

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: MEGAN BASINGER, DIRECTOR
HOUSING AND COMMUNITY SERVICES
SUBJECT: SUBMITTAL OF SUBSTANTIAL AMENDMENT TO THE HOME
INVESTMENT PARTNERSHIPS – AMERICAN RESCUE PLAN
(HOME-ARP) ALLOCATION PLAN TO THE U.S. DEPARTMENT
OF HOUSING AND URBAN DEVELOPMENT; AND APPROVAL
OF SECOND AMENDMENT TO GRANT AGREEMENT WITH
CATHOLIC CHARITIES HOME-ARP PROGRAM

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Council, by resolution: 1) authorize submittal of the Substantial Amendment to the HOME Investment Partnerships – American Rescue Plan (HOME-ARP) Allocation Plan (Substantial Amendment) to the U.S. Department of Housing and Urban Development (HUD); 2) accept and appropriate additional HOME-ARP funds in the amount of \$4,095 and reallocate \$100,000 in HOME-ARP funds from City Administration and Planning to subrecipient Supportive Services and Non-Profit Operating Costs; 3) authorize the City Manager or their designee to execute, in a form approved by the City Attorney, any forms or documents required by HUD to implement the HOME-ARP funds; 4) authorize the Chief Financial Officer to increase appropriations in a net amount of \$4,095; 5) approve a Second Amendment to Grant Agreement with Catholic Charities of the Diocese of Santa Rosa DBA Catholic Charities of Northwest California HOME-ARP Program (Second Amendment) to increase the amount of the agreement by \$104,095 for a total of \$1,719,539 for the period January 1, 2024 to June 30, 2026; and 6) authorize the Director of Housing and Community Services to execute the Second Amendment.

EXECUTIVE SUMMARY

The proposed action will authorize the submittal of the Substantial Amendment to the City of Santa Rosa's (City) HOME-ARP Allocation Plan to HUD. On April 30, 2025, HUD notified the City of an additional \$4,095 in HOME-ARP funding, increasing the total allocation to \$2,741,528. The Substantial Amendment also includes the reallocation of \$100,000 from City Administration and Planning to subrecipient Supportive Services

SUBMITTAL OF SUBSTANTIAL AMENDMENT TO THE HOME INVESTMENT PARTNERSHIPS – AMERICAN RESCUE PLAN (HOME-ARP) ALLOCATION PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AND APPROVAL OF SECOND AMENDMENT TO GRANT AGREEMENT WITH CATHOLIC CHARITIES HOME-ARP PROGRAM

Page 2 of 4

and Non-Profit Operating Costs, aligning with the City's original intent to prioritize funds for programs that prevent and address homelessness.

The proposed action will also approve a Second Amendment with Catholic Charities increasing the agreement by \$104,095 for a revised total of \$1,719,539 for the period January 1, 2024, through June 30, 2026. All funding changes are within the Federal HOME-ARP program allocation and have no impact on the General Fund.

BACKGROUND

The HOME-ARP Program was created by the Federal American Rescue Plan Act of 2021 which appropriated \$5 billion to provide housing, services and shelter to individuals who are homeless or at-risk of becoming homeless and other vulnerable populations. The City was allocated \$2,737,433 in HOME-ARP funds by HUD.

In connection with these funds, on February 28, 2023, Council authorized submittal of the HOME-ARP Allocation Plan to HUD, which prioritized the funds for the provision of Supportive Services, focusing on homelessness prevention.

On November 28, 2023, following a competitive Requests for Proposals (RFP) process, Council approved two grant agreements for the HOME-ARP Program, one with Committee on the Shelterless (COTS) and one with Catholic Charities in the respective amounts of \$711,375 and \$1,615,444, for the eighteen-month period January 1, 2024, to June 30, 2025. In March 2025, the grant agreement with Catholic Charities was amended to extend the term to June 30, 2026, with no changes to the total funding amount.

On April 30, 2025, HUD notified the City that it will receive an additional allocation of HOME-ARP funds in the amount of \$4,095. In addition to the \$4,095, staff identified \$100,000 previously allocated for City Administration and Planning to be reallocated for subrecipient Supportive Services and Non-Profit Operating Costs, requiring a substantial amendment to the HOME-ARP Allocation Plan per HUD regulations. The original and amended HOME-ARP allocations are noted below.

Category	Original Allocation	Amended Allocation +\$4,095
Administration and Planning	\$410,614 (15%) *	\$310,614 (11%)
Supportive Services	\$2,189,947.35 (80%)	\$2,293,838 (84%)
Non-Profit Operating Costs	\$136,871.65 (5%) *	\$137,076 (5%)

Total	\$2,737,433	\$2,741,528
*15% and 5% are the statutory maximums for these categories		

Staff recommends providing the \$104,095 to Catholic Charities HOME-ARP Program, bringing the total agreement to \$1,719,539. This is less than Catholic Charities original request for HOME-ARP funds (\$1,800,015), which was partially awarded (\$1,615,444) in November 2023. COTS received the full amount of funds requested (\$711,375), which have been fully expended. Additionally, programming the funds (\$104,095) for this purpose aligns with the City’s original intent to prioritize services for individuals who are homeless or at-risk of becoming homeless.

PRIOR CITY COUNCIL REVIEW

On February 28, 2023, Council, by Resolution No. RES-2023-043, authorized submittal of the HOME-ARP Allocation Plan to HUD.

On November 28, 2023, Council, by Resolution No. RES-2023-192, approved two grant agreements for the HOME-ARP program, one with COTS and one with Catholic Charities, in the respective amounts of \$711,375 and \$1,615,444, for an eighteen-month period January 1, 2024, to June 30, 2025.

ANALYSIS

The draft Substantial Amendment was made available to the public from July 31, 2025, to August 14, 2025. Public notice of the Substantial Amendment was published in The Press Democrat, La Voz Bilingual Newspaper, and distributed by email to the Sonoma County Homeless Coalition (Continuum of Care) contact list. The Substantial Amendment was also made available for public review on the City’s website and posted at the City Manager’s Office, the Department of Housing and Community Services, and the Main Branch of the Sonoma County Library.

Comments received to date and any additional comments received at the Public Hearing on August 19 will be included in the final Substantial Amendment before being submitted to HUD.

FISCAL IMPACT

Approval of this action will appropriate \$4,095 in HOME-ARP funding provided by HUD with no impact to the General Fund.

ENVIRONMENTAL IMPACT

The proposed actions are not considered “projects” under the California Environmental

Quality Act (CEQA) as defined in CEQA Guidelines Section 15378(b)(4) and (b)(5), because they consist of fiscal and administrative activities of government that do not result in a direct or reasonably foreseeable physical change in the environment.

Even if the actions were considered a “project,” the activity would be exempt under the “Common Sense Exemption” (CEQA Guidelines Section 15061(b)(3)), as there is no possibility that the activity may have a significant effect on the environment. No further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Draft Substantial Amendment to the HOME-ARP Allocation Plan
- Resolution – Substantial Amendment
- Resolution – Second Amendment to Grant Agreement
- Exhibit A – Second Amendment to Grant Agreement with Catholic Charities of the Diocese of Santa Rosa DBA Catholic Charities of Northwest California HOME-ARP Program

PRESENTER

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