

COMMUNITY DEVELOPMENT AGENCY
HOUSING AND FEDERAL GRANTS DIVISION

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Building and Safety
Environmental Health Services
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AGENDA

COUNTYWIDE PRIORITY SETTING COMMITTEE PUBLIC HEARING
Proposed Funding for Community Development Block Grant and HOME Investment
Partnerships Program Funds for Funding Year 2021-22

Thursday, April 1, 2021 6:00 p.m.

Meeting Location:
Virtual Hearing via Zoom
Access Link Will Be Sent Directly

- 1. Opening Comments**
- 2. Budget and recommendations for 2021-22 for three local CDBG Planning Areas (Novato, San Rafael, County Other), reprogramming of CDBG Planning Area funds from previous years, and use of CDBG Planning Area program income.**
 - A. Staff report.
 - B. Public comments.
 - C. Discussion and recommendations by Priority Setting Committee to Marin County Board of Supervisors for proposed use of CDBG Planning Area funds.
- 3. Recommendations for 2021-22 HOME Program allocations and use of HOME program income.**
 - A. Staff report.
 - B. Public comments.
 - C. Discussion and recommendations by Priority Setting Committee to Marin County Board of Supervisors for proposed use of HOME Program funds.

4. Request for public comment on the housing and non-housing community development needs of lower income people, and the past performance of the County's CDBG and HOME programs. *(This is an opportunity for the public to comment on community needs and general issues related to the CDBG and HOME programs)*

A. Public Comment

5. Update on Assessment of Fair Housing

6. Staff Updates

7. Open Time for Public Comment on Matters Not on the Agenda

Future Hearing

Tuesday, May 4, 2021

Marin County Board of Supervisors

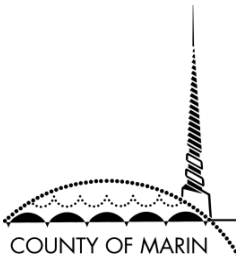
Virtual Hearing via Facebook

9 a.m. or thereafter (time to be determined)

If you have questions about the public hearing, please call Housing and Federal Grants at (415) 473-6279 at the Marin County Community Development Agency. People using TTY devices may reach us at (415) 473-3232 (TTY) or through the California Relay Service at 711. All public meetings and events sponsored or conducted by the County of Marin are held in accessible sites. Requests for accommodations may be made by calling Housing and Federal Grants at (415) 473-6279, (415) 473-3232 (TTY), or by e-mail: federalgrants@marincounty.org, at least five business days in advance of the event. Copies of documents are available in alternative formats, upon request. Sign language interpretation and translation into languages other than English are available upon request. Please call our office at (415) 473-6279, at least five business days in advance of the public hearing you want to attend, if you need language translation, a sign language interpreter, an assistive listening device, or other reasonable accommodation. In consideration of persons with environmental sensitivities, please do not wear perfume or other fragrances. Call Golden Gate Transit (415-455-2000, 711 TDD) for transit information.



The Consolidated Plan, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports, records regarding past use of Community Development Block Grant, HOME Investment Partnerships Program, and Housing Opportunities for Persons with AIDS Program funds, the Civil Rights Policy, the Residential Antidisplacement and Relocation Assistance Plan, the Nondiscrimination Policy, and program files are available for inspection at the Marin County Community Development Agency, 3501 Civic Center Drive, Room 308, San Rafael, California. Copies of documents are available in accessible formats upon request.



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DATE: Monday, March 22, 2021

TO: Countywide Priority Setting Committee

FROM: Molly Kron, Planner
Leelee Thomas, Planning Manager

SUBJECT: Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) Funding Recommendations for FY 2021-22

MEETING LOCATION: Virtual Hearing

MEETING DATE: Thursday, April 1, 2021

REQUEST:

1. Consider funding recommendations for Community Development Block Grant (CDBG) for the County Other Planning Area and HOME program for the 2021-22 fiscal year and approve recommendations.
2. Consider funding recommendations provided by the Novato City Council regarding the Novato Planning Area and from the San Rafael City Council for the San Rafael Planning Area for the 2021-22 fiscal year and approve recommendations.

RECOMMENDATION:

1. Consider and Recommend CDBG and HOME funding for fiscal year 2021-22 to the Marin County Board of Supervisors.

SUMMARY:

The Annual Action Plan amending the Consolidated Plan guides the distribution of funding and serves as the grant application to HUD for formula funding from the CDBG and HOME programs. These federally funded programs of HUD provide resources for housing, community facilities, and services for low income households. Staff propose the enclosed recommendations for the 2021-22 Annual Action Plan.

DISCUSSION:

The Community Development Block Grant (CDBG) program and Home Investment Partnership Program (HOME) are federally funded programs of the U.S. Department of Housing and Urban Development (HUD) that provide funding for housing, community facilities, and public services for low and moderate-income households. Examples of CDBG and HOME funded projects throughout the County include site acquisition for transitional housing; development of affordable housing; rehabilitation of affordable housing, group homes, and childcare centers; and a wide range of public services. CDBG funds are divided into three activity categories consisting of: 1) housing, 2) capital projects, and 3) public services. Federal regulation stipulates at least 85% of the CDBG funds must be spent on housing and capital projects, and up to 15% may be spent on public services. HOME funds are designed to provide affordable housing options for people with lower incomes.

Subject to approval by the Marin County Board of Supervisors on May 4, 2021, the funding recommendations in this report will be submitted to the U.S. Department of Housing and Urban Development (HUD). These recommendations include funding approved by the San Rafael City Council and funding expected to be adopted by the Novato City Council for their respective planning areas. Once approved they will be included in the Annual Action Plan, which is an amendment to the five-year Consolidated Plan for Fiscal Years 2020-2024.

The 2020-2024 five-year Consolidated Plan includes an analysis of affordable housing and community development needs and statements of policies for the entire period, as well as CDBG and HOME project budgets for the first year of the five-year plan. This Annual Action Plan addresses the second year of the Consolidated Plan.

2021-2022 Funding Year

Federal Funding Update

Funds for Marin County's 2021-22 CDBG and HOME program come from the federal budget for Fiscal Year 2021, which is from October 1, 2020 to September 30, 2021. This coming year, Marin County's CDBG allocation is estimated at \$1,597,998 while the HOME allocation is estimated at \$800,856. Estimates for funding are determined based on the proposed budget for HUD programs, and are subject to change in accordance with the federal budget approved by Congress and official grant agreements received from HUD. Marin's grant amounts are affected by changes in the overall program funding in the federal budget and Marin's ranking in comparison with other grantees based on demographic factors. This year's expected CDBG funding increased slightly by \$3,373 from the prior fiscal year funding levels, while HOME funding decreased by \$7,201 from the prior fiscal year funding levels.

