



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 7/7/2026

To: Board of Supervisors

Department or Agency Name(s): Community Development Commission

Staff Name and Phone Number: Michelle Whitman, 707-565-7504

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Approval of Fiscal Year (FY) 2026-2027 Annual Action Plan for Funding Allocations of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG)

Recommended Action:

The Board of Supervisors:

- A) Approve FY 2026-2027 Annual Action Plan for funding allocations of CDBG, HOME, and ESG for housing acquisition, non-housing capital projects, fair housing programs, homeless prevention and services, emergency shelter, housing rehabilitation, rental assistance, and rapid rehousing programs (Attachment 1);
- B) Adopt the required U.S. Department of Housing and Urban Development (HUD) certifications (Attachment 2) and authorize the Executive Director of the Sonoma County Community Development Commission (CDC), or designee, to execute the required forms and certifications to submit the FY 2026 -2027 Annual Action Plan to HUD;
- C) Authorize the Executive Director of the CDC, or designee, to execute the CDBG, HOME, and ESG grant agreements provided by HUD for program year 2026-2027, and execute subrecipient agreements, subordinations, loan, and grant documents as well as amendments and modifications with subrecipients and developers in accordance with the Action Plan referenced herein as well as the Funding Policies, Loan Policies, and other Board-adopted policies; and execute construction contracts and related agreements in accordance with the Board-approved Housing Rehabilitation Loan Program and Earthquake Resistant Bracing System Grant program designs;
- D) Determine compliance of the proposed funding recommendations with the California Environmental Quality Act.

Executive Summary:

Approval of this item will approve the 2026-2027 Annual Action Plan (Attachment 3), the second year of the 2025-2029 five year Consolidated Plan, which allocates federal CDBG, HOME, and ESG grant funds for activities that include housing acquisition, non-housing capital projects, fair housing programs, homeless prevention and services, emergency shelter, housing rehabilitation, rental assistance, and rapid rehousing programs in the Urban County, which excludes the cities of Petaluma and Santa Rosa.

Discussion:

As an entitlement grantee of federal funds, Sonoma County is required to prepare a five-year Consolidated Plan to guide the use of funds to support the highest priority needs of lower income households in the Urban County. The Consolidated Plan is a strategic plan that outlines goals and objectives to direct investments that will have the greatest impact on the community for low and moderate-income households. The Consolidated Plan is carried out through Annual Action Plans, which include planned allocations of federal funds to projects, activities, and services to achieve the goals identified in the plan. Accomplishments of each Action Plan are reported to HUD in the Consolidated Annual Performance and Evaluation Report that is submitted at the end of each program year. The current 2025-2029 Consolidated Plan was approved by the Board on July 8, 2025.

The CDC administers federal funding programs, specifically CDBG, HOME, and ESG, which are regulated by HUD. These grant resources support affordable housing, community development, and public services needs of the Urban County, which is composed of all cities in Sonoma County except for Santa Rosa and Petaluma. The cities of Santa Rosa and Petaluma each receive their own entitlement grants directly from HUD and administer them separately and independently of the County's grants in their respective jurisdictions.

The CDC issued a Notice of Funding Availability (NOFA) for CDBG, HOME, and ESG, on February 21, 2026, with funding proposals due by April 3, 2026. On May 13, 2026, the Community Development Committee and Cities and Towns Advisory Committee held a concurrent public meeting to review the funding requests and recommendations. At that meeting, there were public comments made. After hearing all comments, both committees voted to recommend funding for the activities proposed in the FY 2026-2027 Annual Action Plan. The recommendations were then published for a 30-day public comment period, and a concurrent public hearing was held by the committees on June 17, 2026. All public comments made were reviewed and addressed and will be included in the Action Plan submission to HUD. Following the public hearing, the committees reaffirmed their May 13, 2026, funding recommendations and voted to forward them to the Board for approval. The federal statutory deadline to submit the Annual Action Plan to HUD is on July 17, 2026, 45-days before the start of the new program year. The program year runs from September 1st to August 31st.

Amounts available for allocation that were published in the NOFA were based on estimated amounts. HUD published FY 2026 allocations on April 3, 2026, and the May 13, 2026 initial funding recommendations as well as the proposed Annual Action Plan reviewed by the committees on June 17, 2026, were amended based on final grant allocations. Therefore, the funding recommendations in Attachment 1 and in the Annual Action Plan (Attachment 3) reflect accurate figures.

HUD requires the Annual Action Plan submission to include SF424 application forms and signed certifications, which are Attachment 2 of this report. These forms affirm to HUD that the Urban County entitlement will comply with all applicable federal regulations pertaining to the CDBG, HOME, and ESG funds. Approval of this agenda item will authorize the CDC Executive Director or designee, in consultation with County Counsel, to sign and submit the forms on behalf of the County.

Pursuant to CEQA Guidelines Section 15378 definition of "project", the proposed funding recommendations for public services do not meet the definition of a project and will not have a direct or foreseeable indirect physical change in the environment. The capital project proposed by HomeFirst Services at Labath Landing is expected to be deemed statutorily exempt from CEQA per Section 15268, "ministerial projects" by the City of

Rohnert Park, which will be the Lead Agency. Lastly, the residential rehabilitation work to be carried out at scattered sites by the countywide Housing Rehabilitation Program administered by the CDC, is limited in project scope to maintenance and or repair of the existing residential structure and expected to be ministerial and therefore, exempt from CEQA review. The Lead Agency shall be the respective jurisdiction in which the site is located and will be responsible for carrying out the project. No adverse environmental impact is anticipated from funding and implementing the program.

Strategic Plan:

This item directly supports the County’s Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 4: Reduce the County’s overall homeless population by 10% each year by enhancing services through improved coordination and collaboration.

Objective: Objective 3: Increase investment in programs that treat underlying causes of homelessness, including substance abuse, mental illness, poverty, and lack of affordable housing.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

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Prior Board Actions:

01/06/2026: Approval of the 2026-2027 Federal Funding and Low and-Moderate Income Housing Asset Fund Policies; Substantial Amendment to the 2025 Citizen Participation Plan

07/08/2025: Approval of 2025-2029 Consolidated Plan and FY 2025-2026 Annual Action Plan

01/28/2025: Approval of 2025 Community Participation Plan

FISCAL SUMMARY

Expenditures	FY26-27 Adopted	FY27-28 Projected	FY28-29 Projected
Budgeted Expenses	\$4,866,580	N/A	N/A
Additional Appropriation Requested			
Total Expenditures	\$4,866,580		
Funding Sources			
General Fund/WA GF			
State/Federal	\$4,866,580		
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$4,866,580		

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Narrative Explanation of Fiscal Impacts:

Expenditure and revenue appropriations of \$4,866,580 are already included in the FY2026-27 Adopted Budget. Funds will come from HUD.

Staffing Impacts: None			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

The recommendations contained herein will not impact staffing resources at the CDC.

Attachments:

- Attachment 1: Federal Funding Allocations of CDBG, HOME, and ESG
- Attachment 2: HUD Certification Forms
- Attachment 3: FY 2026-2027 Annual Action Plan

Related Items "On File" with the Clerk of the Board:

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