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CITY OF PETALUMA

Consolidated Annual Performance and Evaluation Report
(CAPER)

Fiscal Year 2021-2022

DRAFT as of 8/19/22

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This second year (Fiscal Year 2021-22) Consolidated Annual Performance and Evaluation Report (CAPER) outlines how the City of Petaluma (City) met the needs and objectives outlined in the 2020-2024 Consolidated Plan (Consolidated Plan) and the FY2021-22 Community Development Block Grant (CDBG) Annual Action Plan (AAP). Both reports can be found on the City’s website at www.cityofpetaluma.net.

The Consolidated Plan identifies five (5) goals to address the City’s housing and community development needs between Fiscal Years 2020-2024:

1. Improve housing opportunities by preserving existing affordable housing.
2. Provide housing and services to the low-income populations, including but not limited to, children, seniors, and special needs population (homeless, disabled, etc.)
3. Increase the supply of affordable housing.
4. Promote housing opportunities for homeownership.
5. Improve accessibility in public facilities and infrastructure.

To support achieving goals outlined in the Consolidated Plan and FY2021-22 CDBG Action Plan (and CDBG-CV AP), the City prioritized use of its CDBG funds and other local funding sources for affordable housing and related services for low-income Petaluma residents. City CDBG projects support the production, preservation and protection of stable, affordable housing.

In FY 2021-22, to achieve Consolidated Plan goals, the City administered its regular annual CDBG grant allocation of \$355,206, \$310,671 of carryover CDBG-CV funding from FY2020-21 allocated to the City through the CARES Act to provide COVID-19 relief, just over \$3 million of other Housing Funds (e.g., Housing In Lieu funds) for low-income community services, homeless programs, and preservation of existing affordable homeownership housing, and \$1,700,000, in Other Housing Funds (e.g., Housing In Lieu Funds, PLHA Funds, Local Housing Trust Funds (LHTF) and Commercial Linkage Funds) for affordable rental housing development.

The following table summarizes allocation of City funds to projects which furthered City progress toward meeting the Consolidated Plan goals.

FY 2021-22 City Investments in Consolidated Plan Goals		
Funding Source	Project	Allocation
CDBG	Rebuilding Together (preserve existing affordable housing)	\$ 229,653
CDBG	Petaluma People Services Center (PPSC) (senior/special needs meal delivery)	\$ 53,280
CDBG	PEP Housing (preserve existing affordable housing)	\$ 41,273
CDBG (FY19-20 carryover)	North Bay Childrens Center (children's nutrition ed/produce program)	\$ 5,325
CDBG	City of Petaluma (grant program administration)	\$ 31,000
	SUBTOTAL CDBG ANNUAL	\$ 360,531
CDBG-CV (FY20-21 carryover)	PPSC (rental assistance and related support services)	\$ 136,253
CDBG-CV (FY20-21 carryover)	Committee on the Shelterless (COTS) (rental assistance and related support services)	\$ 133,918
CDBG-CV	City of Petaluma (grant program administration)	\$ 40,500
	SUBTOTAL CDBG-CV	\$ 310,671
Other Housing Funds	PPSC (rental assistance and fair housing)	\$ 95,000
Other Housing Funds	BGCSM (after school programs)	\$ 150,000
Other Housing Funds	HLT (preservation of affordable homeownership housing)	\$ 60,000
Other Housing Funds	COTS, DST, SAFE (homeless shelter and services including outreach - includes \$875,000 SAFE funding)	\$ 1,725,000
Other Housing Funds	COTS (new non congregate shelter/Peoples Village - capital funding from County)	\$ 750,000
Other Housing Funds	COTS (temporary placement center for encampment resolution)	\$ 250,000
	SUBTOTAL OTHER HOUSING FUNDS (HOUSING IN-LIEU AND COMMERCIAL LINKAGE) -NOT FOR AFFORDABLE RENTAL HOUSING	\$ 3,030,000
	Studios at Montero (conversion to permanent supportive housing)	\$ 1,700,000
Housing In-Lieu/ ComLink	Housing Land Trust (supporting production of affordable housing development)	\$ 60,000
	SUBTOTAL OTHER HOUSING FUNDS (HOUSING IN-LIEU AND COMMERCIAL LINKAGE) -AFFORDABLE RENTAL HOUSING DEVELOPMENT	\$1,760,000
	TOTAL CITY INVESTMENTS IN CONSOLIDATED PLAN GOALS FY2021-22	\$5,461,202