July 1, 2021 is the beginning Marin County's fiscal year and the start of the second year covered by the Consolidated Plan. Proposed funding recommendations for the use of federal Fiscal Year 2021 CDBG funds and HOME funds is available in Attachment 1. In order to meet HUD's time limits on spending, the budget also includes CDBG and HOME funds from prior years which are recommended

for reprogramming (reallocation) to new projects, and allocations from CDBG and HOME program income.

If Marin's grant amount differs from these assumptions, to avoid the need for an additional hearing, staff recommend the grant amounts approved by the Priority Setting Committee be subject to revision. At that time, staff would recalculate the amounts available for each planning area, and for each activity category. To the extent that cuts are needed staff would adjust the preliminary project grant amounts and make funding recommendations to the Board of Supervisors consistent with the PSC and City Councils' recommendations not to fall below \$15,000. If additional funds are available, the adjustment would be limited so that no project receives more than the amount the sponsor agency requested.

Program Enhancements, Threshold Requirements, and Priorities:

In 2020 the PSC approved, and the BOS accepted, two program enhancements including a two-year application cycle beginning in 2020. Under this structure Public Service projects are eligible for funding renewal based on accomplishing goals and subject to available CDBG funds. Capital and Housing projects apply for funding using a two-year project timeline and budget. In addition, the PSC enacted a minimum grant size of \$15K per year. Countywide projects may receive funding from each planning area to bring their grant up to \$15K.

These two enhancements increase impact of funded organizations and enables nonprofit partners to better plan their programs. While applications are only received every two years, funding allocations must be approved annually based on the past performance of the project and expected funding allocated by HUD.

In recent years, there has been an increased local emphasis on the extent to which members of the protected classes are served by CDBG and HOME projects, and the quality and effectiveness of each project sponsor's affirmative marketing plan. At the December 5, 2019 meeting, the Priority Setting Committee (PSC) established local funding priorities and reaffirmed requirements for a two-year funding cycle, which are used by staff in evaluating applications. As required by HUD, staff also focus on monitoring and measurable outcomes.

All project applications are evaluated based on their ability to meet HUD's national objectives, the PSC's enhanced thresholds for evaluating projects, and standard project evaluation criteria as follows:

National Objectives Thresholds:

- Benefit low- and moderate- income persons,
- Prevent or eliminate blight, or
- Meet other community development needs for low- and moderate-income persons.

PSC Enhanced Thresholds:

- Support projects that Affirmatively Further Fair Housing and have the commitment and capacity to engage in Affirmative Marketing.
- Prioritize projects that serve members of the protected classes as defined by HUD.
- Prioritize projects that serve low-income persons.

Project Evaluation Criteria:

- Readiness—can awarded funds be completely expended during the grant year?
- Sustainability—does the organization have capacity to sustain a project or program beyond this federal funding period?
- Effectiveness and Accountability—does the organization have the capacity and track record to effectively conduct the project and administer federal funds?
- Prioritize greatest impact.

In addition to the criteria set forth by both HUD, through the Consolidated Plan and Analysis of Impediments process, the Countywide Priority Setting Committee established priorities for funding CDBG and HOME housing projects:

- Family Housing
- Land trust model in eastern Marin that provides home ownership opportunities. (Eastern Marin in this case is defined as all of the areas of Marin, except for West Marin)

The PSC also established the following priorities for CDBG funds allocated to public service projects during Fiscal Year 2021:

- Basic Health Services - includes services that prevent or treat medical conditions for individuals who are un-insured, under-insured, or people with low-incomes who cannot afford their deductible. Programs and services include but are not limited to preventative health such as immunizations, well-childcare from birth, periodic health evaluations for adults, voluntary family planning services, children’s eye and ear examinations conducted to determine the need for vision and hearing correction, and hygiene services. Services may also include medically necessary emergency health care, inpatient and outpatient treatment, diagnostic laboratory and diagnostic and therapeutic radiologic services, and provision of prescription drugs.
- Children, Youth, and Parent Support Services - includes services that address disparities in access to early childhood education and high costs of childcare county wide by targeting low-income families. Programs and services include but are not limited to supporting childcare scholarships, student extracurricular activities, parent engagement and training, therapeutic services, teacher salaries, transportation, and home visitations.
- Housing Support Services - includes services that assist individuals in accessing stable housing, prevent discrimination in housing choice, and aid renters in maintaining stable housing. Programs and services include but are not limited to fair housing counseling, legal support, housing locators, down payment, and rental assistance.

Additional detail regarding the application of thresholds and principles guiding recommendations including spending deadlines can be found in Attachment 2.

Funding Analysis:

Recommendations For CDBG

County Other Planning Area Funding Recommendations for CDBG Program

Based on projections, the County Other Planning Area is expected to receive a total CDBG allocation

of approximately \$976,784 to allocate in FY 2021-22, which includes program income from past projects and reprogrammed funds from past projects that either underspent or did not move forward. A minimum of \$474,863 is designated for housing projects, a maximum of \$163,368 may be applied to public services, and the remaining \$338,553 can be applied to either capital projects, housing. A total of 19 applications were evaluated for the County Other Planning Area—12 Countywide projects and 7 serving the County Other Planning Area only. The total funding request for the County Other Planning Area is \$1,315,514.

Housing Projects

A total of nine (9) applications were considered for the County Other Planning Area—five (5) Countywide projects and four (4) serving the County Other Planning Area only. The five (5) projects serving the entire County have a total funding request of \$2,180,000, with \$837,925 earmarked for the County Other Planning Area. This allocation is based on the percentage of housing services provided for the County Other Planning Area. The combined requests for both the area specific projects and the County Other portion of the Countywide projects is \$1,063,557. The four (4) County Other Planning Area only projects came through a limited CDBG Housing application opened mid-cycle.

