

## Executive Summary

### ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

Each year the U.S. Department of Housing and Urban Development (HUD) provides funding to the City of Santa Rosa (City) for housing and community development programs, specifically Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME), and Housing Opportunities for Persons with AIDS (HOPWA). To receive these funds, the City must complete a report every three to five years called the Consolidated Plan (Plan). Santa Rosa had previously been preparing the Plan every four years. To align with the five-year solicitation process for homeless services funded from non-CDBG, HOME and HOPWA funds, the current Plan will cover three years, July 1, 2024 – June 30, 2027. The subsequent Plan will include July 1, 2027 – June 30, 2032, covering a 5 year period.

The purpose of the Plan, which covers Program Years 2024/2025 through 2026/2027, is to identify the City's housing and community development needs, priorities, goals, and strategies, and to identify how funds will be allocated to these activities over the Plan period.

The City's Department of Housing & Community Services (HCS) leads the development and implementation of this Plan with input from a variety of stakeholders; comprehensive lists are included in Section PR-10 and Appendix 2 to the Plan. The Housing Authority of the City of Santa Rosa (Authority) acts as the Public Housing Authority (PHA) for administration of the Housing Choice Voucher (HCV, sometimes known as "Section 8" or "Rental Assistance") program, and as the policy body for housing programs including loans made with CDBG, HOME, and local housing funds.

The Plan has been prepared in accordance with HUD's Office of Community & Planning Development (CPD) eCon Planning Suite, which includes the Consolidated Plan template in the Integrated Disbursement and Information System (IDIS). Many of the data tables are pre-populated with data as noted in the foregoing "*A Note About Data Sources*" section, but other sources are noted throughout the Plan and may include the addition of more recent data where practical or necessary. The research process involved an analysis of the following key components: demographic, economic, and housing data; affordable housing market; special needs populations (homeless and non-homeless); consultation with public and private agencies; and citizen participation.

The Plan process also includes the first-year Action Plan for Fiscal Year 2024/2025, the program year document that the City prepares annually pursuant to the goals outlined in this Plan. The Action Plan details the activities the City and Authority will undertake to address the housing and community development needs and local objectives using CDBG, HOME, and HOPWA funds for Fiscal Year 2024/2025.

The Plan is divided into six sections:

- Executive Summary;
- The Process;
- Needs Assessment;
- Housing Market Analysis;
- Strategic Plan; and
- Expected Resources (Annual Action Plan)

The Needs Assessment, Housing Market Analysis, and Strategic Plan form the key sections.

The City recognizes the importance of public participation in both defining and understanding current housing, community development, and fair housing needs as well as prioritizing resources to address those needs. The City encourages members of the public to submit feedback on the Plan; contact information is included The Process, Section PR-05 Lead & Responsible Agencies.

## **2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

The City categorizes its needs in alignment with the following priorities presented in HUD Regulation 24 CFR 91.215: affordable housing, homelessness, and non-housing community development. Priority is based on the needs demonstrated by the information collected during the preparation of the Plan, the consultation and resident participation process, and the availability of resources to address the identified needs. Based on this information, housing needs and homelessness are considered the highest priority, followed by non-housing community development.

The City has identified nine goals to address its housing, homelessness, and non-housing community development needs between 2024 and 2027; the implementation of these goals is mainly administered by HCS and the Authority:

- Increase the supply of affordable rental housing for the City's lowest income households;
- Preserve existing affordable housing stock;

- Provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families;
- Provide housing and services to special needs populations;
- Increase access to home ownership opportunities for City residents;
- Provide funding for public facilities and improvements;
- Promote economic development activities in the City;
- Assist the City's lowest-income households through rent subsidies partially funded by HOME in the form of Tenant-Based Rental Assistance (TBRA); and
- Provide Community Housing Development Organizations (CHDOs) Seed Money Loans, or funds for Operating Expenses.

During the Plan period, the City will receive an estimated \$1,300,000 in CDBG funding for Fiscal Year 2024/2025 for a three-year total of approximately \$3.9 million. CDBG program funds are used for public services, housing activities, and administrative costs, with an emphasis on providing decent housing and a suitable living environment, principally for low- and moderate-income households. The funds can be used for activities including acquisition, disposition, public facilities and improvements, clearance and remediation activities, public services, interim assistance, payment of non-federal share, urban renewal completion, relocation, loss of rental income, housing services, privately owned utilities, construction of housing, homeownership assistance, technical assistance, assistance to institutions of higher education.

The City will receive an annual allocation of an estimated \$750,000 in HOME funding for Fiscal Year 2024/2025, for a three-year estimated total of \$2.25 million. HOME provides funds for the development and rehabilitation of affordable rental and ownership housing for low- and moderate-income households, and can be used for activities including building acquisition, new construction, and reconstruction, moderate or substantial rehabilitation, homebuyer assistance, and Tenant-Based Rental Assistance (TBRA). Through HUD regulations, 15% of the funds are allocated to Community Housing Development Organizations (CHDOs). HOME funds may also be used to assist with CHDO operating expenses.

