

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: MEGAN BASINGER, INTERIM DIRECTOR
HOUSING AND COMMUNITY SERVICES
SUBJECT: SUBMITTAL OF TWO APPLICATIONS TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT'S HOMEKEY GRANT PROGRAM FOR THE CITY TO BE A CO-APPLICANT IN TWO PROJECTS: 1) CARITAS IN AN AMOUNT NOT TO EXCEED \$11.36 MILLION AND 2) ST. VINCENT DE PAUL COMMONS IN AN AMOUNT NOT TO EXCEED \$7.6 MILLION

AGENDA ACTION: RESOLUTIONS (2)

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Council, by two resolutions: 1) approve the submittal of a grant co-application to the State of California Department of Housing and Community Development's Homekey Grant program with Catholic Charities of the Diocese of Santa Rosa for Caritas Center in an amount not to exceed \$11.36 million for Caritas Center; and 2) approve the submittal of a grant co-application to the State of California Department of Housing and Community Development's Homekey Grant program in an amount not to exceed \$7.6 million for St. Vincent de Paul Commons.

EXECUTIVE SUMMARY

The California Department of Housing and Community Development (HCD) has released a Notice of Funding Availability (NOFA) in the amount of \$1.45 billion for Homekey homeless grant applications. Homekey is a state program, that provides funding to acquire, develop, or rehabilitate a variety of housing types for permanent or interim housing for people experiencing homelessness or those at risk of homelessness. Following the vetting of potential sites and discussions with homeless services agencies and providers, the City of Santa Rosa is applying to HCD as a co-applicant for two projects. Caritas Center located at 301 6th Street, Santa Rosa, being developed by Catholic Charities, will provide 40 private rooms for families and children, preschool and childcare, 38 medical recuperation beds, a community health clinic, and other related services. St. Vincent de Paul Commons, formerly known as the Gold Coin

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PAGE 2 OF 4

Motel, located at 2400 Mendocino Avenue, owned and being rehabilitated by St. Vincent de Paul, will provide 55 units of permanent housing for homeless individuals.

BACKGROUND

On September 9, 2021, HCD released the Homekey 2 Grant Program Notice of Funding Availability (NOFA) for approximately \$1.45 billion; Homekey Guidelines require applications to be submitted by cities, counties, tribal entities, or other government organizations, as well as joint applications with a nonprofit or for-profit organization as the co-applicant. The City is proceeding with developing two applications with two non-profit organizations as the co-applicants.

The intent of both Homekey applications is to be awarded funding for construction of the homeless housing units. For Caritas Center, the funds will assist with the construction and operation of the Interim Housing facility located in downtown Santa Rosa. For St. Vincent de Paul Commons, the funds will assist with the rehabilitation and conversion of the former Gold Coin motel to a 55-unit permanent housing facility.

If either or both projects are awarded funds, the City, as well as the co-applicant will be required to enter into a Standard Agreement with HCD.

PRIOR CITY COUNCIL REVIEW

On March 3, 2020, the City Council conducted a public hearing and approved the following for Caritas Village: 1) the Final Environmental Impact Report; 2) adopted findings of fact, mitigation monitoring and reporting requirements, and a statement of overriding considerations; 3) amended the General Plan from Medium Density Residential and Retail and Business Services to Transit Village-Mixed Use; 4) amended the Downtown Station Area Specific Plan to include all the project parcels within the Courthouse Square Sub-Area; 5) rezoned the parcels from Multi-family Residential to the Transit Village-Mixed Zoning District; 6) approved a Tentative Map for the Project; and 7) made findings and determinations and approved a Minor Use Permit for an Emergency Shelter at Caritas Village.

St. Vincent de Paul Commons has not required review or approval by the City Council and has received ministerial approval.

ANALYSIS

Pursuing this grant opportunity for two projects and potentially award up to \$19 million in Homekey funds to assist with the construction and operation of the projects that are addressing homelessness or those at risk of homelessness. HCD program requirements also include the recordation of a Regulatory Agreement against the

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PAGE 3 OF 4

property and evidence of funding commitments to support operations and services at the site. Projects awarded funding will be required to expend capital funds within 8 months of award, complete construction or rehabilitation of the units within 12 months of award and obtain occupancy within approximately 15 months of award.

Homekey projects will assist the City in meeting the following goals:

- Addressing homelessness; and
- Meet housing needs – converting a former motel into 55 housing units.

The projects, summarized below, will provide additional housing solutions to the City to address the homelessness.

Caritas Center

Caritas Center, located at 301 6th Street, is being developed by Catholic Charities of the Diocese of Santa Rosa. Catholic Charities owns the site and has received approvals, including certification of an Environmental Impact Report, from the City Council. The Caritas Center will provide a homeless facility that will provide 40 private rooms for families and children, preschool and childcare, 38 medical recuperation beds, a community health clinic, and other related service. Catholic Charities has obtained all necessary approvals from Planning; Building permits have been issued and the project is currently under construction.

Based on Homekey program guidelines and preliminary application review by Catholic Charities, Caritas Center is eligible for up to \$11.36 million that will be used to provide interim housing for homeless individuals and families.

St. Vincent de Paul Commons

St. Vincent de Paul Commons, formerly known as the Gold Coin Motel, located at 2400 Mendocino Avenue, was acquired by St. Vincent de Paul in 2019 to be rehabilitated as housing units for individuals experiencing homelessness. St. Vincent de Paul has obtained Zoning Clearance to repurpose the site from a motel to permanent housing; Building permits have been submitted and are ready for issuance.

Based on Homekey program guidelines and preliminary application review by St. Vincent de Paul, St. Vincent de Paul Commons is eligible to apply for up to \$7.6 million for the 54 units and 1 manager unit to permanently housing homeless individuals.

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PAGE 4 OF 4

FISCAL IMPACT

Approval of the grant applications for the two projects does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

The proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 – Draft HCD Standard Agreement attachments
- Resolution – Caritas Center
- Resolution – St. Vincent de Paul Commons

CONTACT

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