



COMMUNITY DEVELOPMENT AGENCY
HOUSING AND FEDERAL GRANTS DIVISION

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Date: Thursday, November 9, 2023 at 6:00 p.m.

To: Countywide Priority Setting Committee (PSC)

From: Molly Kron, Senior Planner
Leelee Thomas, Deputy Director
Liz Derby, Social Equity Programs and Policy Consultant

Subject: Committee interviews, funding cycle priorities and process review, and discussion the County's Pathways to Removing Obstacles to Housing (PRO Housing) application.

Location: Virtual Hearing via Zoom. Register here:
https://us06web.zoom.us/webinar/register/WN_dSoUM90vRGSZLg1qJf3h9Q

REQUEST:

- Interview and appoint four Countywide Priority Setting Committee members representing protected classes for selected communities in Marin County.
- Review and adopt priorities the 2024-25 funding cycle for Community Development Block Grant (CDBG) program, HOME Investments Partnerships Program (HOME), and Permanent Local Housing Allocation (PLHA).
- Receive a presentation on the County's recent submission for the U.S. Department of Housing and Urban Development's Pathways to Removing Obstacles to Housing grant opportunity.

DISCUSSION:

PSC Interviews and Appointments

Beginning on September 12, 2023, applications were opened for community members, representing the protected class under fair housing law, to apply to be members of the Countywide Priority Setting Committee (PSC) to oversee the distribution of federal funds through the Community Development Block Grant (CDBG) and HOME Investment

Partnerships Programs (HOME), and state funds through the Permanent Local Housing Allocation (PLHA).

This recruitment cycle there are three (3) openings on the Countywide Priority Setting Committee for community members representing racial and ethnic minorities and/or people with disabilities. The openings are for community members living or working in the following regions, including adjacent unincorporated communities:

- Fairfax, Ross, San Anselmo, and adjacent unincorporated communities
- Belvedere, Mill Valley, Sausalito, Tiburon, and adjacent unincorporated communities, including Marin City and Tam Valley
- Countywide, at-large member

Upon selection, these three community member terms will go through September 2025. The Countywide Priority Setting Committee currently includes a member of the Board of Supervisors, 10 city/town council members, and seven (7) community members representing six (6) regions spanning Marin and an at-large member representing the whole county. The regions include the following:

- Countywide
- Belvedere, Marin City, Mill Valley, Sausalito, Tam Valley, and Tiburon,
- Fairfax, Ross, and San Anselmo
- Larkspur, Corte Madera, Kentfield, and Greenbrae
- Novato
- San Rafael, including the Canal neighborhood
- West Marin, including the coastal corridor from Muir Beach to Dillon Beach, Point Reyes, and inland communities such as Nicasio and the San Geronimo Valley

The Countywide Priority Setting Committee was expanded in 2012 to include members of the community, with the goal of bringing greater diversity to the group that:

- (1) advises the Board of Supervisors on the CDBG and HOME funding allocation process, and
- (2) provides input on the County's implementation of the Analysis of Impediments to Fair Housing Choice.

The recruitment of community members is specifically for individuals who are members of a racial and ethnic minority and/or people with disabilities, or who represent these interests.

The County accepted applications until 4pm on October 13, 2023. The following applications were received for the three (3) openings on the Committee:

Applicant	Belvedere, Marin City, Mill Valley, Sausalito, Tiburon	Fairfax, Ross, San Anselmo	Countywide
Cathy Cortez*	X		X
Ida Green*	X		
Allison Lavington	X		
Isis Spinola-Schwartz	X		
Lynette Stewart	X		
Veda Florez		X	
Philip Feffer*		X	
Donald Cowan			X
Jack Krystal			X
Shannon Nakooka			X

*Current member of the PSC

Copies of applications and interview questions are attached to this staff report.

All applicants will answer the same interview questions prior to the committee’s selection.

Recommendation: Appoint three members to serve on the PCS representing the interests of racial and ethnic minorities and/or people with disabilities.

Funding Cycle Priorities for 2024-25

Community Development Block Grant and HOME Investment Partnerships Program Priorities

The County is preparing for the 5th and final funding cycle of the 2020-24 Consolidated Plan. The Consolidate Plan specifies goals and uses for CDBG and HOME investments. Over the next year, the County will undertake an extensive community engagement and data collection process to support our mandate to Affirmatively Further Fair Housing and aid in the development of the 2025-29 Consolidated Plan.

