

Exhibit A



2016 – 2020 Amended Consolidated Plan
and
2018/2019 Action Plan
Executive Summary

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, for the first time in Fiscal Year 2016/2017, 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. The City's current Consolidated Plan (Plan) covers program years 2016 - 2020; however, the City proposes using a portion of its Fiscal Year 2018/2019 and 2019/2020 HOME allocation for tenant-based rental assistance (TBRA). The use of HOME for TBRA was not contemplated when the original 2016 – 2020 Consolidated Plan was finalized, therefore this change in use requires an Amendment to the Consolidated Plan as indicated herein. The City has synchronized 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 Fiscal 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 Amended Consolidated Plan.

The City's Housing and Community Services (HCS) Department is the lead agency in developing this Amendment to the 2016 – 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.

As mentioned above, this Plan is being substantially amended as required by the City's Citizen Participation Plan (CPP) to include a proposed potential change in the use of HOME funds. The use of a portion of HOME funds for TBRA could provide additional funding for rental subsidies. The City plans to manage this activity through its existing Housing Choice Voucher program.

The Plan Amendment process also includes the development of the Fiscal Year 2018/2019 Action Plan (Action Plan) which is the annual plan the City prepares pursuant to the goals outlined in the Amended Consolidated 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 2018/2019.

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/Expected Resources

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 Fiscal Years 2016 - 2020:

- Increase supply of affordable rental housing for the City's lowest income households;
- 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;
- Promote economic development activities in the City; and

- Provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families.

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 \$5.2 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 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 \$2.16 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). The City is considering utilizing a portion of its HOME funds for TBRA, a use that was not contemplated during the initial drafting of the 2016 – 2020 Consolidated Plan and which necessitates this Substantial Amendment. Fifteen (15%) of the funds are typically allocated to community housing development organizations (CHDOs).

The City received HOPWA funding for the first time in Fiscal Year 2016/2017 in the amount of \$396,830, and anticipates receiving a similar amount annually for a four-year 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 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 2014 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, because of the dissolution of statewide redevelopment agencies in 2012, has 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. Community meetings were held to present findings from the consolidated planning research process and to solicit public input on the draft Plan Amendment on February 7, 2018, and on February 21, 2018. 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 (print) and La Voz Bilingual Newspaper (online); 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 the Plan.

5. Summary of public comments

Public comments received on this Plan Amendment will be included here.

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

All comments were accepted and are being considered. Any comments received on this Plan Amendment will be included here.

7. Summary

- The City's population increased from 150,188 to 167,815 residents (approximately 14%) between the preparation of the 2009 - 2014 Consolidated Plan and the 2016 - 2020 Consolidated Plan. According to the American Community Survey 2016 Population Estimate, the City's population would increase to 175,155 in 2016. This estimate does not include residents who, rather than rebuild after the October 2017 fires, chose to sell the sites of their former homes and relocate.
- According to the American Community Survey 2012 – 2016 5-Year Estimates, 69.8% of Santa Rosans were White, 2.2% were Black/African American, 1.7% were American Indian and Alaska Native, 5.2% were Asian, 0.57% were Native Hawaiian/Other Pacific Islander. Additionally, 31% of Santa Rosa's population was Hispanic or Latino, and 13% were Some Other Race alone.
- Of the approximately 62,070 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).
- 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 2,835 homeless individuals were counted as part of Sonoma County's 2017 point-in-time count, 65% of whom were unsheltered. The majority (96.1%) of the homeless population was comprised of people in households without children. 71% of the homeless population stated that the main obstacle to obtaining permanent housing was that they couldn't afford rent, while 27% said the main obstacle was the lack of housing availability (Source: [Sonoma County 2017 Homeless Census & Survey Comprehensive Report](#)).
- In Santa Rosa, there are a total of 11 facilities for the homeless 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.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	CITY OF SANTA ROSA	HCS
CDBG Administrator	CITY OF SANTA ROSA	HCS
HOPWA Administrator	CITY OF SANTA ROSA	HCS
HOME Administrator	CITY OF SANTA ROSA	HCS

Table 1 – Responsible Agencies

Narrative

The City has delegated the responsibility for administering its housing programs to the Housing Authority of the City of Santa Rosa (Housing Authority) which is staffed by HCS. The mission of the Housing Authority is to ensure adequate, decent, safe, and sanitary housing for qualified people within Santa Rosa consistent with federal, state, and local laws. HCS administers a variety of programs to revitalize blighted and economically disadvantaged areas; manage the distribution of Federal rental subsidy to low-income residents; conduct inspections related to City building and zoning codes, with an emphasis on health and safety issues; collaborate with other local government and non-profit agencies to provide services to our homeless residents; and develop and administer a variety of affordable housing programs. Key program areas include Code Enforcement, Rental Assistance, Neighborhood Revitalization, Mobilehome Rent Control, Homeless Services, and Santa Rosa Housing Trust (Trust). The Trust administers the City's housing programs which are broken into four broad funding categories:

- Affordable Housing Production;
- Conversion and Preservation of Affordable Housing;
- Special Needs Facilities; and
- Homebuyer Finance.

The City and the Housing Authority have supported the development of more than 4,000 affordable rental and ownership units, including single and multi-family residences, and housing

for seniors and persons with special needs. The Trust's asset management and compliance portfolio exceeds \$100 million and includes 500 contracts and loans. More than 2,700 units are actively monitored for regulatory compliance annually.

Funding levels shown in this Plan are estimated amounts. When actual funding amounts are announced by HUD, all proposed activities' budgets will be proportionally increased or decreased from the estimated funding levels to match actual allocation amounts.

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