In addition to the applications received, staff have created a project placeholder identified as San Quentin Surplus Public Land Project. This project place holder was created to address an unusually large amount of program income received in FY2020-21. In December of 2020 a property located in San Quentin, originally purchased with CDBG funds, was sold. At the closing of the sale \$476,896 in program income was paid to the Federal Grants program. The San Quentin Surplus Public Land Project is an upcoming development that was just approved by the State of California. This project will develop over 200 units of affordable and market rate housing on surplus state-owned land across from San Quentin Prison. The Federal Grants program has a practice of reinvesting program income into the community it originated from, whenever possible. Given this and the rare occasion that a housing project comes up in the San Quentin area, staff recommend holding these funds in the placeholder project until the 2022-24 application cycle opens and the nonprofit developer can formally apply for funding.

Funding recommendation

Staff recommend allocating a total of \$749,895, to support funding five (5) of the nine (9) housing projects and the one (1) placeholder project. This total includes \$1,474.78 in reprogrammed funds from previous years projects and \$476,896 in program income.

| Organization | <i>FY 20-21 County Other Allocation</i> | FY 21-22 Countywide Request | FY 21-22 County Other Recommendation | Expected Countywide Funding |
|---|---|--|---|--|
| Eden Housing, Inc. (CHDO) * <i>Vivalon Healthy Aging Campus (formerly Whistlestop)</i> | \$53,759 | \$500,000 | - | \$500,000** |

| Organization | <i>FY 20-21 County Other Allocation</i> | FY 21-22 Countywide Request | FY 21-22 County Other Recommendation | Expected Countywide Funding |
|---|---|--|---|--|
| Habitat for Humanity Greater San Francisco, Inc. * <i>Redwood Blvd. Homes</i> | \$92,250 | \$250,000 | - | - |
| Homeward Bound of Marin * <i>Predevelopment and Construction of Veterans and Workforce Housing in Novato</i> | - | \$1,075,000 | - | \$526,526** |
| Marin Center For Independent Living * <i>Residential Access Modification Program</i> | \$6,000 | \$30,000 | - | - |
| Marin Housing Authority * <i>Residential Rehabilitation Loan Program (RLP)</i> | \$76,004 | \$325,000 | \$49,109 | \$231,000 |
| Bolinas Community Land Trust <i>Gibson House Updates</i> | - | \$22,000 | \$22,000 | \$22,000 |
| Community Land Trust Association of West Marin <i>Ocean Terrace Electric Panel and Hot Water</i> | - | \$38,632 | \$38,632 | \$38,632 |
| San Geronimo Valley Affordable Housing Association <i>Sage Lane Senior Housing Rehab</i> | - | \$15,000 | \$15,000 | \$15,000 |
| The Redwoods <i>Independent Living Apartments (ILA) Revitalization</i> | - | \$150,000 | \$148,258 | \$148,258 |
| San Quentin Surplus Public Land Project | - | - | \$476,896 | \$476,896 |
| Grand Total | | | \$749,895 | |

* Countywide request

** Includes HOME funding

Capital Projects

A total of two (2) applications were reviewed for the County Other Planning Area—one (1) Countywide project and one (1) serving the County Other Planning Area only. The combined requests for both the area specific projects and the County Other portion of the Countywide projects is \$153,500.

Funding recommendation

Staff recommend allocating a total of \$125,000, to support funding one (1) of the two (2) capital projects. This total includes \$4,118.63 in reprogrammed funds from previous years projects and \$11,205 in program income.

| Organization | <i>FY 20-21 County Other Allocation</i> | FY 21-22 Countywide Request | FY 21-22 County Other Recommendation | Expected Countywide Funding |
|--|---|--|---|--|
| Marin City Community Services District * <i>Manzanita Center Facility Master Plan</i> | - | \$150,000 | \$125,000 | \$125,000 |
| Tomales Town Hall <i>ADA Pathway & Regrading</i> | - | \$28,500 | - | - |
| Grand Total | | | \$125,000 | |

* Countywide request

Public Services

A total of eight (8) applications were considered for the County Other Planning Area— six (6) Countywide projects and two (2) serving the County Other Planning Area only. The total funding request for County Other is \$98,507. This represents the amount of funding approved for projects in 2020-21. The two-year application cycle structure provides that Public Service projects are eligible for funding renewals based on accomplishing goals and subject to available CDBG funds. All projects funded in 2020-21 have met or are exceeding their stated project objectives despite the added challenges presented by COVID-19.

Funding recommendation

Staff recommend allocating a total of \$101,889, to support funding renewals of all 8 public service projects. This recommendation includes an additional \$4,432 in funding above the 2020-21 levels. This increase is required to maintain funding levels for all projects. The funding gap comes from a loss of program income available in the other Planning Areas during the 2020-21 funding cycle. To make up for the additional resources required from County Other for Public Services, both the Novato and San Rafael Planning Areas contributed additional funds to housing projects that reduce the burden on the County Other Planning Area.

| Organization | FY 20-21 County Other Allocation | FY 21-22 Countywide Renewal | FY 21-22 County Other Recommendation | Expected Countywide Funding |
|---|---|--|---|--|
| Covia Foundation * <i>Home Match Marin</i> | \$2,000 | \$15,000 | \$3,288 | \$15,000 |

| Organization | FY 20-21 County Other Allocation | FY 21-22 Countywide Renewal | FY 21-22 County Other Recommendation | Expected Countywide Funding |
|---|---|--|---|--|
| Fair Housing Advocates of Northern California * <i>Fair Housing Counseling and Education</i> | \$25,000 | \$64,000 | \$25,000 | \$64,000 |
| Family & Children's Law Center * <i>Domestic Violence Legal Services for Low Income Families</i> | \$3,150 | \$15,000 | \$3,150 | \$15,000 |
| Hannah Project Partnership for Academic Achievement * <i>Hannah Freedom School</i> | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Legal Aid of Marin * <i>Keeping Marin Residents in their Homes</i> | \$8,307 | \$32,640 | \$10,451 | \$32,640 |
| Performing Stars of Marin * <i>After School and Summer Enrichment Programming of Low-Income Marin County Youth</i> | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Fairfax-San Anselmo Children's Center (FSACC) <i>After School Transportation Program</i> | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| San Geronimo Valley Community Center <i>Human Services/ Food Pantry</i> | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Grand Total | | | \$101,889 | |

* Countywide request

Novato Planning Area Funding Recommendations for CDBG Program

On Tuesday March 23, 2021 the Novato City Council is expected to pass a resolution approving CDBG funding recommendations for the 2021-22 fiscal year. Staff recommend the Priority Setting Committee adopt the City of Novato's recommendations, listed here, in accordance with the Cooperation Agreement governing the administration of the Novato Planning Area.

