



M E M O R A N D U M

DATE: JANUARY 24, 2017

TO: MAYOR AND CITY COUNCIL  
SEAN MCGLYNN, CITY MANAGER  
DAVID GOUIN, DIRECTOR OF HOUSING & COMMUNITY SERVICES

FROM: NANCY MANCHESTER, PROGRAM SPECIALIST II  
HOUSING & COMMUNITY SERVICES

SUBJECT: FISCAL YEAR 2017/2018 HOUSING & URBAN DEVELOPMENT (HUD)  
PUBLIC SERVICES CONTRACT SOLICITATION AND AWARD PROCESS  
AND ACTION PLAN APPROVAL

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This memo is to provide Council with information on the upcoming public engagement process for federally-funded housing activities. After the conclusion of this process, staff will return on May 2<sup>nd</sup> to present the results to the Council.

The City of Santa Rosa is an Entitlement Jurisdiction for Federal funds that include Community Development Block Grant (CDBG), Housing Opportunities for Persons with AIDS (HOPWA), and HOME Investments Partnership (HOME). In order to receive these funds, Santa Rosa is required to provide an Annual Action Plan to the United States Department of Housing & Urban Development (HUD) by May 15<sup>th</sup> of each year. As part of the Action Plan, Council will make its recommendation for contractors for Fiscal Year 2017/2018 for CDBG public services funds, a HOPWA program provider, and federally-mandated fair housing services.

The CDBG, HOPWA and HOME programs are federally-funded based on annual allocations made by Congress. CDBG funds are awarded to entitlement communities like Santa Rosa based on certain census information. HOME and HOPWA funds are allocated by HUD based on certain data points and census factors that differ from those used to allocate CDBG funds. The eligible activities for use of these three types of program funds are varied, however, all must benefit a lower income population.

The allowable scopes of work for HOPWA, HOME, and fair housing are very specific, however, CDBG regulations allow the use of up to 15% of CDBG funds for a wide range of types of public services that benefit low- and moderate-income persons and meet specific National Objectives. In recent years, Council has chosen to utilize CDBG public services money to provide focused, comprehensive homeless services by funding the coordinated entry operation of facilities such as the Homeless Services Center as well as the Family Support Center. It is staff's recommendation to continue the Council's practice rather than seek proposals for the full range of services allowed by federal regulations.

The **total** funding amounts for the City of Santa Rosa's federally-funded programs, public services and fair housing for Fiscal Year 2016/2017 were:

- CDBG: \$1,316,501 (15% of this total, or \$198,000, is eligible to fund public services)
- HOME: \$ 520,715
- HOPWA: \$ 396,830
- Fair Housing: \$ 36,000 (Fair housing is typically funded with local resources)

These amounts may change from year to year based on the allocations approved by Congress and program-specific funding formulas, but a similar amount will likely be available for Fiscal Year 2017/2018. It should be noted that the provision of fair housing services is federally mandated, but the City has typically funded fair housing services with local resources, like the Real Property Transfer Tax.

I can be reached at 543-4339 or [nmanchester@srcity.org](mailto:nmanchester@srcity.org) should you have additional questions.

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