



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 8/18/2020

To: Sonoma County Board of Supervisors
Department or Agency Name(s): Community Development Commission
Staff Name and Phone Number: Diedre Duncan, 565-7537
Vote Requirement: Majority
Supervisorial District(s): All

Title:

Authorization to apply for State of California Homekey Program

Recommended Action:

Approve a resolution granting the Interim Executive Director of the Sonoma County Community Development Commission authority to enter into grant agreements with the State department of Housing and Community Development (HCD) for \$16,493,006 and \$9,875,000 in 2020-2021 funding for the State's Homekey Program.

Executive Summary:

Administered by the California Department of Housing and Community Development (HCD), \$600 million in grant funding will be made available to local public entities, including cities, counties, or other local public entities, including housing authorities or federally recognized tribal governments within California to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing. Due to the grant application time constraints, the Commission was unable to get this resolution before your board prior to the priority deadline, however, the guidelines allow for the submission of the board resolution after the application has been submitted.

Awarded funds must be used to provide housing for individuals and families experiencing homelessness or at risk of experiencing homelessness and who are impacted by the COVID-19 pandemic.

Approval of this action gives authority to the Commission to submit the application for the grant within the priority deadline. If the funds are awarded and the negotiations are successful, the Commission will return to the Board to request approval for programming of awarded funds.

Discussion:

On July 16, 2020 the State of California Department of Housing and Community Development (HCD) announced that it is making \$550 million available through a Notice of Funding Availability (NOFA) for the Homekey Program. The Homekey Program is funded with federal Coronavirus Relief Funds (CRF) which must be spent by December 30, 2020. In addition, the State is providing \$50 million in General Funds to provide initial operating subsidies under the program which must be expended by June 30, 2022. Of the total funding available, \$91 million is set aside for Bay Area communities.

Applications under the NOFA have a priority deadline of August 13, 2020. It is expected that this grant will be highly competitive and priority status will be given to applications received before this date. Due to the tight timelines, the approved resolution is not required at the time of submittal but shortly thereafter.

The Commission will seek funding from the Homekey Program to cover the cost of acquisition, rehabilitation and a portion of operation. The Commission and the Board of Commissioners will commit to covering the costs, as needed, for five years of operation as required by the Homekey program. The first application will have a total amount not to exceed \$16,493,005. That amount includes \$13,767,205 for capital expenditures and \$2,725,800 for capitalized operating subsidy reserves. The second application will have a total amount not to exceed \$10,302,474. That amount includes \$8,382,024 for capital expenditures and \$1,920,450 for capitalized operating subsidy reserves.

This purpose of this Board Item is solely for the approval to apply to the Homekey grant. The Community Development Commission will return the Board to present and request approval for the purchase agreement, financial specifics, and community outreach.

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY 20-21 Adopted	FY21-22 Projected	FY 23-24 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

N/A

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

Agenda Date: 8/18/2020

N/A

Attachments:

1. Resolution

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

N/A