| Organization | Novato Recommendation |
|---|----------------------------------|
| HOUSING PROJECTS | |
| Eden Housing, Inc. (CHDO) <i>Vivalon Healthy Aging Campus (formerly Whistlestop)</i> | \$45,000 |
| Habitat for Humanity Greater San Francisco, Inc. <i>Redwood Blvd. Homes</i> | - |

| Organization | Novato Recommendation |
|---|------------------------------|
| Homeward Bound of Marin <i>Predevelopment and Construction of Veterans and Workforce Housing in Novato</i> | - |
| Marin Center For Independent Living <i>Residential Access Modification Program</i> | - |
| Marin Housing Authority <i>Residential Rehabilitation Loan Program (RLP)</i> | \$80,964 |
| Housing Subtotal | \$125,964 |
| CAPITAL PROJECTS | |
| North Bay Children's Center <i>C Street Campus Renovation/Expansion</i> | \$90,000 |
| North Marin Community Services <i>680 Wilson Enrichment Project</i> | \$30,000 |
| Capital Subtotal | \$120,000 |
| PUBLIC SERVICE PROJECTS | |
| Covia Foundation <i>Home Match Marin</i> | \$3,712 |
| Fair Housing Advocates of Northern California <i>Fair Housing Counseling and Education</i> | \$14,000 |
| Family & Children's Law Center <i>Domestic Violence Legal Services for Low Income Families</i> | \$5,100 |
| Legal Aid of Marin <i>Keeping Marin Residents in their Homes</i> | \$3,949 |
| North Bay Children's Center <i>Childcare Scholarships</i> | \$15,000 |
| North Marin Community Services <i>Childcare Program</i> | \$15,000 |
| Public Services Subtotal | \$56,761 |
| TOTAL Planning Area Allocation | \$302,725 |

San Rafael Planning Area Funding Recommendations for CDBG Program

On Monday, March 15, 2021 the San Rafael City Council passed a resolution approving the CDBG funding recommendations for the 2021-22 fiscal year. Following approval of the recommendations staff received final estimated budget numbers from HUD. This increased proposed funding by \$1,141, which is reflected in the recommendations here. Staff recommend the Priority Setting Committee adopt these recommendations in accordance with the Cooperation Agreement governing the administration of the San Rafael Planning Area.

| Organization | San Rafael Recommendation |
|---|----------------------------------|
| HOUSING PROJECTS | |
| Eden Housing, Inc. (CHDO) <i>Vivalon Healthy Aging Campus (formerly Whistlestop)</i> | \$88,528 |

| Organization | San Rafael Recommendation |
|---|----------------------------------|
| Habitat for Humanity Greater San Francisco, Inc. <i>Redwood Blvd. Homes</i> | - |
| Homeward Bound of Marin <i>Predevelopment and Construction of Veterans and Workforce Housing in Novato</i> | - |
| Marin Center For Independent Living <i>Residential Access Modification Program</i> | - |
| Marin Housing Authority <i>Residential Rehabilitation Loan Program (RLP)</i> | \$100,927 |
| Bridge Housing <i>Centertown Apartments</i> | \$20,000 |
| San Rafael Rotary Manor <i>Rotary Manor Window Rehabilitation</i> | \$100,000 |
| Housing Subtotal | \$309,455 |
| CAPITAL PROJECTS | |
| Marin City Community Services District <i>Manzanita Center Facility Master Plan</i> | - |
| City of San Rafael Department of Public Works* <i>Canal Area Pump Station Improvements</i> | \$100,000 |
| Capital Subtotal | \$100,000 |
| PUBLIC SERVICE PROJECTS | |
| Covia Foundation <i>Home Match Marin</i> | \$8,000 |
| Fair Housing Advocates of Northern California <i>Fair Housing Counseling and Education</i> | \$25,000 |
| Family & Children's Law Center <i>Domestic Violence Legal Services for Low Income Families</i> | \$6,750 |
| Legal Aid of Marin <i>Keeping Marin Residents in their Homes</i> | \$18,240 |
| RotaCare Bay Area <i>RotaCare Clinic of San Rafael</i> | \$15,000 |
| City of San Rafael, Library and Recreation Department* <i>Pickleweed Preschool</i> | \$21,500 |
| Public Services Subtotal | \$94,490 |
| TOTAL Planning Area Allocation | \$503,945 |

Recommendations For Reprogramming Funds for CDBG Program

At its January 1992 meeting, the Priority Setting Committee decided that unspent CDBG balances allocated to projects two or more years prior be considered for reallocation or "reprogramming" to other projects which may be able to more quickly spend the funds and/or be in greater need of the funds. In compliance with this policy, CDBG staff sent the required 30-day notice to all project sponsors with unspent balances so that the Committee would have the option of reprogramming these resources.

Staff prioritize reprogramming funds in the planning area the funds originated from to ensure continuity and equity across planning areas. For FY 2021-22 staff recommend a total of \$5,593.41 in CDBG funds be reprogrammed. All reprogrammed funds come from the County Other Planning Area. Staff recommend the following:

- Bolinas Community Land Trust for the Gibson House Upgrades - \$1,474.78 to be reprogrammed from the Bolinas Community Land Trust (2014)
- Marin City Community Services District for the Manzanita Center Facility Master Plan – \$4,118.63 to be reprogrammed from the Tomales Town Hall (2010)

A detailed account of reprogrammed funds can be found in Attachment 3.

Recommendations For Program Income for CDBG Program

When the CDBG program receives revenue from a completed project, this amount is considered program income, which must be made available to fund new CDBG activities. The opportunity for revenue generation is created by a lien agreement or a deed of trust recorded on a property funded by CDBG for either acquisition or major rehabilitation of real estate. In fiscal year 2019-20 the County received \$22,566 (Toussin Senior Apartments) and in fiscal year 2020-21 the County received \$476,896 (Centerforce). Staff recommend \$499,462 of program income be allocated to Capital or Housing projects. A list of program income distributions can be found in Attachment 3.

Recommendations For HOME

Countywide Funding Recommendations for HOME Program

The Countywide HOME Investment Partnership Program is projected to receive a total allocation of approximately \$800,856 of annual entitlement, \$100,000 in reprogrammed funds, and \$80,253 in program income for FY 2020-21. After accounting for the 10% administration costs, it is expected that \$892,998 will be available for projects. HOME requires a minimum of 15% of the annual entitlement or \$120,128 be allocated to a Community Housing Development Organization (CHDO). A total of two (2) applications were received for the Countywide HOME program totaling \$1,575,000.

