



SUMMARY REPORT

Agenda Date: 8/31/2021

To: Board of Supervisors of Sonoma County and Board of Commissioners of the Community Development Commission

Department or Agency Name(s): Community Development Commission

Staff Name and Phone Number: Dave Kiff, 707-565-7504

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Delegated Authority for California Department of Housing and Community Development Agreements

Recommended Action:

- A) Adopt a resolution delegating authority to the Interim Executive Director of the Sonoma County Community Development Commission (Commission), Dave Kiff, to enter into and execute all agreements and amendments between the Sonoma County Community Development Commission and the California Department of Housing and Community Development (HCD) for the Infill Infrastructure Grant Program.
- B) Adopt a resolution delegating authority to the Interim Executive Director of the Sonoma County Community Development Commission, Dave Kiff, to enter into and execute all agreements and amendments between the Sonoma County Community Development Commission and the California Department of Housing and Community Development for the Project Homekey Program.

Executive Summary:

The Sonoma County Community Development Commission (Commission) has recently applied for and received a number of grants from the California Department of Housing and Community Development (HCD) including a \$30 million Infill Infrastructure Grant (IIG) for the Roseland Village mixed use development project, in conjunction with Mid-Pen Housing, the master developer of the site, and two Project Homekey Grants for a total of \$15 million (\$8.8 million for Hotel Azura and \$6.2 million for Sebastopol Inn).

HCD requires counties to adopt resolutions incorporating specific language, including County staff be given authority to enter into Standard Agreements and other agreements with HCD. The Commission is requesting that the Board adopt the attached resolutions to facilitate execution of agreements, amendments, and related documents to secure grant funding from HCD.

Discussion:

The Sonoma County Community Development Commission has recently applied for and received a number of grants from the State Department of Housing and Community Development including a \$30 million Infill Infrastructure Grant for the Roseland Village mixed use development project, in conjunction with Mid-Pen Housing, the master developer of the site, and two Project Homekey Grants for a total of \$15 million (\$8.8 million for Hotel Azura and \$6.2 million for Sebastopol Inn).

In the process of applying for an IIG grant in conjunction with Mid-Pen Housing for \$30 million for Roseland

Village and other projects, the authorizing resolutions that were prepared and adopted designated Barbie Robinson, the Interim Executive Director at the time, as the individual with the delegated responsibility to enter into the agreements. Now that she is no longer in that position, updated resolutions have been requested by HCD.

The Commission was also successful in securing an \$8.8 million Project Homekey grant for the purchase of the Hotel Azura and a \$6.2 million Project Homekey Grant for the purchase of the Sebastopol Inn. HCD has also requested an updated resolution for the Project Homekey agreements.

Dave Kiff has been appointed as the Interim Executive Director of the Commission, and as such has assumed all of the duties and responsibilities that had previously been assigned to Barbie Robinson. The attached resolutions will allow Dave Kiff to execute all documents which Barbie Robinson had been previously authorized to execute for the IIG and Project Homekey HCD Standard Agreements, and other related documents.

Standard Agreement and other related agreements

HCD utilizes a “State of California Standard Agreement” format for their grants that commits funds from their programs subject to specified conditions.

According to HCD procedures, the Standard Agreement and other agreements shall include, but not be limited to, the following provisions:

- i. A description of the approved project and the permitted uses of funds;
- ii. The amount and terms of the program grant;
- iii. The use, occupancy, and rent restrictions, if any, to be imposed on the project through a use restriction (e.g., covenant, regulatory agreement) recorded against the property of the project;
- iv. Performance milestones, and other progress metrics, governing the completion of the project, along with the remedies available to the Department in the event of a failure to meet such milestones or metrics;
- v. Provisions governing the manner, timing, and conditions of the disbursement of the program grant;
- vi. Special conditions imposed as part of the Department's approval of the project;
- vii. Terms and conditions required by federal and state law;
- viii. Requirements for reporting to the Department;
- ix. Remedies available to the Department in the event of a violation, breach, or default of the agreement; and
- x. Provisions regarding Sponsor liability.

The Standard Agreement and other agreements will also include such other provisions as are necessary to ensure adherence to the objectives and requirements of the relevant programs.

The Commission is requesting that in connection with the IIG and Project Homekey grants the Board approve the attached resolutions authorizing Dave Kiff to execute State of California Standard Agreements and any other related documents. The other documents include, but are not limited to, an affordable housing covenant, a performance deed of trust, a disbursement agreement, and certain other documents required by HCD as security for, evidence of or pertaining to the grants, and all related amendments.

Prior Board Actions:

08/18/2020: Authorization to apply for Project Homekey grants and for the Interim Executive Director to

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execute all agreements associated with implementing the Project Homekey grants.

02/04/2020: Authorization to apply for IIG grant and for the Interim Executive Director to execute all agreements associated with implementing the IIG grant.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY 22-23 Projected	FY 23-24 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures	0	0	0
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	0	0	0

Narrative Explanation of Fiscal Impacts:

There are no fiscal impacts associated with this item.

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

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1 - Resolution Delegating Authority for IIG Agreements.

Attachment 2 - Resolution Delegating Authority for Project Homekey Agreements.

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

None