Given the limited timeframe of this application cycle coupled with the ongoing pandemic recovery and our upcoming community engagement, staff recommend the PSC adopt the current priorities for an additional year. These priorities meet HUD requirements and enhanced requirements previously adopted by the PSC. These include:

- 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 federally protected classes as defined by HUD¹.
- Prioritize projects that serve low-income persons.

¹ Under federal fair housing laws, "protected classes" include race, religion, color, national origin, sex (including gender identity and sexual orientation), disability, and familial status.

Approved 2022-24 Application Cycle Priorities

Housing Projects

- Family Housing
- Land trust model in eastern Marin that provides home ownership opportunities, with specific inclusion for African Americans.

Community Infrastructure and Capital Projects

- Accessibility Improvements
- Community Facilities
- Homeless Shelters

Public Service Projects:

- **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-child care 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 target low-income families and address disparities in access to early childhood education, high costs of childcare county wide, and family self-sufficiency. Programs and services include but are not limited to supporting childcare scholarships, student extracurricular activities, parent engagement and training, case management, therapeutic services, transportation, home visitations, and family legal supports.
- **Food Security** – includes services that provide physical and/or economic access to food to meet dietary needs for a productive and healthy life. Programs and services include but are not limited to free meal sites, food banks, grocery subsidies, home delivered meals, and other programs that provide food to people in need.
- **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, and down payment and rental assistance.

While this priority list does not preclude the funding of other types of projects, it provides further direction when evaluating applications that meet both the national and local baseline thresholds.

Permanent Local Housing Allocation (PLHA) Funding Priorities

The [Permanent Local Housing Allocation Program \(PLHA\)](#) is a state funding source through the Department of Housing and Community Development (HCD). The County of Marin is eligible for non-competitive PLHA funds as an Entitlement Community designated by HUD for the Community Development Block Grant (CDBG) program, and because it has an approved Housing Element and submits Annual Progress Reports to the State. In 2020, the Marin County Board of Supervisors received a non-competitive allocation of PLHA grant funding and approved a 5-year expenditure plan. The plan was developed in consultation with the Board of Supervisors Housing Subcommittee and in alignment with the PSC-approved [2020-24 Consolidated Plan](#) and [Assessment of Impediments to Fair Housing Choice \(AI\)](#).

The approved PLHA activity to support these projects is matching funds from the County Affordable Housing Fund (HTF), which can fund projects in all jurisdictions of Marin County. Staff recommended this activity to ensure effective and efficient deployment of PLHA funds. Together, these matched funds will support predevelopment, development, acquisition, and preservation of multifamily projects, with an emphasis on those that serve residents at or under 60% Area Median Income (AMI), as stipulated in the [PLHA Final Guidelines](#).

PSC-Approved Funding Goals

In 2021, the PSC approved the following PLHA program goals, which are informed by the HUD-approved 2020-24 Consolidated Plan and AI:

- Family Housing
- Rental Housing – Acquisition, New Construction, Rehabilitation
- Homeowner Housing – Acquisition, New Construction, Rehabilitation
- Special Needs Housing
- Land trust in eastern Marin that provides home ownership opportunities, with specific inclusion for African Americans

Further, in alignment with the PSC’s efforts on fair housing and equity, all applications include:

- A demographic assessment (race/ethnicity, people with disabilities, families) of the applicant’s existing housing developments in Marin.
- Demographics of the applicant organization’s staff and board members.

Staff recommend that the PSC readopt the previously approved goals for PLHA.

2024-25 Funding Cycle Timeline and Process

Funding Timeline

Staff propose the following timeline for the 2023-24 annual funding cycle:

- Funding Application Opens - 1/22

- Applicants workshop- 1/24
- Funding Application Closes - 2/16
- PSC Application Review - 4/4 or 4/11
- Nov Recommendations - 4/23
- SR Recommendations - 5/6
- PSC Recommendations - 5/16 or 23
- BOS Recommendations - 6/4
- HUD Submission - 6/14

The Project Review Subcommittee

Staff propose the PSC consider establishing a Project Review Subcommittee to review, rank, and recommend projects to the full PSC, based on meeting Federal requirements and established PSC adopted priorities and goals.

This structure has been implemented by other funding committees in the County and provides additional opportunities for members to engage in the recommendations more deeply.

The Project Review Subcommittee members could be selected from the Countywide Priority Setting Committee. Some criteria that could be considered to serve include:

- Non-conflicted, meaning that they are not employees or staff of and do not otherwise have a business or personal conflict of interest with the applicant organizations;
- Willing to review projects with the best interest of low-income resident and projects that serve members of the federally protected classes.

