

Healdsburg City Council Meeting

June 3, 2024



City Manager's Report

City Council, June 3, 2024



Public Comment on Non Agenda Items

Comentarios del público sobre puntos no incluidos en la agenda de la reunión

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Incorporation of the Local Hazard Mitigation Plan into the 2030 General Plan

City Council, June 3, 2024



Purpose

Incorporate the City's Local Hazard Mitigation Plan into the 2030 General Plan by reference in accordance with AB 2140 to allow the City to become eligible for additional funding from California Office of Emergency Services under the California Disaster Assistance Act.

Background

December 20, 2023 – LHMP conditionally approved by CalOES

February 2, 2024 – LHMP conditionally approved by FEMA

February 20, 2024 – LHMP adopted by City Council

May 14, 2024 – Planning Commission adopted a resolution to incorporate LHMP into the 2030 General Plan

Local Hazard Mitigation Plan

- Assesses risks and vulnerabilities and identifies and prioritizes mitigation projects.
 - Gather hazard, vulnerabilities, and mitigation information from the local level for state level planning
 - Ensure state and local hazard mitigation planning is coordinated
 - Ensure local jurisdictions are aware of hazards and vulnerabilities and develop strategies to reduce vulnerabilities

General Plan Amendment

Add a subsection under IMPLEMENTATION MEASURES to read as follows:

Local Hazard Mitigation Plan

S-28 On February 20, 2024, the Healdsburg City Council adopted the 2023 Local Hazard Mitigation Plan in accordance with the Disaster Mitigation Act of 2000. The Plan was conditionally approved by the Federal Emergency Management Agency (FEMA) on February 2, 2024. The Local Hazard Mitigation Plan is incorporated herein.

Recommended Action

It is recommended that the City Council adopt a resolution amending the 2030 General Plan Safety Element to incorporate by reference the City's recently-adopted Local Hazard Mitigation Plan (LHMP).

Questions



Public Comment

Comentarios del público

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L&M Quarterly Update (Q4)

June 3, 2024





Overview

- Q4 Highlights
- Data & Program Outcomes
- Supportive Services Offered
- Financial Status
- Conclusion & Future Activities

Q4 Highlights

- Program Outcomes
 - L&M Village continues addressing homelessness in the community.
 - Case managers focus on transitioning participants to housing.
- Staffing Updates
 - Currently backfilling one Case Manager position.
 - Working on starting a Mental Health Internship Program for those seeking supervision hours for LMFT or LCSW certifications.
 - Several individuals from the Syar encampment have been able to receive services at the L&M.
 - Syar was at 42 individuals +/- when we started the project and is down to under 3 individuals.

Program Outcomes



Total Participants Permanently Housed: 24

Participants with housing vouchers: 26

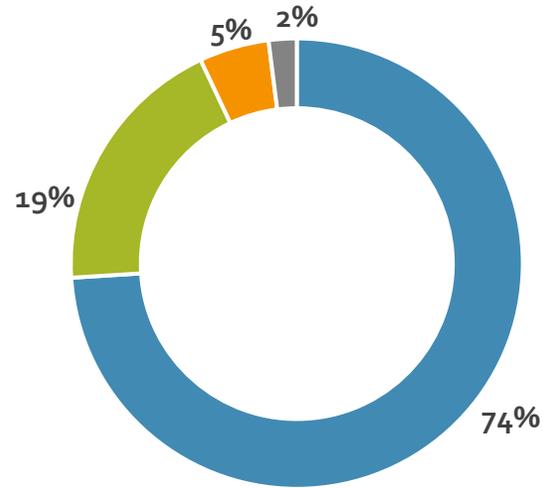
Exits to non-housing: 15 (of these 7 are now permanently housed)

Exits returned by working with a Licensed Clinical Social Worker: 5

Data Point	Quarter 2 Participants	Quarter 3 Participants	Quarter 4 Participants
Participants Served	35	43	63
Successful Exits to Housing	6	9	24
Housing Voucher Applications	14	26	26
Health & Wellness			
- Accessed Mental Health	19	38	58
- Accessed Medical Services/ Appointments	14	26	50
Income Progress			
- Income increase by employment	6	8	10
- Income increase by utilizing subsidies (Food stamps/SSI)	34	41	61