The City met the majority of its FY2021-22 CDBG and CDBG-CV Action Plan goals by preserving affordable housing and providing rental assistance and services to low-income community members – including those significantly impacted by COVID-19. Other local housing funds augmented CDBG funds supporting Consolidated Plan

goals in FY2021-22 to support production of affordable housing. No FY2021-22 CDBG funds were allocated for Homeless Services; the City funded Homeless Services program with other sources. CDBG and CDBG-CV accomplishments were achieved by the City's nonprofit partners in the face of ongoing challenges due to COVID-19 such as staffing and supply limitations. With hard work and dedication, the community partners were able to overcome these challenges and accomplish the following FY 2021-22 achievements.

Protection (immediate services to protect vulnerable households, meeting Consolidated Plan goal to provide housing and services to low-income populations, including but not limited to, children, seniors, and special needs populations such as homeless or disabled):

- Families and individuals unable to pay their rent due to impacts of COVID-19 received temporary rental assistance and related supportive services using CDBG-CV funds. *Outcome – 279 at-risk individuals remained stably housed.*
- Low-income seniors and people with special needs received food delivery services through a Meals program using regular CDBG funds. *Outcome – 296 persons were provided access to quality public services.*

Preservation (medium-term services to meet Consolidated Plan goals to preserve existing affordable housing, promote home ownership, and to provide housing and services to low-income households including children, seniors, and special needs):

- Rehabilitation of single-family dwellings occupied primarily by low-income seniors and disabled individuals using CDBG funds. *Outcome – 19 homeowners preserved their affordable housing via needed repairs.*
- *Homeowner stewardship and education to ensure City's existing housing stock and future properties remain available as long-term affordable housing resource for the community. – Outcome – 441 homeowners counseled.*

Production (long-term impacts to meet Consolidated Plan Goal 3 – increase supply of affordable housing) – supported by non-CDBG funds:

- In FY 21-22, the City awarded up to \$1,100,000 to Burbank Housing Development Corporation for the Studios at Montero, for the acquisition and rehab that will provide 60 units of Permanent Supportive Housing to Chronically Homeless members of the community.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

The following table summarizes planned versus actual outcomes for the regular annual CDBG program Action Plan Year 2 (2021-2022) in addition to activities funded by CDBG-CV.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected 5-Year Goal	Actual To Date	% of 5 Yr Goal Complete	Planned Program Yr 21-22	Actual Result Yr 21-22	Percent Complete 1 st 2 Yrs
PRODUCTION										
Production of affordable housing	Affordable Housing, Homeless	Other Funds \$1,700,000 (Burbank)	Affordable Housing Unit Produced	Household Housing Unit	N/A	N/A	N/A	60	0	Project carried forward to FY22-23
PRESERVATION										
Preservation of existing affordable housing	Affordable Housing, Homeless, Special Needs	CDBG: \$229,653 (RBT)	Homeowner Housing Rehabilitated	Household Housing Unit	180	96	53%	50	19	38% (COVID resource constraints)
Preservation of existing affordable housing	Affordable housing	CDBG \$41,273 (PEP)	Homeowner Housing Rehabilitation	Household Housing Unit	N/A	N/A	N/A	N/A	N/A	Project carried over to FY22-23
Preservation of existing affordable housing	Affordable Housing	City Funds \$60,000 (HLT)	Homeowner stewardship and education	Persons Assisted	1600	441	27.5%	400	441	110%
PROTECTION										
Provide housing and services to special needs populations	Community Services/Meals	CDBG: \$53,280 (PPSC)	Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1,250	438	35%	320	296	93%
Provide rental assistance + housing services	COVID-19 Relief	CDBG-CV: \$270,171 (PPSC & COTS)	COVID-19 community rental assistance	Persons Assisted	N/A	N/A	N/A	310	249	78% (will continue into in FY 2022-23)
Services for low-income families	Community Services/After School Services	Other Funds \$150,000 (BGCSC)	Activities other than Lo-Mod Inc Hsng Benefit	Persons Assisted	N/A	N/A	N/A	150	150	100%