The City will receive an estimated \$500,000 in HOPWA funding for Fiscal Year 2024/2025, for a three-year estimated total of \$1.5 million. HOPWA funding provides housing assistance and related supportive services for low-income persons living with HIV/AIDS (PLWHA) and their families. Funds can be used for activities including, but not limited to acquisition, rehabilitation, or new construction of affordable housing units; costs for facility operations; rental assistance; and short-term payments to prevent homelessness. HOPWA funds can also be used for support services such as assessment and case management, substance abuse and/or mental health treatment, nutritional services, job training and placement services, and assistance with daily living.

### 3. Evaluation of past performance

At the close of each fiscal year, the City prepares a [Consolidated Annual Performance and Evaluation Report](#) (CAPER) and a [HOPWA CAPER](#); the CAPER for 2023/2024 will be completed after the June 30 close of the fiscal year. These reports outline how the City and Authority met the needs and objectives listed in the most recent Consolidated Plan and Annual Action Plans and are due to HUD by September 30 of each year. The City's key accomplishments over the 2020-2024 Consolidated Plan period include the following:

- [3575 Mendocino Avenue Phase I](#), now called Laurel at Perennial Park Phase I, received \$11,917,110 in Community Development Block Grant – Disaster Recovery (CDBG-DR) funds for construction of a new 94-unit senior rental development: 13 units targeted to extremely low-income households, 56 units targeted to very low-income households, and 24 units targeted to lower-income households. The project also received an allocation of 17 Project-Based Vouchers (PBVs).
- [3575 Mendocino Avenue Phase II](#), now called Laurel at Perennial Park Phase II, received \$1,560,000 in HOME funds for construction-related costs associated with 37 affordable senior housing units: 4 units targeted to extremely low-income households, 14 units targeted to very low-income households, and 9 units targeted for low-income households. The project also received an allocation of 13 PBVs).
- [3575 Mendocino Avenue Phase III](#), now called Laurel at Perennial Park Phase III, was awarded \$2,585,610 in local funds for predevelopment and construction-related costs associated with 30 new units targeted to seniors: 6 units targeted to extremely low-income households, 17 units targeted to very low-income households, and 7 units targeted to lower-income households.
- [Bennett Valley Apartments](#), now called South Park Commons, received \$5,500,000 in local funds for construction-related costs associated with 62 new affordable multifamily housing units: 32 units targeted to extremely low-income homeless households, 29 units targeted to very low-income households. The project also received a low-cost acquisition of land from the City of Santa Rosa and an allocation of 30 PBVs.
- [Burbank Avenue Apartments](#), received \$1,310,971 in Community Development Block Grant (CDBG), \$310,327 in HOME Investment Partnership (HOME), \$2,551,143 in Permanent Local Housing Allocation (PLHA), \$5,000,000 in Community Development Block Grant – Disaster Recovery (CDBG-DR), and \$4,011,884 in local funds, totaling \$13,184,325, for acquisition, predevelopment, and construction-related costs associated

with 64 new affordable multifamily housing units: 24 units targeted to extremely low-income households, 27 units targeted to very low-income households, 12 units targeted to lower-income households. The project also received an allocation of 16 PBVs.

- Caritas Homes Phase I, received \$8,945,657 in CDBG-DR for construction-related costs, \$1,933,392 in California Infill Infrastructure Grant (IIG) funding, totaling \$10,879,049 for site predevelopment, associated with 64 new affordable multifamily housing units: 30 units targeted to extremely low-income homeless households, and 33 units targeted to very low-income households. The project also received an allocation of 30 PBVs.
- Caritas Homes Phase II, was conditionally awarded \$1,300,00 in local funds for acquisition, predevelopment, and construction-related costs associated with 64 new affordable multifamily housing units: 30 units targeted to extremely low-income households and 33 targeted to lower-income households.
- Hearn Veterans Village, received \$410,000 in Permanent Local Housing Allocation during the prior funding period, in addition to previous commitments of \$28,880 from HOME-CHDO funds and, \$256,120 in local funds for predevelopment-related costs associated with 32 new affordable multifamily housing units with 31 units targeted to extremely low-income homeless veterans.
- Linda Tunis Senior Apartments, received \$2,190,340 in CDBG-DR funds for construction-related costs, in addition to a prior commitment of \$690,000 in CDGB totaling \$2,880,340 for acquisition-related costs associated with 26 new affordable, senior housing units: 26 units is: 5 units targeted to extremely low-income households and 20 units targeted to very low-income households. The project also received an allocation of 13 PBVs.
- Mahonia Glen, received \$2,900,000 in CDBG funds for site acquisition and \$2,000,000, in local funds, totaling \$4,900,000 for construction-related costs associated with 99 new affordable multifamily housing units: 26 units targeted to extremely low, 22 targeted to very low-income, 50 units targeted to lower-income households, and 49 farmworker units.
- Parkwood Apartments, received \$750,000 in local funds for rehabilitation and new construction-related costs associated with 34 affordable multifamily housing units: 12 units targeted to very low-income, 12 targeted to lower-income, 12 targeted to low-income households. In prior Consolidated Plan cycle received \$2,400,000 for acquisition, rehabilitation, and PBVs.

