



Sonoma County Community Development Commission
Sonoma County Housing Authority
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Commission*

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MEMORANDUM

Date: July 19, 2021

To: The Sonoma County Board of Supervisors

From: Dave Kiff, Interim Executive Director
Sonoma County Community Development Commission

Subject: 2021-22 One-Year Action Plan – CDBG, HOME, ESG Funding

The Sonoma County Community Development Commission (SCCDC) staff (led by Valerie Johnson) is pleased to present the 2021-22 One Year Action Plan. The FY 2021-22 Action Plan helps implement the 2020-2025 Sonoma County Consolidated Plan covering the period of July 1, 2020 through June 30, 2025. The Consolidated Plan and Annual Action Plans are required by the U.S. Department of Housing and Urban Development (HUD) in order to receive federal housing, homelessness, and community development funds.

The Community Development Commission (Commission) administers federal funds on behalf of the HUD-designated Urban County entitlement jurisdiction, consisting of the County of Sonoma, the Town of Windsor, and the cities of Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, and Sonoma. These federal funds consist of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and the Emergency Solutions Grant (ESG) program funds.

The administration of HOME and CDBG funds and funding for fair housing services are guided by funding policies set annually by the Commission with input from its advisory committees. The advisory committees for these monies are Community Development Committee (CD) Committee and Cities and Towns Advisory Committee (CTAC). They review project applications and make recommendations.

The administration of ESG, CDBG homeless services, and certain local and state funds for homeless services are guided by funding policies set annually by the Continuum of Care (CoC) Board, the county's homeless system of care. The CoC reviews project applications and makes funding recommendations.

Both the Consolidated Plan and the Annual Plan results from the analysis of community input over several public hearings, as well as parallel community engagement efforts and evaluation of data available on housing, homelessness, economic influences, disaster recovery efforts, and more. The draft One Year Action Plan is available for public comment from July 9 through this Board hearing and until August 7, 2021. It is also the subject of a public hearing held on June 29, 2021. At that time, the CTAC and CD Committee and stakeholders offered comments.

The public comment period will remain open past the Board's deliberation of this item. Following the end of the public comment period, all comments will be submitted with the Action Plan to US HUD on or before August 16, 2021.

Table One shows projects recommended by the CTAC and CD Committee. These committees include representatives from cities as well as the unincorporated County. All projects funded with these sources will fall under one of the following categories: 1) Housing, 2) Homelessness, and 3) Non-Housing Community Development (e.g. infrastructure improvements, Fair Housing services and education, and economic development).

During the June 29, 2021 Joint meeting of the CTAC and CD Committees, there was significant discussion about the following matter:

Should Community Development Block Grant (CDBG) funds allocated to the "Urban County" and the seven non-entitlement cities (Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, Sonoma, and the Town of Windsor) be used for homeless services projects in Santa Rosa or Petaluma (both receive their own CDBG funds as entitlement cities) when those projects in Santa Rosa and Petaluma serve homeless residents via the Coordinated Entry System?

Generally, HUD has noted that Urban County CDBG funds can only be used in the unincorporated areas or the seven non-entitlement cities for affordable housing projects, but that Urban County CDBG funds can be awarded to homeless services projects in Santa Rosa or Petaluma.

A case in point is the Linda Tunis project (developed by PEP Housing) proposed for Highway 12 in Santa Rosa. This repurposing of the Scottish Rite Temple includes 26 units as follows:

- 25 units for low-income seniors impacted by Sonoma County's fires.
- 5 of the 25 units are reserved for persons referred to the units via the Coordinated Entry system.
- 1 unit for a property manager.

As of the date of this memo, HUD is reviewing whether the Linda Tunis project may or may not be eligible for Urban County CDBG funding. At the June 29, 2021 Joint Meeting of CTAC/CD Committee, the Committee members were told that HUD's interpretation generally meant that

Linda Tunis was excluded from these funds, but was eligible for other funds such as HOME funds. We may have more definitive information by your Board's meeting on July 27, 2021.

Should the issue remain uncertain on July 27, 2021, the Board could approve the One-Year Plan (as there is an August 16, 2021 deadline for HUD submission) but direct that CDC Staff, the CTAC, the CD Committee and stakeholders spend more time reviewing this project's eligibility under CDBG Urban County funds. Should a change be desired, staff could submit an amendment to the One-Year Plan following submission.

This is not an ideal way to review and approve this information, and we at the CDC acknowledge that. We will work diligently to improve this process in the future.

**Table One: Projects Recommended for Funding under
the 2021-2022 One Year Action Plan**

Sponsor	Project	Recommendation	Rationale for Recommendation
SCCDC	CDBG General Project Administration	CDBG: \$370,608	Funds the Community Development Commission to administer CDBG funds for projects countywide.
City of Healdsburg	Ward Street Neighborhood Revitalization	CDBG: \$42,500	Project makes infrastructure investments that improve connectivity and access to amenities in a low-mod income neighborhood. Funds can be spent within the timeliness provisions of the funding policies
City of Sebastopol	City Hall ADA Improvements	CDBG: \$50,000	Project assists the City to make necessary ADA improvements to their government building.
Sweetwater Springs Water District	Sweetwater Springs Water Improvement	CDBG: \$705,000	Project improves water pressure and quality for homes in a low-mod area. Water pressure improvements will enable fire hydrants to be placed in the area and will improve water quality for 2,000 homes.
Catholic Charities	Caritas Center	CDBG: \$406,977	Caritas Center provides homeless and housing services, shelter and transitional housing, serving more than 325 people daily. Expansion of the facility will increase the number of persons and/or families being served. While the project is located in the City of Santa Rosa, it will serve the homeless countywide.
SCCDC	Tenant Based Rental Assistance Program	HOME: \$82,488	Program administered by SCCDC to support affordable housing via the creation of new affordable dwellings and/or tenant-based rental assistance for low income persons/families with target to support 12 households countywide.
Catholic Charities	Sam Jones Hall	ESG: \$148,738	Funds will support approximately 756 homeless persons at the homeless shelter.
SCCDC	ESG General Project Administration	ESG: \$12,060	Funds the Community Development Commission to administer ESG funds for projects countywide.
Fair Housing Advocates of Northern CA Housing Education & Legal Aid Housing Justice Program	Fair Housing & Housing Justice	CDBG: \$277,956	Supports fair housing education programs and services to persons and/or families to prevent and/or reduce unfair housing practices; will provide continued fair housing services access to community members countywide Supports legal aid services countywide to prevent unfair housing practices, such as unfair eviction. Assists community members to educational and legal aid programs and support housing stabilization for families and individuals.

SCCDC	HOME General Project Administration	HOME: \$82,540	Funds the County Community Development Commission to administer HOME funds for projects countywide.
HOME Funds Carry Over		HOME: \$536,565	Funds recommended by SCCDC to be carried over to the next Notice of Funding Availability for eligible HOME projects.
	Total	ESG: \$160,798, CDBG: \$1,853,041, HOME: \$164,988 for allocation and \$536,565 carry over	