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected 5-Year Goal	Actual To Date	% of 5 Yr Goal Complete	Planned Program Yr 21-22	Actual Result Yr 21-22	Percent Complete 1 st 2 Yrs
PROTECTION (continued)										
Services for low-income families	Community Services/Fair Housing Program	Other Housing Funds \$95,000 (PPSC)	Activities other than Lo-Mod Inc Hsng Benefit	Persons Assisted	N/A	N/A	N/A	600	1,341	223%
Provide shelter and services	Homeless, Special Needs (incl outreach, shelter, meals)	General Fund \$470,000 (COTS & DST)	Activities other than Lo-Mod Inc Hsng Benefit	Persons Assisted	N/A	N/A	N/A	1,240	1,371	110%
Provide services to special needs populations	Community Services	General Fund \$875,000 (SAFE Program)	Activities other than Lo-Mod Inc Hsng Benefit	Persons Assisted	N/A	N/A	N/A	N/A	3,282	N/A
Provide services to special needs populations	Community Services	ARPA Funds \$750,000 (non-congregate shelter COTS - PeoplesVillage)	Activities other than Lo-Mod Inc Housing Benefit	Persons Assisted	N/A	N/A	N/A	25	27	108%
Provide services to special needs populations	Community Services	Other Housing Funds \$250,000 (temp placement ctr/encampment resolution)	Activities other than Lo-Mod Inc Housing Benefit	Persons Assisted	N/A	N/A	N/A	N/A	10	N/A

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

NOTE: Table 1 components marked “N/A” above reflect elements not included in the FY21-22 CDBG Action Plan and not funded by CDBG or CDBG-CV, but included here to reflect the full spectrum of housing and homeless services provided by the City.

Assess how jurisdiction’s use of funds, particularly CDBG, addresses priorities and objectives identified in the plan, giving special focus to highest priority activities identified.

All funds expended from the CDBG Programs were used to address the goals and objectives identified in the City’s 2020-2024 Consolidated Plan and the FY 2021-22 Action Plan and CDBG-CV AAP approved in October 2020. The City has prioritized its CDBG funds and other local funding sources for affordable housing purposes, as noted in the summary of accomplishments provided in the introduction to this section. Due to the limited amount of regular annual CDBG funds received, the City focused those priorities on rehabilitation of single-family homeownership units –primarily for low-income seniors, persons with disabilities and veterans – preserving affordable units through our Rebuilding Together Petaluma program. Another priority is providing service to seniors. This was accomplished utilizing CDBG funds for Petaluma People Services Center’s Meals on Wheels program.

The City’s ability to respond to increasingly difficult housing issues is constrained by reductions to local funding sources but encouraged by the increase in State HCD funding for extremely low and very low-income households in addition to funding for housing for the unsheltered community. The City does not anticipate an increase in its annual source of CDBG funds, so it is critical the City continue to work with development partners in applying for and securing additional state and federal funding to increase affordable housing development – such as the City’s 2021 Homekey award to create 60 units of new permanent supportive housing for chronically homeless adults. With the addition of new, one-time CDBG-CV funds, the city has been able to help address the pandemic’s impacts on low-income families with rental assistance and related household expenses to retain housing and avoid eviction and potential homelessness. The City has continued to encourage and support developers of new projects with funding from the Housing In-Lieu and Commercial Linkage Fund . Previous years investments have provided support for a 131-unit Meridian at Corona Crossing development by Danco, and a 44-unit MidPen affordable family senior/veterans development.