- Stony Point Flats, received \$1,200,000, in local funds for construction-related costs associated with 50 new affordable multifamily housing units: 10 units targeted to extremely low, 20 targeted to very low-income, and 19 units targeted to lower-income households, and one non-restricted manager unit. The Project will set aside five units 2 – one-bedroom and 3 – two-bedroom for persons who are homeless or at risk of homelessness as referred by the City’s Rapid Rehousing Program.
- The Cannery at Railroad Square, received \$10,300,000 in CDBG-DR funds in addition to a prior commitment of \$450,000 in local funds awarded in January 2020. The CDBG-DR funds will assist with construction-related costs of a new 129-unit affordable multifamily housing units: 33 units targeted to extremely low-income households, 37 units targeted to very low-income households, 58 units targeted to lower-income households and one non-restricted manager unit. The project also received an allocation of 33 PBVs during the 2020-2024 Consolidated Plan period.
- Vigil Light Apartments, was awarded \$1,440,481 in CDBG and \$1,853,102 in local funds, funds for acquisition, preservation, and rehabilitation-related costs associated with 49 existing units targeted to seniors, of which 48 units are targeted to very low households.
- West Hearn Ave, received \$77,498 in local funds for rehabilitation-related expenses, in addition to a prior commitment of \$245,047 from HOME funds for a 15-bed transitional housing facility for homeless veterans.



Photo 1: 3575 Mendocino Phase I



Photo 2: Caritas Homes Phase I



Photo 3: Linda Tunis Senior Apartments

#### **4. Summary of citizen participation process and consultation process**

The Plan process involved the community, housing and community development organizations in the MSA, nonprofit providers of affordable housing, service providers to the MSA's low-income and special needs populations, advocates, broadband providers, organizations whose prime directive is to assess the vulnerability of affordable units to natural disasters, and the closest EnVision center, located in Sacramento, CA. The City held public meetings on January 11, 2024, January 12, 2024 and released a survey on January 4, 2024 to provide an overview of the process for completing the Plan, the public services application procedure, and to receive feedback from the public. The draft Plans were made available to the public electronically at <http://srcity.org/767/State-Federal-Reports> for the 30-day public comment period from March 16, 2024 until April 16, 2024, and the public was encouraged to submit comments in email to staff. A public hearing is scheduled at the City Council meeting on April 16, 2024; interested members of the public may also provide comments at this meeting.

To promote these meetings, notices were posted on the City's website and Facebook pages, and sent in the *City Connections* newsletter; advertised in the Santa Rosa Press Democrat online and in print and La Voz Bilingual Newspaper online; and sent by email or mail distribution to the Sonoma County Continuum of Care, City Council, Housing Authority, Community Advisory



Board, various neighborhood associations, local businesses and social service agencies, individuals, and affordable housing developers. Consultation and citizen participation are discussed in greater detail in the Process section of this Plan.

## **5. Summary of public comments**

Public comments received on this Plan are included as Appendix 4.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments will be accepted and considered. Comments received on this Plan are included as Appendix 4.

## **7. Summary**

- According to the data from the 2020 Census, Santa Rosa's population increased from 172,065 to 178,127 between the preparation of the 2020-2024 Consolidated Plan and the 2024 – 2027 Consolidated Plan, accounting for an increase of 3.5%.
- The median age of Santa Rosa's residents in 2020 was 39.6, 2.9 years less than the Sonoma County average.
- According to the 2020 Decennial Census, 62.3% of Santa Rosa's population is White, 34% of Santa Rosa's population is Hispanic or Latinx, 5.9% are Asian, and 2% are Black or African American.
- Of 66,580 household units, 13% earned 0 – 30% of AMI, 11% earned 30% - 50% of AMI, 19% earned 50% - 80% of AMI, 12% earned 80% - 100% AMI, and 45% earned greater than the Area Median.
- A total of 2,266 homeless individuals were counted as part of Sonoma County's 2023 Point-in-Time Count, 57% of whom were unsheltered. Most of the homeless population was comprised of people in households without children, and a majority stated that the main obstacle to obtaining permanent housing was that they couldn't afford rent.
- There are 11 facilities for the homeless in Santa Rosa with 417 emergency shelter beds serving families, single adults, youth, and women with children. Santa Rosa's inventory also includes transitional and permanent supportive housing, discussed in greater detail in the Market Analysis.
- Many non-homeless individuals need supportive housing and services to enable them to live independently and to avoid homelessness. These individuals may include the elderly, persons with physical, mental, or developmental disabilities, persons with HIV/AIDS, victims of domestic violence, children leaving group homes or aging out of foster care, farmworkers, and substance abusers. In Santa Rosa and throughout the MSA, there are a wide variety of programs and services available for special needs populations.