The Project Review Subcommittee could consist of no less than three, but optimally five members. The PSC could select alternates to serve in the event of a conflict, illness, or other unforeseen circumstance which prevents a person from serving on the Project Review Panel. If approved, subcommittee nominations could be conducted through a process outside of the public hearings and appointments could be delegated to the Chair.

Recommendation: Approve priorities for CDBG, HOME, and PLHA. Approved the 2024-25 Application Cycle timeline. Consider establishing a Project Review Subcommittee to review, rank, and recommend projects.

Pathways to Pathways to Removing Obstacles to Housing

In September HUD issued a Notice of Funding Opportunity of \$85 million for competitive grant funding for the identification and removal of barriers to affordable housing production and preservation. Marin County is eligible to apply for these funds as a CDBG Entitlement Community and has been identified as a priority geography.

On November 3, 2023 the County formally submitted an application for the Pathways to Removing Obstacles to Housing Pathways funding opportunity.

Through the development of the Housing Elements, Marin County and its cities and towns are taking significant actions to remove regulatory constraints. The Pathways to Removing Obstacles to Housing grant would therefore fund activities to implement housing elements programs and policies to support housing choice and homeownership opportunities for low and moderate income households.

The funding request totals \$3,000,000 from HUD and will leverage an additional \$2,691,000 from the County of Marin, Marin Housing Authority, Fair Housing Advocates of Northern California, Habitat for Humanity Greater San Francisco, and Community Action Marin.

The County Board of Supervisors held a Public Hearing on October 17th and received unanimous support from the Board to pursue the funding.

The activities that are proposed under the grant include the creation of a Countywide Community Land Trust, by building on the existing land trusts and expanding their capacity to work Countywide and/or creating a new Countywide organization. The land trust could undertake the following:

- Shared Equity Homeownership Programs for low- and moderate-income households, with a focus on those who have historically been unable to attain homeownership;
- Creation of opportunities for community or tenant ownership of housing;
- Development of Missing Middle Housing, i.e. housing stock that ranges in size and density from Accessory Dwelling Units (ADUs) to small-scale apartment buildings of ten to twenty units, including smaller-scale duplexes, fourplexes, cottage courts, and courtyard buildings.

A land trust would likely include a governing structure to oversee these new programs that would consist of people and populations who have previously not participated in decision making, who have historically been denied housing opportunities and resources, and who represent indigenous and people of color and other members of the protected classes.

The proposal for the creation of a community land trust is consistent with the Analysis of Impediments to Fair Housing Choice that was approved by the Board of Supervisors in January 2020 and the certified Housing Element. Currently, Marin County has several existing housing Community Land Trusts, and a number of cities, towns and nonprofit organizations that have expressed interest in developing community land trusts for their communities, including our low-income communities. To address the challenges for local communities to each establish a community land trust, including the amount of time, resources and expertise required to create, develop, and maintain the community land trust itself, the County is proposing the creation of a Countywide Community Land Trust. The benefits of having a countywide or regional approach to a community land trust are many:

- Allows for potential new affordable housing across the entire County, including developing new and preserving existing affordable housing.
- Allows for different types of housing to be developed in all communities.

- Affirmatively furthers fair housing by creating real housing choice and promoting housing mobility particularly for people of color and people of color in low-income communities. Developing affordable housing in high resourced communities is needed to overcome historic patterns of segregation, which are especially prevalent in Marin.
- Sets the framework for local community leadership, capacity building, and autonomy over their community assets.
- Decreases the average cost per unit for development and operating costs.
- Increases opportunities to access funding through a Countywide approach.
- Ensures, to a greater extent, that fair housing laws are implemented, that affirmative marketing is being conducted, and that entities are in compliance with state and local laws.

Recommendation: Receive a report from staff.

Countywide Priority Setting Committee Community Member Stipend

In December 2022 the PSC approved utilizing a portion of administrative funds to begin a stipend program consistent with the [Board of Supervisors stipend program](#) for community members serving on the committee who self-certify household income below a certain threshold. The stipend amount is \$50 per meeting for appointed community members.

Community Members who served during the 2022-23 cycle can reach out directly to staff to request a stipend .

ATTACHMENTS:

Attachment 1 — Committee Interview Questions

Attachment 2 — Committee Applications

Attachment 2 — Pathways to Removing Obstacles to Housing Grant Summary

Attachment 3 — Stipend Program Form