CR-10 - Racial and Ethnic composition of families assisted – 91.520a

	CDBG	CDBG-CV	TOTAL
White	277	211	488
Black or African American	4	10	14
Asian	6	11	17
American Indian or American Native	4	7	11
Native Hawaiian or Other Pacific Islander	4	11	15
Declined to State	20	0	20
Total	315	250	565
Hispanic	30	73	103
Not Hispanic	285	177	462

Table 2 – Table of CDBG assistance to racial and ethnic populations by source of funds

Narrative

The CDBG program is, for the most part, serving low-income households, including minority racial and ethnic households at rates similar to the proportion of the low-income household in these categories for the City of Petaluma. However, low-income white households are served at a higher proportion than their percentage that is indicated in the 2019 U.S. Census QuickFacts. White households make up 50% of the low-income population according to the census data but were 88% of the households served by CDBG funds. This difference can be explained by the demographics of the senior population in Petaluma, which is mostly Caucasian. The other racial categories were within comparable range for the Census data for their categories.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	\$355,206	\$355,206
CDBG-CV (carryover)	CDBG-CV	\$278,479	\$130,212
HOME	HOME	\$0	\$0
HEAP	HEAP	\$0	\$0
ESG	ESG	\$0	\$0
Other Program Income	Commercial Linkage, In-Lieu Housing, General	\$4,470,000	\$4,470,000

Table 3 - Resources Made Available

Narrative

In FY 2021-22, the City received \$355,206 in CDBG funds. The amount expended during the Program Year 2021-22 was \$355,206, including City grant administration, plus an additional \$5,235 in carryover funding from FY202-21. In FY 2021-22, the City had \$278,479.19 remaining of CDBG-CV funding carryover from prior year, of which it expended \$130,212.56. The City neither received nor expended any new HOME, HEAP or ESG funds in FY2021-22.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
N/A	N/A	N/A	N/A

Table 4 – Identify the geographic distribution and location of investments

Narrative

The funds that are allocated to the City are available city-wide with no priority assigned to geographic regions. Instead, funds are allocated to organizations that provide low-income households with housing and supportive services. On an annual basis, the City prioritizes the use of its CDBG funding for the development of affordable housing (including preservation and conservation) that serve low-income households and to address services for the low-income community such as The Meals Program.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Petaluma must use non-CDBG resources to address the City's priorities because the City's CDBG entitlement is modest. It is vital that those funds are leveraged with other resources to serve low and moderate-income residents. The City has two other Housing funds, the In-Lieu Housing Fund and the Commercial Linkage Housing Fund, which receive income from commercial and residential development projects. The estimated total balance in both of those Housing Funds is \$2,203,128 of June 30, 2022. Future income with both Housing funds is not guaranteed as it depends on residential and commercial development fees.

With the shortage of funds, the City which owns several properties, leases them to nonprofit providers for a \$1.00 a year to be used for housing and services for the low income and unsheltered community members which addresses the needs identified in the Consolidated Plan to provide housing and services to the low-income populations, including but not limited to, children, seniors and special needs population (homeless, disabled, etc.). The City leases four properties to the Committee on the Shelterless for their supportive housing program and one property to Americas Finest for their supportive program for veterans. The in-kind value of the rent for the use of these properties has been estimated at a total of \$300,000 per year (approximately \$5,000 per month per home.) The City also provides use of publicly owned facilities (Novack Center, 1500 Petaluma Boulevard South) for program operations for our nonprofits to serve low-income members of our community; that value is estimated at \$310,841 per year.

Regarding public services funding via subcontracts with the City's regular annual CDBG allocation, nonprofit agencies leverage several private and public funding sources in order to deliver program services. These agencies include Petaluma Peoples' Services Center (PPSC) and Rebuilding Together Petaluma (RBT).

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	Pull Data	Pull Data
Number of Non-Homeless households to be provided affordable housing units	Pull Data/rental	Pull Data/rental
Number of Special-Needs households to be provided affordable housing units	Pull Data	Pull Data
Total	Pull Data	Pull Data

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance (includes CDBG-CV)	310	249
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	50	19
Number of households supported through Acquisition of Existing Units	0	0
Total	360	268

Table 6 – Number of Households Supported

Discuss difference between goals and outcomes and problems encountered meeting goals.

The number of households supported through Rental Assistance reflects the fact that a portion of the CDBG-CV funds for rental assistance remained available at the end of the program year and will carry forward into FY2022-23. The number of households supported through rehab of existing units reflects ongoing supply and contractor availability limitations which began during 2020 with the COVID pandemic. Based on the data and impacts of the COVID-19 pandemic on our community, staff recommends revisiting and updating the 5-year Consolidated Plan goals to better reflect current needs.

Discuss how these outcomes will impact future annual action plans.