Funding recommendation

Staff recommend allocating a total of \$892,998, to support funding both housing projects.

| Organization | FY 20-21 HOME Allocation | FY 21-22 HOME Request | FY 21-22 HOME Recommendation |
|---|---------------------------------|------------------------------|-------------------------------------|
| Eden Housing, Inc. (CHDO) <i>Whistlestop Healthy Aging Campus</i> | \$342,612 | \$500,000 | \$366,472 |
| Homeward Bound of Marin <i>Predevelopment and Construction of Veterans and Workforce Housing in Novato</i> | - | \$1,075,000 | \$526,526 |
| Grand Total | | | \$892,998 |

Recommendations For Reprogramming Funds for HOME Program

In order to meet the timely spending requirements for HOME, staff recommend reprogramming \$100,000 to Eden Housing, Inc. from Lifehouse, Inc.'s Wilson House ADU project (2018). A detailed account of reprogrammed funds can be found in Attachment 4.

Recommendations For Program Income for HOME Program

When the HOME program receives revenue from a completed project, payment of accrued interest, or repayment of a loan, this amount is considered program income, which must be made available to fund new HOME activities. In 2020-21, the County received \$80,253 in program income from two projects (Toussin Senior Apartments - \$50,373 and Fireside Apartments \$29,880). Staff recommend allocating \$72,228 to Eden Housing, Inc. and the remaining \$8,025 be provided to administration. A list of program income distributions can be found in Attachment 4.

FISCAL IMPACT: There is no direct cost or revenue impact on local jurisdiction's general funds generated by the recommended action, as the Priority Setting Committee is directing HUD funds to specific projects. Allocating funds to projects may allow County and City general and capital funds to be allocated to other priorities.

OPTIONS:

1. Approve funding allocations of CDBG and HOME funding as recommended by staff.
2. Make different allocations of CDBG and HOME funding. (Funds may be shifted between CDBG categories, but the Public Service category cannot exceed the 15% cap and the Housing category cannot be reduced below the 40% minimum.)
3. Provide direction to staff.

ACTION REQUIRED:

1. Adopt recommendations for CDBG and HOME project funding for the FY 2021-22 to be presented to the Marin County Board of Supervisors.

ATTACHMENTS:

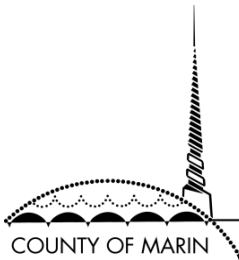
Attachment 1 List of applications and funding recommendations for fiscal year 2021-22
Attachment 2 Additional guiding principles for funding recommendations
Attachment 3 CDBG Reprogrammed Funding and Program Income
Attachment 4 HOME Reprogrammed Funding and Program Income
Attachment 5 Funding Applications (viewing access and digital download is available here:
Capital Projects – https://www.marincounty.org/-/media/files/departments/cd/federal-grants/2021_22/applications-received/202122-cdbg-c-projects.pdf?la=en

Housing Projects – https://www.marincounty.org/-/media/files/departments/cd/federal-grants/2021_22/applications-received/202122-cdbg-h-projects.pdf?la=en

Public Services Projects – https://www.marincounty.org/-/media/files/departments/cd/federal-grants/2021_22/applications-received/202122-cdbg-ps-projects.pdf?la=en

