AGRICATURE NOUSTRY REPEATOR

COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 6/3/2025

To: Board of Supervisors and Board of Commissioners

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:

Substantial Amendment to the Fiscal Year 2024-25 Action Plan

Recommended Action:

- A) Approve a Substantial Amendment to the Fiscal Year (FY) 2024-25 Annual Action Plan to reprogram \$261,662 of federal HOME funds to the Sonoma County Housing Authority (Housing Authority) to support the Tenant-Based Rental Assistance (TBRA) program.
- B) Adopt the required certifications and authorize the Executive Director of the Sonoma County Community Development Commission (Commission), or designee, to execute the required forms and certifications to submit the Substantial Amendment to the FY 2024-25 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD).
- C) Authorize the Executive Director of the Commission, or designee, to execute agreements and grant documents with the Housing Authority for the TBRA program.

Executive Summary:

The Commission is requesting approval of a Substantial Amendment to the FY 2024-25 Annual Action Plan (Action Plan) of the 5-Year Consolidated Plan approved by the Board on June 4, 2024. The Action Plan describes the use of federal Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds. An allocation of \$261,662 in HOME funds to Jamboree Housing Corporation for Saggio Hills Phase 1, an affordable housing project proposed in the City of Healdsburg, was approved, but did not proceed. These funds are being reprogrammed to the Housing Authority for the TBRA program, which requires a Substantial Amendment to the Action Plan.

Discussion:

On June 4, 2024, the Board approved the FY 2024-25 Annual Action Plan of the 5-Year Consolidated Plan, including funding awards of federal CDBG, HOME, and ESG. HOME funds in the amount of \$261,662 were awarded to Jamboree Housing Corporation (Jamboree) for the proposed Saggio Hills Phase I Affordable Housing Project in the City of Healdsburg through the Action Plan. Due to financial impacts imposed by HUD's Buy America, Build America Act (BABA Act) requirement, Jamboree declined the award, as it would substantially increase the cost of materials and potentially delay the delivery of necessary building materials, making the project infeasible. BABA requires that specific construction materials be sourced and manufactured in the United States. Jamboree has identified alternative funds for the project to replace the HOME funds.

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Consistent with federal funding requirements, the Commission intends to reprogram these funds to the Housing Authority to support the TBRA program, which will be used to provide low-income households with rental assistance and rental deposit assistance grants. Rental assistance and deposits are often a barrier to access housing for low-income households. Providing rent and deposit assistance will help low-income vulnerable populations overcome this barrier.

The draft FY 2024-25 Action Plan Substantial Amendment was prepared for a 30-day comment period, as required by the Community Participation Plan. The comment period started on February 14, 2025, and concluded on March 19, 2025. There were no comments received during the comment period. Following the public comment period, on March 19, 2025, the Community Development Committee and Cities and Towns Advisory Committee reviewed and recommended that the draft Action Plan Substantial Amendment move forward for approval to your Board.

HUD requires the Action Plan Substantial Amendment submission to include SF424 application forms and signed certifications (Attachment 2) 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 Commission's Executive Director or designee to sign and submit the forms and other related documents on behalf of the County.

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 3: In collaboration with cities, increase affordable housing development near public transportation and easy access to services.

Objective: Objective 3: Create incentives for developers to promote affordable housing development in the County.

Racial Equity:

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

Prior Board Actions:

06/4/2024: Approved FY 2024-25 Action Plan

FISCAL SUMMARY

Expenditures	FY24-25	FY25-26	FY26-27
	Adopted	Projected	Projected
Budgeted Expenses	\$100,000	\$161,662	
Additional Appropriation Requested			
Total Expenditures	\$100,000	\$161,662	

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Funding Sources			
General Fund/WA GF			
State/Federal	\$100,000	\$161,662	
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$100,000	\$161,662	

Narrative Explanation of Fiscal Impacts:

The Action Plan and fiscal appropriations of \$261,662 for FY 2024-25 were approved by your Board on June 4, 2024. No fiscal impact is anticipated, because this request will reprogram funds already identified in the budget to a different activity. Expense and revenue appropriations are included in the approved FY 2024-24 budget and recommended FY 2025-26 budget.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1. FY 2024-2025 Action Plan Substantial Amendment

Attachment 2. SF424 Forms and Certifications

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

N/A