As mentioned above, staff recommends revisiting and updating the 5-year Consolidated Plan goals to better reflect current needs.

A major problem in meeting affordable housing needs is the increased cost to produce a unit of housing and while the state has increased funding; it has not kept pace with the cost to produce housing. The City is hopeful that the additional mechanisms and resources through State sponsored programs will support the City in meeting future affordable housing goals. The City prioritized its CDBG funds for the preservation of affordable housing during the FY 2021-2022 program year. In future years the City may want to have a discussion regarding other eligible uses and timeline to expend the funds.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	CDBG-CV Actual	HOME Actual
Extremely Low-income	0	253	0
Low-income	0	10	0
Moderate-income	0	5	0
Total	0	268	0

Table 7 – Number of Households Served

Narrative Information

A total of 19 low and extremely low-income homeowner households benefitted from Rebuilding Together Petaluma’s rehabilitation program. The CDBG-CV-funded rental assistance program administered by COTS and PPSC served 249 households.

The City is also working with non-profit developers on four affordable rental housing developments:

- River City senior housing is currently in construction and will provide 54 units of senior/veteran housing. Resident move in scheduled for August 2022.
- MidPen acquired a site to develop 43 units of multi-family housing. Project started construction in May of 2022.
- Burbank Housing is working on a 50-unit development. No progress on this development.
- Danco is working on the Meridian at Corona Crossing project that will provide 131 units. 54 rental units for seniors and veterans.
- Burbank Housing is working on a 60-unit Permanent Supportive Housing Project that will provide housing and services for chronically homeless member of the community.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Addressing the emergency shelter and transitional housing needs of homeless persons

The annual *Sonoma County Point in Time Census* provides a snapshot of how many people are experiencing homelessness on a given night. While countywide homeless census numbers decreased slightly from 2019 to 2020 and have remained relatively constant since 2015, the 2020 number of people experiencing homelessness in Petaluma (295) reflected a 12% increase over the 2019 count (265.) The impacts of COVID on homelessness became apparent in the preliminary results of the 2021 Point in Time County released in May 2022, which showed the County's overall homeless population had grown by 5% during the pandemic.

The services funded by the City are part of the county-wide system of services available to those at risk of or experiencing homelessness. These services are primarily funded with federal and state funds, some of which are targeted to those experiencing homelessness and some of which target low-income populations in general for the purposes of homelessness prevention or housing stabilization. Per federal regulation, responsibility for coordinating homeless services across the County resides primarily with a body known as the Continuum of Care (CoC). The Sonoma County-Santa Rosa-Petaluma CoC is a membership organization guided by a 15-member Board. City of Petaluma Council Member Dennis Pocekay has a seat on the Board, representing Petaluma as well as other medium and small cities in the County. This system of care and its funding sources are complex, yet crucial to addressing the issue of homelessness. The CoC has been undergoing significant structural and systems transition to improve collaborative planning and service delivery. While working to improve this system requires considerable time and effort, City staff believe that investment is worthwhile given the importance of a well-functioning Continuum of Care to Petaluma's long-term success in addressing homelessness. Continuum of Care funds administer the Countywide Homeless Management Information System (HMIS) and the Countywide Coordinated Entry program for numerous Continuum of Care Rental Assistance and other housing programs.

In FY 2021-22 the City used a total of \$470,000 of general funds for homeless services by executing contracts with Committee on the Shelterless (COTS) in the amount of \$120,000 and the Downtown Streets Teams (DST) in the amount of \$350,000. The City CDBG annual funding allocation historically has not been used for homeless services, but in addition to the previously mentioned program funding, the City owns four properties that are leased to Committee on the Shelterless (COTS) and used to provide housing opportunities for previously homeless clients. In addition to the 80 shelter beds at the Mary Isaak Center, Petaluma's homeless shelter, there are 34 beds for transitional housing needs for the homeless population. The City of Petaluma also provided property where the Committee on the Shelterless operates its Family Homeless Shelter which serves up to 18 homeless families a night.