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | |
|-------------------|-----------------|--|---|----------------------|-----------------------------|-----------------------|---------------------------|-------------------|-------------------------------|---------------------|---------------------------------------|---------------------------------------|---|---------------------|
| APP. # | PROJECT SPONSOR | PROJECT NAME | 2021-22 CDBG Request (Year 2) | County Other Request | County Other Recommendation | Novato Recommendation | San Rafael Recommendation | CDBG Allocations | 2021-22 HOME Request (Year 2) | HOME Allocations | 2021-22 Total Recommendation (Year 2) | 2020-21 Total Recommendation (Year 1) | 2020-22 Total Recommendation (Year 1 & 2) | |
| 2 Housing | | | | | | | | | | | | | | |
| 3 | CH-1-2020 | Eden Housing, Inc. (CHDO) | Whistlestop Healthy Aging Campus | \$ 500,000 | \$ 184,500 | \$ - | \$ 45,000 | \$ 88,528 | \$ 133,528 | \$ 500,000 | \$ 366,472 | \$ 500,000 | \$ 396,371 | \$ 896,371 |
| 4 | CH-2-2020 | Habitat for Humanity Greater San Francisco, Inc. | Redwood Blvd. | \$ 250,000 | \$ 92,250 | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 235,797 | \$ 235,797 | |
| 5 | CH-3-2020 | Homeward Bound of Marin | Predevelopment and Construction of Veterans and Workforce Housing in Novato | \$ 1,075,000 | \$ 396,675 | \$ - | \$ - | \$ - | \$ - | \$ 1,075,000 | \$ 526,526 | \$ 526,526 | \$ - | \$ 526,526 |
| 6 | CH-4-2020 | Marin Center For Independent Living | Residential Access Modification Program | \$ 30,000 | \$ 15,000 | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 30,922 | \$ 30,922 | |
| 7 | CH-5-2020 | Marin Housing Authority | Residential Rehabilitation Loan Program (RLP) | \$ 325,000 | \$ 149,500 | \$ 49,109 | \$ 80,964 | \$ 100,927 | \$ 231,000 | | \$ 231,000 | \$ 230,095 | \$ 461,095 | |
| 8 | CH-1-2021 | TBD | San Quentin Public Land Project TBD | \$ - | \$ - | \$ 476,896 | \$ - | \$ - | \$ 476,896 | | \$ 476,896 | \$ - | \$ 476,896 | |
| 9 | OH-1-2021 | Bolinas Community Land Trust | Gibson House Updates | \$ 22,000 | \$ 22,000 | \$ 22,000 | \$ - | \$ - | \$ 22,000 | | \$ 22,000 | \$ - | \$ 22,000 | |
| 10 | OH-2-2021 | Community Land Trust Association of West Marin | Ocean Terrace Electric Panel and Hot Water | \$ 38,632 | \$ 38,632 | \$ 38,632 | \$ - | \$ - | \$ 38,632 | | \$ 38,632 | \$ - | \$ 38,632 | |
| 11 | OH-3-2021 | San Geronimo Valley Affordable Housing Association | Sage Lane Senior Housing Rehab | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ - | \$ - | \$ 15,000 | | \$ 15,000 | \$ - | \$ 15,000 | |
| 12 | OH-4-2021 | The Redwoods | Independent Living Apartments (ILA) Revitalization | \$ 150,000 | \$ 150,000 | \$ 148,258 | \$ - | \$ - | \$ 148,258 | | \$ 148,258 | \$ - | \$ 148,258 | |
| 13 | OH-1-2020 | Bolinas Community Land Trust | 3755 Shoreline Highway | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ 0 | |
| 14 | OH-2-2020 | Community Land Trust Association of West Marin | Rental Houses Exterior Repairs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 25,000 | \$ 25,000 | |
| 15 | OH-3-2020 | Galilee Harbor Community Association | Galilee Harbor Electric Upgrade | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 25,000 | \$ 25,000 | |
| 16 | OH-4-2020 | San Geronimo Valley Affordable Housing Association | Brookside Apartments Rehabilitation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ 0 | |
| 17 | SH-1-2020 | Bridge Housing | Centertown Apartments | \$ 20,000 | N/A | \$ - | \$ - | \$ 20,000 | \$ 20,000 | | \$ 20,000 | \$ 513,732 | \$ 533,732 | |
| 18 | SH-2-2020 | San Rafael Rotary Manor | Rotary Manor Window Rehabilitation | \$ 266,545 | N/A | \$ - | \$ - | \$ 100,000 | \$ 100,000 | | \$ 100,000 | \$ - | \$ 100,000 | |
| 19 | | | Housing Sub-total | \$ 2,692,177 | \$ 1,063,557 | \$ 749,895 | \$ 125,964 | \$ 309,455 | \$ 1,185,314 | \$ 1,575,000 | \$ 892,998 | \$ 2,078,312 | \$ 1,456,917 | \$ 3,535,229 |
| 20 CAPITAL | | | | | | | | | | | | | | |
| 21 | CC-1-2020 | Community Action Marin | CAM Community Intake and Welcome Center | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 35,000 | \$ 35,000 | |
| 22 | CC-2-2020 | Marin City Community Development Corporation | Empowerment Clubhouse Pre-Construction and Development | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 163,893 | \$ 163,893 | |
| 23 | CC-3-2020 | Marin City Community Services District | Manzanita Center Facility Master Plan | \$ 150,000 | \$ 125,000 | \$ 125,000 | \$ - | \$ - | \$ 125,000 | | \$ 125,000 | \$ - | \$ 125,000 | |
| 24 | OC-1-2020 | Coastal Health Alliance | Point Reyes Station Clinic Laboratory and Accessibility Renovations | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 90,748 | \$ 90,748 | |
| 25 | OC-2-2020 | Marin Horizon School | Horizon Community School Playground | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ 60,000 | \$ 60,000 | |
| 26 | OC-3-2020 | Petaluma Health Center | Emergency Response Mobile Medical/Dental Clinic | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ 0 | |
| 27 | OC-4-2020 | Tomales Town Hall | ADA Pathway & Regrading | \$ 28,500 | \$ 28,500 | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ 0 | |
| 28 | NC-1-2020 | Homeward Bound of Marin | Building a Gender-Neutral Bathroom at the New Beginnings Center Shelter | \$ - | N/A | \$ - | \$ - | \$ - | \$ - | | \$ - | \$ - | \$ 0 | |
| 29 | NC-2-2020 | North Bay Children's Center | C Street Campus Renovation/Facility Expansion | \$ 150,000 | N/A | \$ - | \$ 90,000 | \$ - | \$ 90,000 | | \$ 90,000 | \$ 20,000 | \$ 110,000 | |
| 30 | NC-3-2020 | North Marin Community Services | 680 Wilson Enrichment Project | \$ 36,900 | N/A | \$ - | \$ 30,000 | \$ - | \$ 30,000 | | \$ 30,000 | \$ 55,000 | \$ 85,000 | |
| 31 | SC-1-2020 | City of San Rafael Department of Public Works | Canal Area Pump Station Improvements | \$ 100,000 | N/A | \$ - | \$ - | \$ 100,000 | \$ 100,000 | | \$ 100,000 | \$ 85,328 | \$ 185,328 | |
| 32 | | | Capital Sub-total | \$ 465,400 | \$ 153,500 | \$ 125,000 | \$ 120,000 | \$ 100,000 | \$ 345,000 | | \$ 345,000 | \$ 509,969 | \$ 854,969 | |

