

EXHIBIT A



Executive Summary to 2016 - 2020 Consolidated Plan and Fiscal Year 2016/2017 Action Plan

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 for housing and community development programs to the City of Santa Rosa (City), specifically Community Development Block Grant (CDBG) and HOME Investment Partnerships Act (HOME) funds, and new in Fiscal Year 2016/2017, Housing Opportunities for Persons with AIDS (HOPWA). In order to receive these funds, the City must complete a report every three to five years called the Consolidated Plan. The City's existing Consolidated Plan (Plan) governed program years 2014-2019; however the addition of HOPWA funds necessitates a new Consolidated Plan. The City is also synchronizing its Consolidated Plan to correspond with the County of Sonoma and City of Petaluma, the other entitlement jurisdictions in our area, so this Plan governs program years 2016/17 through 2019/2020.

The purpose of the Consolidated Plan is to identify a city or state's housing and community development needs, priorities, goals, and strategies; and to stipulate how funds will be allocated to housing and community development activities over the period of the Consolidated Plan, which in the case of the City is five years.

The City's Housing and Community Services (HCS) Department was the lead agency in developing the 2016 to 2020 Consolidated Plan. The Plan was prepared in accordance with HUD's Office of Community and Planning Development (CPD) eCon Planning Suite (launched in May 2012), including the Consolidated Plan template in IDIS (Integrated Disbursement and Information System). Most of the data tables in the Plan are populated with default data from the U.S. Census Bureau, mainly 2008-2012 Comprehensive Housing Affordability Strategy (CHAS) and American Community Survey (ACS) data. Other sources are noted throughout the Plan, including the addition of more recent data where practical. The research process involved the analysis of the following key components: demographic, economic, and housing data; affordable housing market; special needs populations (homeless and non-homeless); and consultation with public and private agencies, as well as citizen participation.

The Plan process also included the development of the first-year Action Plan which is the annual plan the City prepares pursuant to the goals outlined in the Plan. The Action Plan details the activities the City will undertake to address the housing and community development needs and local objectives using HOME, CDBG, and HOPWA funds received during program year 2016/2017.

The Plan is divided into six sections with the Needs Assessment, Market Analysis, and Strategic Plan forming the key sections:

- Executive Summary
- Process

- Needs Assessment
- Market Analysis
- Strategic Plan
- Annual Action Plan

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

The City prioritized its needs according to the structure presented in HUD regulations 24 CFR 91.215: affordable housing, homelessness, and non-housing community development. Priority is based on the need demonstrated by the information collected during the preparation of the Plan, consultation and resident participation process, and the availability of resources to address these needs. Based on this information, housing needs are considered a high priority followed by homelessness and non-housing community development.

The City has seven goals to address these needs between FY 2016 - 2020:

- Increase supply of affordable rental housing for the City's lowest income households;
- Provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families;
- Preserve existing affordable housing stock;
- Provide housing and services to special needs populations;
- Increase access to homeownership opportunities for City residents;
- Provide funding for public facilities and improvements; and
- Promote economic development activities in the City.

During the four-year Plan period, the City expects to receive approximately \$1.3 million annually in CDBG funding, for a four-year total of \$5.4 million. CDBG funds are used for public services, housing activities and administrative costs. CDBG program funds are used to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities, principally for persons of low- and moderate-income. Funds can be used for of activities including: housing rehabilitation; homeownership assistance; lead-based paint detection/removal; construction/rehabilitation of public facilities and infrastructure; removal of architectural barriers; public services; rehabilitation of commercial/industrial buildings; and loans/grants to businesses.

The City expects to receive an annual allocation of approximately \$540,000 in HOME funding for a four-year total of \$2.2 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. 15% of the funds are allocated to community housing development organizations (CHDOs).

The City will receive HOPWA funding for the first time in 2016/2017 in the amount of approximately \$400,000, and anticipates a four-year total of \$1.6 million. HOPWA was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS 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 may 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 assistance, and assistance with daily living.

3. Evaluation of past performance

The City prepares the Consolidated Annual Performance and Evaluation Report (CAPER), which outlines how the City met the needs and objectives outlined in the 2009 to 2014 Consolidated Plan and Annual Action Plans. The City's key accomplishments over the 2009 to 2015 Consolidated Plan period include the following:

- Provided funds for the development of more than 400 affordable housing units (multi-family and senior) in eight projects, which completed construction and are fully occupied;
- Approved funds for the future development of five multi-family rental complexes (267 affordable units);
- Preserved affordability of more than 250 units of multi-family and senior housing;
- Assisted approximately 2,000 homeless individuals annually through its Public Services Program;
- Provided downpayment assistance to six first-time homebuyers with American Dream Downpayment Initiative (ADDI) funds; and
- Utilized \$854,341 in American Recovery and Reinvestment Act's (ARRA) funding for the implementation of a Homelessness Prevention and Rapid Re-Housing Program (HPRP) and a public improvement project (CDBG-R funds).

Changes to tax credit scoring and the limited amount of state housing funds coupled with the loss of Low and Moderate Income Housing funds as a result of the dissolution of statewide redevelopment agencies have impacted the City's ability to implement its goals. Despite these challenges, the City and its partners have been successful, overall, in achieving the objectives established in the previous Consolidated Plan and foresees continued progress through the new Plan period.

4. Summary of citizen participation process and consultation process

The Plan process involved the housing and community development organizations in the City, non-profit providers of affordable housing, service providers to the City's low-income and special needs populations, advocates and others. A community meeting was held to present findings from the consolidated planning research process and to solicit public input on the draft Plan. Extensive outreach was conducted to promote this meeting, including posting the bilingual (English/Spanish) notice to the City's website and Community Engagement Facebook page; in the Press Democrat and La Voz Bilingual

Newspaper (online and print); 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 is discussed in greater detail in the Process section of this Plan.

5. Summary of public comments

To be completed at conclusion of public comment period.

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

To be completed at conclusion of public comment period.

7. Summary

- The City's population increased from 170,974 to 173,071 residents (approximately 1.2%) between 2014 Consolidated Plan and the current Plan.
- As of the 2010 Census, 71% of Santa Rosa residents were White, 5% were Asian or Pacific Islander, 5% were two or more races, 2% were Black or African American, and 2% were American Indian or Alaska Native. Additionally, 29% of Santa Rosa's population was Hispanic or Latino.
- Of the approximately 62,090 households, 24% were considered very-low income (this figure also includes the extremely-low income category), 17% low-income, 10% moderate income, and 49% above moderate income (income categories are defined in the Needs Assessment).
- 53.5% of households are owner occupied and 46.5% are renter-occupied with approximately 45% of these households overpaying for housing (paying more than 30% of household income for housing costs) and, as such, are cost burdened.
- The City has sponsored the development of more than 4,000 affordable rental and homeownership units, including single family and multi-family residences, and housing for seniors and persons with special needs. As of March 2014, the City provided more than \$12 million in financing for the development of 340 units which are in varying stages of development, including 268 multi-family rental units, 60 ownership units, and 12 units of housing for persons with special needs.
- A total of 3,107 homeless individuals were counted as part of Sonoma County's 2015 point-in-time count, 67% of whom were unsheltered. The majority (86.5 %) of the homeless population was comprised of people in households without children, while family households represented 12%, and households comprised of children only (unaccompanied minors) accounted for 1.5%.
- In Santa Rosa there are a total of 11 facilities with 417 emergency shelter beds serving families, single adults, youth, and women with children. The City'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 or institutionalization, including 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 Sonoma County, there are a wide variety of programs and services available to special needs populations.