In December 2021, using City ARPA and County general funds, the City and County partnered to create a new non-congregate shelter option targeted to engaging chronically homeless individuals to enter shelter and services to facilitate their move toward permanent housing. This project – Peoples Village – is located adjacent to COTS’ 80-bed Mary Isaak Center congregate shelter. People’s Village provides 25 private, individual interim housing units, bathroom and showers and was created in the “tiny home” model. People’s Village residents access Mary Isaak Center laundry, medical services, and community meals, and receive intensive case management to support their move to permanent housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from public institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies for housing, health, social services, employment, education, or youth needs

The CoC’s discharge planning efforts are outlined in greater detail in the Consolidated Plan and include ongoing coordination with various Sonoma County departments, such as Division of Family, Youth, and Children Services, Behavioral Health, and Sonoma County Probation, and the grassroots Health Care for the Homeless Collaborative staffed by the Sonoma County Task Force for the Homeless. The City’s primary focus on helping prevent homelessness has come in the form of its continued emphasis on targeted significant portions of its available program funding to rental assistance, which primarily benefits low-income individuals and families.

In FY2021-22, the City began developing a pilot guaranteed income program which will be funded by City ARPA funds which is anticipated to launch in FY2022-23. One purpose of the pilot is to determine the degree to which guaranteed income will help low-income households avoid becoming homeless and support longer term economic stability.

Helping homeless persons make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

One of the greatest barriers to preventing and ending homelessness in Petaluma and across Sonoma County is the shortage of affordable housing. Petaluma, being a small jurisdiction, is committed to preserving and rehabilitating the affordable housing we do have and working with both non-profit and for-profit developers in the construction of affordable units when the opportunity arises. The most recent example of such partnership is the City’s partnering with Burbank Housing in a Homekey project awarded in late 2021 to develop the Studios at Montero, a 60-unit permanent supportive housing project. In this context, in FY 2021-22, the City’s response to homelessness included the following short-term, interim and long-term solutions:

- **Short-Term:**
 - *Downtown Streets Team (DST)* – meals, outreach focused on general resource connection, streets and encampment clean-ups.
 - *COTS* – meals, street outreach and encampment clean-ups.
- **Interim Solutions**
 - *COTS* – housing-focused shelter with individual case management support and housing placement program. Expansion of interim shelter to include non-congregate option.
 - *DST* – housing-focused outreach, employment program, collaboration with court referral, jail re-entry, and health care partners.
 - *SAFE Program* - mental health first response for crises involving mental illness, homelessness, and addiction.
- **Long-term Solutions**
 - *COTS* – permanent supportive housing with services, COVID rapid rehousing.
 - *Petaluma People Services Center* – rapid rehousing.
 - *Nations Finest* – Veterans housing support services.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing.

The City does not own or operate public housing units. There are approximately 400 Section 8 vouchers that have been issued through the Sonoma County Housing Authority for persons living in Petaluma.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership.

When there are homeownership opportunities, notification is placed in the local newspaper reaching out to all First Time Homebuyers and distributed via email to interested homeowners.

Actions taken to provide assistance to troubled PHAs.

Not Applicable

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate negative effects of public policies on affordable housing such as land use, tax policies affecting land, zoning ordinances, building codes, fees, growth limitations, and policies affecting return on residential investment.

Petaluma ensures compliance with the Federal Fair Housing Act and Section 504 of the Rehabilitation Act of 1973 for all new housing construction projects. This includes that, at a minimum, five percent of the total dwelling units shall be made accessible for persons with mobility impairments. Potential constraints to housing development in Petaluma may include infrastructure, residential development impact fees, land use, growth management, and zoning ordinance provisions. A detailed analysis of these potential barriers is provided in the *2015-2023 Housing Element*. The City is working on preparing the Housing Element for the 6th Cycle that covers the period of 2023 to 2031. This will include reviewing and updating housing programs and policy to address potential barriers. A draft of the 2023 – 2031 Housing Element Report was presented to the City Council for review and comment on July 17, 2022. The report is posted on the City website.