| 1 | APP. # | PROJECT SPONSOR | PROJECT NAME | 2021-22 CDBG Request (Year 2) | County Other Request | County Other Recommendation | Novato Recommendation | San Rafael Recommendation | CDBG Allocations | 2021-22 HOME Request (Year 2) | HOME Allocations | 2021-22 Total Recommendation (Year 2) | 2020-21 Total Recommendation (Year 1) | 2020-22 Total Recommendation (Year 1 & 2) |
|----|------------------------|---|--|-------------------------------|----------------------|-----------------------------|-----------------------|---------------------------|--------------------|-------------------------------|------------------|---------------------------------------|---------------------------------------|---|
| 33 | PUBLIC SERVICES | | | | | | | | | | | | | |
| 34 | CS-1-2020 | 10,000 Degrees | Financial Aid Awareness and Completion Campaign | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 35 | CS-2-2020 | Community Action Marin | CAM Economic Opportunity and Safety Net Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 36 | CS-3-2020 | Covia Foundation | Home Match Marin | \$ 15,000 | \$ 2,000 | \$ 3,288 | \$ 3,712 | \$ 8,000 | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 37 | CS-4-2020 | Early Vibes Inc. | The Turn | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 38 | CS-5-2020 | Fair Housing Advocates of Northern California | Fair Housing Counseling and Education | \$ 64,000 | \$ 25,000 | \$ 25,000 | \$ 14,000 | \$ 25,000 | \$ 64,000 | | | \$ 64,000 | \$ 64,000 | \$128,000 |
| 39 | CS-6-2020 | Family & Children's Law Center | Domestic Violence Legal Services for Low Income Families | \$ 15,000 | \$ 3,150 | \$ 3,150 | \$ 5,100 | \$ 6,750 | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 40 | CS-7-2020 | Hannah Project Partnership for Academic Achievement | Hannah Freedom School | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ - | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 41 | CS-8-2020 | House of Life Ministries | Family First | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 42 | CS-9-2020 | Jewish Family and Children's Services | Jewish Family and Children's Services, Skyview Day Club Financial Assistance Program | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 43 | CS-10-2020 | Legal Aid of Marin | Keeping Marin Residents in their Homes | \$ 32,640 | \$ 8,307 | \$ 10,451 | \$ 3,949 | \$ 18,240 | \$ 32,640 | | | \$ 32,640 | \$ 32,640 | \$65,280 |
| 44 | CS-11-2020 | Marin City Community Services District | MCCSD Manzanita Center Free Youth Recreation Programs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 45 | CS-12-2020 | Performing Stars of Marin | After School and Summer Enrichment Programming of Low-Income Marin County Youth | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ - | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 46 | CS-13-2020 | Project Avary | Support Service for Children of Incarcerated Parents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 47 | CS-14-2020 | RotaCare Bay Area | RotaCare Clinic of San Rafael | \$ 15,000 | \$ - | \$ - | \$ - | \$ 15,000 | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 48 | CS-15-2020 | Spahr Center | Readiness for Housing Program | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 49 | CS-16-2020 | Women's Rights and Peace of Bay Area | Korean Education Project (KEP) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 50 | OS-1-2020 | Bridge the Gap College Prep | Bridge the Gap College Prep Early Childhood Education Literacy Programming | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 51 | OS-2-2020 | FAIRFAX-SAN ANSELMO CHILDREN'S CENTER (FSACC) | AFTER SCHOOL TRANSPORTATION PROGRAM | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ - | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 52 | OS-3-2020 | Marin Horizon School | Horizon Community School Family and Child Support Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 53 | OS-4-2020 | San Geronimo Valley Affordable Housing Association | Homeowner and Renter Assistance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 54 | OS-5-2020 | San Geronimo Valley Community Center | Human Services/ Food Pantry | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ - | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 55 | NS-1-2020 | Marin YMCA- YMCA of San Francisco | Camp University | \$ - | N/A | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 56 | NS-2-2020 | North Bay Children's Center, Inc. | Child Care Scholarships | \$ 15,000 | N/A | \$ - | \$ 15,000 | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 57 | NS-3-2020 | North Marin Community Services | Childcare Scholarships | \$ 15,000 | N/A | \$ - | \$ 15,000 | \$ - | \$ 15,000 | | | \$ 15,000 | \$ 15,000 | \$30,000 |
| 58 | SS-1-2020 | Canal Alliance | University Prep (UP!) | \$ - | N/A | \$ - | \$ - | \$ - | \$ - | | | \$ - | \$ - | \$0 |
| 59 | SS-2-2020 | City of San Rafael, Library And Recreation Department | Pickleweed Preschool | \$ 21,500 | N/A | \$ - | \$ - | \$ 21,500 | \$ 21,500 | | | \$ 21,500 | \$ 21,500 | \$43,000 |
| 60 | | | Public Services Sub-total | \$ 253,140 | \$ 98,457 | \$ 101,889 | \$ 56,761 | \$ 94,490 | \$ 253,140 | | | \$ 253,140 | \$ 253,140 | \$ 506,280 |
| 61 | ADMINISTRATION | | | | | | | | | | | | | |
| 62 | | CDBG Administration | County of Marin | | | | | | \$ 319,600 | | | \$ 319,600 | \$ 326,725 | \$646,325 |
| 63 | | HOME Administration | County of Marin | | | | | | | | \$ 88,111 | \$ 88,111 | \$ 88,068 | \$88,068 |
| 64 | | | | | | | | | \$ 319,600 | | \$ 88,111 | \$ 407,711 | \$ 414,793 | \$ 734,393 |
| 65 | | | | | | | | | | | | | | |
| 66 | TOTALS | | | \$3,410,717 | \$1,315,514 | \$976,784 | \$302,725 | \$503,945 | \$2,103,054 | \$1,575,000 | \$981,109 | \$3,084,163 | \$2,634,819 | \$5,630,871 |



COMMUNITY DEVELOPMENT AGENCY
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Attachment 2 – Additional guiding principles for funding recommendations

Program Spending Deadlines

CDBG - HUD regulations stipulate that projects utilize funds in a timely manner and that unspent funds should be reallocated and used in communities that can meet timely spending guidelines. HUD takes sanctions if, on the annual test date in late April a community has unspent CDBG funds that exceed 1.5 times its annual CDBG grant amount. If a community's unspent CDBG balance exceeds the 1.5 standard on the test date, HUD will designate the community as a "high-risk" grantee and may also take funds away. The reduction of grant awards is done through an automated process, so there is no opportunity to request a waiver or extension. If the CDBG grant declines, the amount of unspent funds permitted also declines. Therefore, we must be careful to target CDBG funds to projects that are ready to proceed.

Current HUD regulations and policy trends suggest increased scrutiny on entitlement communities and the administration of their federal dollars. Funding should therefore be prioritized for projects which can meet timely spending requirements, avoiding funding agencies with unspent balances or agencies lacking the administrative capacity to execute their spending in a timely manner.

HOME - In January 2019, HOME spending deadlines were modified by the passage of the Consolidated Appropriations Act of 2019. This legislation suspends the 24-month commitment requirement for Community Housing Development Organization (CHDO)¹ set-aside funds, as well as continues the suspension of the 24-month commitment requirement for regular HOME Investment Partnerships Program (HOME) funds. Both deadline requirements are suspended through December 31, 2021. In addition, per authority provided to HUD through the CARES Act, there is a waiver available for the four-year project completion requirement, among others.

Prior to the passage of these bills, the County was required to enter into a contract with a CHDO project sponsor, committing the HOME funds to a specific project within 2 years of the HUD allocation. The requirement that HOME funds be placed under contract within two years, is extremely difficult to implement in Marin County. This change combined with the increased time for project completion will ease some burden and risk of losing funds due to projects involved in prolonged entitlement, securing funding, and construction processes. The County is not permitted to enter into a contract to provide a project sponsor with HOME funds unless all other necessary financing has been secured, and there is a reasonable expectation that the project

¹ A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves.

can start construction or rehabilitation within 1 year of the contract date. If the project involves acquisition, there must be a reasonable expectation that acquisition will occur within six months. In practice, the sponsor needs to have secured all local planning approvals before they can obtain the required funding commitments for the entire cost of the project.

Although the 24-month commitment has been suspended and the four-year project completion requirement is available to be waived, there remains a 9-year expiration on funds. If this deadline is not met, HUD can cancel that portion of the community's HOME grant. HUD can also require repayment of funds, even if the County has already spent the money on a project, regardless of whether the project is eventually completed.

