



**SONOMA COUNTY
COMMUNITY DEVELOPMENT COMMITTEE**

Public Hearing Room
1440 Guerneville Road
Santa Rosa, CA 95403

Regular Meeting Minutes
February 10, 2009
3:30 p.m.

I. Call To Order And Roll Call:

The meeting was called to order at 3:31 p.m., and the roll was called.

CD Committee members present: Michael DeVore, Nichola Fuller, Lawrence Jaffe, Sara Malone, Emmie Morgan, Pat Stevens, and Paula Young

CD Committee members absent:
Peter O'Brien

CDC Staff present: Cathy Allyn, Community Development Associate; Heather Bond, Community Development Specialist; Kathleen H. Kane, Executive Director; Mark Krug, Community Development Manager; Carol Turner, Leased Housing Manager; and Frances Perdew, Recording Secretary

Guests:
John Records, Committee On The Shelterless (COTS),

II. Public Comments

John Records, COTS, addressed the Committee regarding the upcoming funding process in March and the critical need for funding. He referred to the complete array of services provided by COTS as well as a projected reduction in revenues of approximately \$225,000 for this fiscal year. COTS is restructuring in anticipation of this reduction of funding. By restructuring, Mr. Records said this fiscal year COTS would continue with its services to the community. However, next year with the loss of important government funding, COTS will be past the point of 'tightening its belt.' Mr. Records asked the Committee to continue its vital support of COTS during this critical economic environment. The Committee asked questions of Mr. Records.

III. Approval of Minutes

Sara Malone moved approval of the January 13, 2009 minutes, seconded by Michael DeVore, none opposed, and the motion carried.

IV. General Administration Items

1. County Strategic Plan Presentation. This presentation was postponed until later in the meeting when Don Schwartz of the County Administrators Office arrived.

V. Homeless Assistance and Planning

1. Quarterly Report on Program Funding Status. Cathy Allyn, Community Development Associate, referred the Committee to the March public hearing proposal binder, which includes charts that detail all of the applications for HOME, CDBG and ESG funding requests, and each agency's past funding history and monitoring reports. She also suggested public hearing process changes and asked for suggestions or recommendations from the Committee. Frances Perdue will be sending the minutes of the February 10, 2009 meeting under separate cover for the Committee's approval.

Don Schwartz, Administrative Analyst, arrived at 3:55 pm.

2. FY 2009-2010 Funding Estimates & Contingency Planning. Ms. Allyn reported that the United States Congress has not yet determined the 2009/2010 CDBG, HOME and ESG funding allocation amounts, and the estimated 2009/2010 funding amount used will be 95% of the 2008/2009 allocation. Since the actual funding amount is not likely to be known at the time of the public hearing, the Committee discussed how recommended funding amounts will be decided if the CDC receives more, or less, than the estimated 95% of last year's funding. The Committee agreed that pro-ration may be the clearest method, but wanted time to think about it and will decide at the hearing in a public forum. If the actual funding amount is reported by March 10, that number will be used in the public hearing process.

Ms. Allyn also reported that estimated funding available in the County-owned category exceeds the total amount of funds requested. Staff suggests that any funding exceeding the recommended funding to proposals from County-owned projects be used for proposals in the Countywide and Unincorporated area category, as the category that is most closely related to County-owned projects because it serves the same geographic areas (unincorporated vs incorporated).

Ms. Allyn reminded the Committee that the funding allocation designated for CHDO's is 15% of the total HOME funding, which is about \$159,900 using current working estimates. The CHDO application request is \$159,900. If the CDC receives more funding than currently estimated, staff is requesting an exception to the practice of not allowing an applicant to receive funding in excess of the amount requested in

the application. Any portion of the 15% funding allocation can also be rolled over to the next fiscal year if the Committee should decide against funding, or only partially funds a particular CHDO project. Pat Stevens asked to study the application requests before making a decision. The Committee agreed.

VI. County Strategic Plan Presentation.

Don Schwartz of the County Administrators Office began his presentation by explaining some of the reasons why the Board of Supervisors performed the strategic plan process and is now working on its implementation. Mr. Schwartz said that rising health care and criminal justice system costs were the main driving issues. Mr. Schwartz briefly described parts of the implementation plan, which includes clear objectives and goals. The Board of Supervisors has already taken some dramatic action to reduce employee health benefit costs, and the criminal justice system is working on upstream investments for both juveniles and adults, and other alternatives to help reduce some of its costs.

VII. Rental Assistance

1. Draft Public Housing Agency (PHA) Plan for 2009/2010. Carol Turner, Leased Housing Manager, reported that the housing authority continues to be rated as a “high performing” agency and there are many items listed on the Annual Plan template supplied by HUD that do not apply to the County Housing Authority. The Housing Authority is still operating under the Five-Year Agency Plan that was approved in 2005. Ms. Turner reported that the Annual Plan would be submitted to the Board of Supervisors on April 7, 2009, before submitting the Plan to HUD. Ms. Turner responded to questions from the Committee.

VIII. Affordable Housing Development & Preservation

1. There were no affordable housing development & preservation items for discussion.

IX. Non-Housing Community & Economic Development

1. There were no non-housing community & economic development items for discussion.

X. Executive Directors Report

Ms. Kane reported that the County is vigorously working on shrinking the County General Fund costs by approximately 10-15%. All County departments have submitted budget scenarios using these reduction parameters. The CDC’s impact is not as serious as other County departments because only approximately 4% of the CDC’s budget comes from the County General Fund.

Ms. Kane reported that the State of California budget has temporarily frozen some affordable housing revenues that would normally be coming to the CDC for the CalHome

Housing Rehabilitation Program and for the BEGIN homeownership assistance program. So far, this has not impacted the agency's ability to provide assistance.

Ms. Kane also pointed out that the California Constitution states that redevelopment funds must be used for redevelopment projects. Therefore, it is uncertain whether the State can take the County's redevelopment funding as a result of Educational Revenue Augmentation Fund (ERAF) Property Tax Shifts. A lawsuit against the State is still pending.

The CDC is still unsure about the federal budget at this time. CDC staff is anticipating level funding.

The CDC expects to offer the Redevelopment Manager position to the top candidate sometime next week.

XI. Comments & Information Materials

There were no comments or information material for discussion.

XII. Adjourn

There being no further business for discussion, the meeting was adjourned.

Respectfully submitted,

Frances Perdew
Recording Secretary