.S. Department of Housing and Urban Development (HUD) regulations for the CDBG-CV program. The application does not state how income eligibility information will be verified, however, the applicant has vast experience in working with HUD related grants for the provision of public services and is knowledgeable in the basic administration requirements of federal funds, including verification of income and other demographic data. The Board of Supervisors has awarded CDBG-CV and Community Development Block Grant (CDBG) federal funds in the past to FHANC and they have shown good performance in their services and timely expenditure of funds.

Describe how the proposed activity will prevent, prepare for, or respond to coronavirus.

The application states that the program will assist in preventing the spread of the virus by raising awareness about vaccines and testing. The program will inform vulnerable, lower income populations about community resources, including fair housing services to prevent homelessness, and thereby assist with reducing the spread of the illness.

SELECTION CRITERIA

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

Yes, the application identifies the desired outcome as prevention, preparedness for, and response to coronavirus by increasing the awareness and understanding of community resources available to prevent the spread of the virus, including testing, vaccines, and fair housing services to prevent homelessness.

How do the proposed outcomes of the project/activity align with the goals of the Five-Year Consolidated Plan?

The outreach campaign to inform the public about coronavirus and community resources available to address the impacts of coronavirus indirectly aligns with the goal of keeping persons housed by preventing homelessness. In addition to coronavirus related information, persons will also learn about the fair housing services available at FHANC that promote tenancy education and foreclosure prevention to lower income homeowners.

Does the applicant demonstrate capacity to effectively deliver the proposed project? Does the applicant have experience providing the proposed services?

Yes, the applicant demonstrates the capacity to effectively deliver the proposed project, because it has been serving Sonoma County for many years in the sector of fair housing services and almost four years in the provision of CDBG-CV related services. Additionally, the applicant has experience in the administration and compliance of federal, state, and local grants as well as staff with a long tenure in the organization who implement the various programs offered. FHANC proposes to continue to provide fair housing enforcement and education services in the County and collaborates with other organizations and jurisdictions to expand their outreach.

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

Yes, the application indicates that FHANC tracks and analyzes data related to clients impacted by coronavirus to identify trends and guide their outreach efforts and services. FHANC will analyze several demographic datapoints as well as foreclosure prevention data to determine which clientele should be targeted for coronavirus outreach and education activities. Furthermore, their clients participate in the evaluation of service offerings and provide their input to FHANC, who will then review it for improvements to their programs and service delivery.

For Homeless Services applicants, does the activity require participation in Coordinated Entry? If yes, provide an overview of the organization's ability, knowledge, and potential challenges related to participation in Coordinated Entry.

As proposed, the program does not require participation in Coordinated Entry, because it is related to coronavirus education to persons who are currently housed and is also related to fair housing services.

FUNDING POLICIES (Funding Goals and Objectives):

Does the project address one of the following funding priorities?

- 1) Creating or preserving affordable housing,**
- 2) Building infrastructure or public facilities that support creation or preservation of affordable housing,**
- 3) Building infrastructure or public facilities that support low-income communities,**
- 4) Promoting effective and proven strategies for homelessness prevention and intervention County-wide that align with Continuum of Care Strategic Plan goals,**
- 5) Emphasizing self-sufficiency of agencies and or life skills for beneficiaries?**

Yes, the program specifically addresses the fifth funding priority, because it promotes coronavirus education and awareness, which build on the individual's life skills.

THRESHOLD CRITERIA

Does the proposed project or activity meet the eligibility requirements of the program funding source requested? (If not, provide the specific reason)

Yes, the proposed program meets the requirements of the CDBG-CV funding program, because it assists in the prevention of the spread of the virus by educating the public and increasing its awareness.

Does the project Affirmatively Further Fair Housing?

While the program is not housing related, as proposed it supports the principles of Affirmatively Furthering Fair Housing by providing information to the public about the virus, which may assist lower income households in having housing stability.

PROJECT BUDGET

| | |
|---|--|
| Total organization budget | \$1,886,584 (proposed) |
| Total program budget | \$36,950 (proposed) |
| Percent of program budget to organization budget | 1.95% (proposed) |
| Percent of funds requested to proposed program budget | 81% |
| Unduplicated households proposed to be served with program | 154 |
| Proposed program cost per household | $\$30,000/154 = \194 $\$36,950/154 = \239 |

ONLY APPLICABLE TO ESG APPLICATIONS: Does the applicant identify non-federal funding sources that will be used to meet the ESG match requirement?

This requirement does not apply to the CDBG-CV funding program.

Describe the long-term financial sustainability of the proposed project AND the applicant organization.

Project – The application states that FHANC has been receiving HUD fair housing assistance since the 1990s, which has allowed the organization to operate a robust fair housing education and enforcement program. However, this aid is now in jeopardy of being cancelled as it is likely that HUD will not distribute the fair housing grants awarded by congress. Currently, the city of Santa Rosa and the County's CDBG assistance have been supporting FHANC's work.

CDBG-CV is not a regular HUD grant and these are the last available funds by the Commission. Remaining funds will be carried over to the next annual notice of funding availability until all have been awarded.

Organization – The applications states that FHANC will continue to seek funding opportunities and apply for grants. They will seek financial support from government, corporate, foundations, sponsorships, and individual donors.

Additional Information:

The program has been funded in the past with the same organization. The organization showed good performance and timely expenditure of funds. While coronavirus health emergency orders were lifted by the County in February of 2023, the spread of the virus continues to impact lower income households, which could affect their employment and housing status. Additionally, information about the virus and public resources is not abundantly available as it was three years ago. This program will provide a needed service to the community.

Potential Impacts Due to Lack of Funding:

The application indicates that if less than the requested amount is awarded, outreach efforts will be reduced accordingly, causing a natural reduction in clients contacting FHANC and or limited services will be offered to those who do contact them.

STAFF RECOMMENDATION:

Based on the success and need of this program as well as the administration experience and capacity of the applicant, staff recommends funding the full request at \$30,000.

Preliminary Condition(s) of Approval

Allocated funding will be a grant ☒ a loan ☐

1. A complete environmental review, in accordance with the National Environmental Policy Act and the U.S. Department of Housing and Urban Development, must be completed before a funding agreement can be offered. The Commission will complete the environmental review.
2. Funding awarded must be used for eligible expenses during the fiscal year of September 1, 2025 and no later than August 31, 2026. Specific terms will be included in a Funding Agreement, and no costs can be incurred prior to a fully executed funding agreement.
3. The subrecipient must verify demographic data, including race and ethnicity, place of residency, and income with proper documentation.