The most challenging aspect of HOME funds is the requirement that all other financing must be secured prior to the County entering into a contract to provide a project with HOME funds. Most sponsors of affordable housing find that they need a significant commitment of HOME funds in order to leverage commitments from other sources of funding, particularly if those sources are not local. For example, in order for an affordable housing development project to successfully compete for low-income housing tax credits, it needs a substantial commitment of local funding, which often includes HOME funds.

Priorities

Affirmatively Furthering Fair Housing - Marin County has received criticism for its lack of affordable housing as well as significant gaps in the availability of affordable housing for members of the protected classes. In 2011, the County submitted an Analysis of Impediments to Fair Housing Choice (AI) to HUD which identified 37 specific barriers to fair housing choice. While many of the items have been addressed, several goals are still outstanding. Federal grant funding will be used in a manner consistent with supporting the goals of furthering fair housing choice in Marin County. This will align with recommendation four (4) from the Implementation Plan of the Analysis of Impediments:

Make fair housing and equal opportunity criteria a more visible and comprehensive part of the Community Development Block Grant (CDBG) and HOME Program project selection process by screening all CDBG and HOME applications for compliance with fair housing and equal opportunity criteria and including an analysis of equal opportunity impact in staff reports recommending projects for funding.

In the 2019-20 cycle and beyond, projects which are aligned with Fair Housing goals that have been laid out in the Consolidated Plan and the Assessment for Fair Housing will be prioritized. Addressing the fair housing concerns in Marin County will require a concerted effort on behalf of County staff, Board of Supervisors, cities and towns, and Priority Setting Committee members. One of the first steps is to align our federal funding sources with these fair housing plans and educate and communicate our strategy and goals to our partners to create a more unified effort. An example of this

would be considering recommendation 16 from the Implementation Plan of the Analysis of Impediments when funding affordable housing developments:

Encourage and facilitate the development of more subsidized and affordable housing for families with children outside areas of minority concentration. Consider acquisition and shared housing. Screen and prioritize applications for CDBG and HOME funds for housing projects that will serve families and are located outside areas of minority concentration.

Supporting projects that serve members of the protected classes - The PSC also opted to prioritize projects that serve members of the protected classes. The funding application requires that data be provided which specifically identify how and what members of the protected classes are being served, and that this data be used in making funding recommendations and evaluating whether projects predominantly serve members of protected classes.

All funded projects will be required to affirmatively market their services. In this context it means to market services and give special assistance to groups that have historically been disadvantaged. It is not enough to simply not discriminate; assertive steps aimed at reversing historical trends and discriminatory patterns must be taken. The affirmative marketing plans are one part of that effort. The purpose of the affirmative marketing plan requirement is to promote a condition in which individuals of similar income levels in the same area have available to them a range of choices in housing and services regardless of their race, religion, color, national origin, sex, disability or familial status. Through an affirmative marketing plan, a grantee indicates what special efforts they will make to reach out to potential applicants who might not normally seek housing or services. This requires that the provider study the market area, learn the target population and design methods to reach out to the target population. Affirmative marketing does not limit choices; it expands choices by actively seeking to reverse the patterns of the past and provide for open and fair access to housing and services where the individual is free to live, work, and recreate where they choose. Affirmative marketing does not include specific goals or quotas. However, quantitative data and analysis are essential to planning and monitoring affirmative marketing program effectiveness.

To better support organizations to conduct affirmative marketing, County staff have updated affirmative marketing planning templates and continue to provide technical assistance to increase successful planning by projects. In addition, Fair Housing Advocates of Northern California recently offered a training for public service providers to increase capacity around conducting affirmative marketing.

Prioritizing fewer applications - HUD requested that Marin reconsider the numerous small allocations that have been made and consider funding fewer projects. More funds could be directed to larger projects that address a priority as established by the Priority Setting Committee. This recommendation was based on multiple conversations with the HUD office on ways to utilize funds more efficiently and effectively. Most recently this

included comments on the 2016 Consolidated Plan Amendments requesting that we consider funding larger projects; identified by HUD as \$10,000 per project.

Funding fewer housing projects per year - The PSC also recommended that one or two housing projects that are prepared and ready to utilize funds be prioritized. Funding fewer projects per year could allow more substantial funding commitments instead of funding many projects for multiple years. Funding in larger amounts may assist housing projects to meet a timelier completion schedule. However, this may not always be feasible due to the lengthy approval processes common in Marin and HUD's strict timely spending requirements.

Community Development Block Grant Recommended Reprogramming

| Project # | Amount | Project Sponsor | Project Name | Reprogrammed Amount | PROJECT SPONSOR | 2020-21 PROJECT NAME |
|---------------|----------|------------------------------|--------------------------|---------------------|--|---------------------------------------|
| 40CDBG14-4396 | 1,474.78 | Bolinas Community Land Trust | Gibson House Restoration | 1,474.78 | Bolinas Community Land Trust | Gibson House Updates |
| 40CDBG10-4651 | 4,118.63 | Tomales Town Hall | Tomales Town Hall Rehab | 4,118.63 | Marin City Community Services District | Manzanita Center Facility Master Plan |
| | | | | 5,593.41 | | |

Community Development Block Grant Program Income

| Amount | Program Income | Program Income Amount | PROJECT TYPE |
|------------|---|-----------------------|--------------------|
| 499,462.00 | 2019-20 Program Income - \$22,566 2020-21 Program Income - \$476,896 | 499,462.00 | Capital or Housing |

HOME Investment Partnerships Program Recommended Reprogramming

| Project # | Amount | Project Sponsor | Project Name | Reprogrammed Amount | PROJECT SPONSOR | 2020-21 PROJECT NAME |
|---------------|------------|-----------------|------------------|---------------------|--------------------|---|
| 40HOME18-5026 | 100,000.00 | Lifehouse Inc. | Wilson House ADU | 100,000.00 | Eden Hosuing, Inc. | Vivalon Senior Housing (formerly Whistlestop) |
| | | | | 100,000.00 | | |

HOME Investment Partnerships Program Program Income

| Amount | Program Income | Program Income Amount | PROJECT TYPE |
|-----------|---|-----------------------|--------------------|
| 80,253.00 | 2020-21 Program Income - \$50,373 \$29,880 | 8,025.00 | Administration |
| | | 72,228.00 | Capital or Housing |
| | | 80,253.00 | |