Some of Petaluma’s strategy for removing the barriers to affordable housing include:

- The City is committed to an efficient development application process to alleviate some of these constraints by meeting with potential developers in a preliminary meeting at the Development Review Committee (DRC) where staff from different departments meets to discuss what can be done to get the proposed development through the planning process which can expedite the process.
- The City of Petaluma reviews their development impact fees on an annual basis and reduced or combined several fees as possible.
- In Petaluma, we have extended the service of our transit schedule to accommodate evening ridership to improve our transit options. The Sonoma Marin Area Rapid Transit system became operational in 2017. Over the past five years, it has been successful in attracting the community to utilize their service.
- The City of Petaluma adopted an inclusionary housing ordinance in September of 2018 to require all residential developments with 5 or more units to build on-site affordable units in the development.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

One of the primary obstacles to meeting underserved needs of residents is the availability of funding. Changes to tax credit scoring and the limited amount of state housing funds has proven to be an obstacle in the City’s ability to implement its goals. The City team will be seeking additional funding by preparing and presenting to Council for consideration the following program applications that will allow the City to leverage its limited funding and providing more housing opportunities for extremely, very low and special needs households. The following list of programs are all State of California Housing and Community Development Programs; Local Housing Trust Fund; Pro-Housing Designation Program; Affordable Housing and Sustainable Communities Program and the Permanent Local Housing Allocation Formula Programs.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The County of Sonoma has implemented the Childhood Lead Poisoning Prevention program (CLPP), funded through the State Department of Health Services, which employs a team of health professionals, who provide services to parents, healthcare providers, and the general public. The team is comprised of Registered Environmental Specialists, Public Health Nurses, and Health Educators. The CLPP program provides services in two major ways – 1) case management and source identification for lead poisoned children and 2) outreach and education to the community and targeted groups.

The City works closely with our non-profit agency, Rebuilding Together Petaluma, who is instrumental in the rehabilitation of the majority of the City's housing units with CDBG funds. LBP hazard notices are distributed to the owners of the rehabilitated properties warning them of the hazards of LBP. All units rehabilitated with CDBG funds are owned by disabled and or low- income households.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City hopes to reduce the number of poverty-level individuals by targeting, CDBG and local funds to projects that will provide affordable housing units and related services to foster self-sufficiency. The city does not have the resources or the capacity to increase income of poverty level persons, although the City does act to reduce housing costs for these individuals with other city funds through a rental assistance program and through services that reduce household costs. In 2021-2022 the City used \$130,212 of CDBG-CV1 funds for local housing funds for rental assistance and provided \$25,00 of Housing In-Lue funding for rental assistance programs.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City of Petaluma's Housing Division will administer all of the activities specifically identified in the Consolidated Plan. The city works closely with other housing-related organizations and service providers in the City to ensure that the housing needs of City residents are addressed to the best ability of the network of such providers given available resources.

The working relationships between the Housing Division and other City departments are strong and facilitative. City Planning and Housing staff meet regularly to discuss improving communications, sharing of housing development information and providing feedback for development plans and opportunities for affordable housing development funding.

In addition to its active participation in the Sonoma County Continuum of care, the City has invested in local and regional collaboration to coordinate service delivery, leverage limited resources and pursue new funding. The primary mechanism for this collaboration has been the establishment of the *Homelessness By-Name List*. Recognizing that homelessness is a

community-wide challenge beyond the capacity of the City alone to solve, the City convenes weekly a group of contracted homeless service providers to coordinate services and planning. The group meets weekly and currently includes COTS, PPSC, DST, Nations Finest, the Petaluma Police Department, City Manager's office, and Housing. The meeting brings providers together to address the individual needs of those served with a "By-Name-List" approach – i.e., looking at each individual's experience and working collaboratively on strategies needed to support their exit from homelessness.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City has on-going interaction with many public and private entities to further the objectives set form in the Consolidated Plan and Annual Action Plan. The City relies on private non-profit organizations as well as for-profit developers to build and acquire, develop, and rehabilitate affordable units. In November 2021, the City established the City of Petaluma Local Housing Trust Fund (LHTF) with proceeds of the fund to be used to address the need for decent, safe, and affordable housing within the city. In May 2022, the City submitted an application to the State of California Department of Housing and Community Development (HCD) for \$600,000 through the HCD LHTF Matching Fund program. If awarded, these matching funds will support development of new permanent supportive housing for chronically homeless individuals. In September of 2021, the City submitted an application to the HCD PLHA program and was awarded funding of \$470,905 in May of 2022. The funds will be used to support affordable housing development.

Identify actions taken to overcome the effects of any impediments identified in the jurisdiction's analysis of impediments to fair housing choice. 91.520(a)

In 2021, City staff is working with the staffs of the County of Sonoma and City of Santa Rosa (the three-entitlement jurisdictions in the county) to jointly draft a new Sonoma County 2021-2022 Analysis of Impediments to Fair Housing Choice (AI) report. The County of Sonoma has issued and RFP for the project. The City uses its local Housing In- Lieu and Commercial In Lieu funds to support programs that improve the supply and the conditions of affordable housing for lower income persons.

In addition, the City annually allocates Housing funds toward a county-wide Fair Housing program. Petaluma People Services Center was the Fair Housing service provider for Petaluma in FY2021-22. The PPSC Fair Housing program is designed to counter violations under state landlord-tenant law in addition to discriminatory practices under both state and federal fair housing statutes. PPSC provided housing counseling and landlord-tenant mediation and provides 45 landlord trainings to the housing industry and three nonprofit trainings in FY2021-22.

PPSC reported contact with 447 people during FY2021-22. While the majority of complaints were landlord-tenant issues, the agency did receive a dramatic increase in calls from landlords concerned regarding COVID-related eviction restrictions ending in spring of 2022. The agency supported 80 clients in FY2021-22 requiring either the opening of a formal Fair Housing case or requiring training to be provided to the landlords.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

The Housing and Block Grant Division regularly monitors CDBG funded activities to ensure that all projects and programs are administered in compliance with applicable regulations and to ensure that those accomplishments are addressing the priorities established in the Consolidated Plan. Staff began program monitoring and program training for community partners in fall of 2021.

Subrecipients: Most of the funding will be allocated to nonprofit subrecipients. The subrecipient will enter into an agreement with the City detailing program requirements, applicable statutes and regulations, and references to the provision of OMB circulars containing federal cost principles, audit and uniform administrative requirements.

Technical Assistance: The City conducts a mandatory orientation session in which all subrecipients receive updated information pertaining to their funded activities and throughout the year, city staff provides additional technical assistance through one-on-one contacts with the subrecipient agencies throughout the program year. Staff conducts a desktop review of the financials and program records of each subrecipient annually. Housing staff communicates on a regular basis with the nonprofits utilizing CDBG funds. On-site monitoring visits are done as needed.

Reporting: Subrecipients of CDBG funds are required to submit quarterly reports via the City Data Services web portal to the City. Each of the quarterly reports must provide information regarding the subrecipient's activities, beneficiaries, and accomplishments. This information is entered into HUD's Integrated Disbursement and Information System (IDIS). The staff will then review and monitor the reports for compliance with all applicable federal and local regulations, goals and objectives.

Performance Measurement System: Utilizing HUD's system of measuring goals and objectives, the staff is measuring milestones of success for meeting the needs of the community's low and moderate income and minority residents.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

To ensure that all citizens, public agencies, and other interested parties can review and comment on performance reports on housing and community development activities and the use of CDBG funds public notices are placed in the local newspaper, notices are posted in the City e-newsletter, published on the City Housing Program webpage, and are available via request to the City Housing Program Manager, Karen Shimizu @cityofpetaluma.org and

A draft of the Consolidated Annual Performance and Evaluation Report (CAPER) was made available for public review for 30 days prior to the City Council meeting scheduled for September 19, 2022. At the public hearing the CAPER will be presented and public comments will be incorporated as part of the public record. Due to the pandemic the public will be invited to participate in person at the meeting as well as virtually via zoom. Meeting details are posted on the City website. All public and interested parties are provided access to the Council meetings during the coronavirus pandemic and are provided opportunities to speak in person and via the internet virtual meetings.

The City has made provisions to provide bilingual translators and signing or captioning services for the hearing impaired upon request. Normally the sites utilized for all public meetings/hearings are ADA compliant and within proximity to public transportation. The City's website is also available in Spanish.

The City's public comment period for the draft 2021-2022 CAPER ran from August 19, 2022 through September 19, 2022. The Public Hearing Notices were printed in English and Spanish in the local newspaper serving the City of Petaluma.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes in Petaluma's program objectives during FY 2021-22.

Does Jurisdiction have open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments outcomes during the last year. N/A.