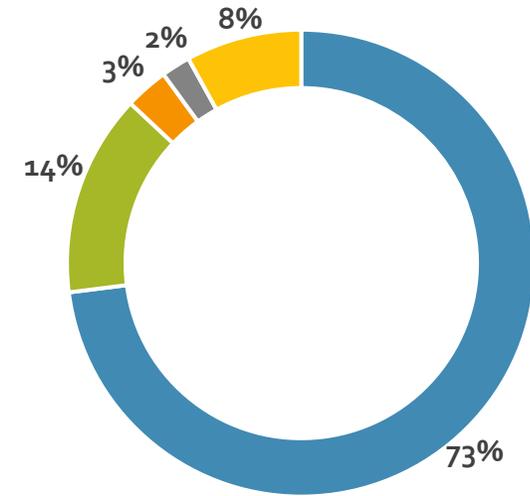
Occupancy By Race/Ethnicity

Occupancy By Race & Ethnicity **L&M Village**



■ White ■ Hispanic ■ Native ■ Black

Race & Ethnicity of Those Experiencing Homelessness **Healdsburg**



■ White ■ Hispanic ■ Native ■ Black ■ Unknown

Supportive Services Offered

Nearly 80% of participants engaged in at least 2 activities/week

One-on-one counseling sessions

Food pantry access

Budgeting and cooking classes

Employment search support

Haircut services

Interview clothing assistance

Daily living skills training

Housing search and application classes

Weekly healthcare visits by Providence Healthcare

Active participation in Fentanyl awareness events

Collaboration with Face to Face for HIV testing

Addiction recovery group initiated on-site from January 30, 2023



Homekey Funding

Funding Sources	Amount	Status	Use
Homekey Capital	\$6,168,000	Awarded	Acquisition/Construction
Homekey Operations	\$660,800	Awarded	L&M Operations
County Capital Match	\$950,000	Awarded	Acquisition/Construction
Early Occupancy Bonus	\$220,000	Awarded	Operations
County Operating	\$644,160	Awarded	Operations FY 24
Total	\$8,642,960		

Conclusion & Future Activities

Challenges

- Units available and willing to take Housing Vouchers
- Grant timing and funding
- Permanent supportive housing location

Opportunities

- Increasing outside funding and leveraging existing sources
- Employment connections
- Landlord engagement for Housing Vouchers
- Healdsburg Scattered Site units coming online
- Dry Creek Commons



Discussion and Questions



Public Comment

Comentarios del público

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Lease, Funding, and Service Agreement with Reach for Home for the L&M Village

June 3, 2024



Staff Recommendation

Adopt a Resolution approving the FY 2024-2025 Terms of Service to the Lease, Funding and Service Agreement with Reach For Home for the L&M Village and Authorizing the City Manager to execute any documents necessary to effectuate the transaction.

Lease Funding and Service Agreement - Background

- **November 21, 2022**
 - City Council requested an update on the Terms of Service and Annual Budget Agreement within the Lease, Funding, and Service Agreement before each fiscal year.
- **March 6, 2023**
 - City Council approved amendments to the Terms of Service to align the Annual Budget with the City's Fiscal Year and to accommodate prefunding in Fiscal Year 2022-23.
- **June 20, 2023**
 - City Council approved a second amendment, adjusting the Annual Budget to match the City's Fiscal Year, and reflecting operational costs anticipated in Fiscal Year 2023-24.
- **June 3, 2024**
 - Staff proposes changes to the Terms of Service and Annual Budget to align with the reporting requirements of the County of Sonoma's operational funding agreement, and for the updated budget to reflect operating funding required for the City's Fiscal Year 2024-25.

Lease Funding and Service Agreement

- **November 21, 2022**
 - City and Reach for Home entered the agreement to provide for the use and operation of the L&M Village in accordance with the Homekey requirements.
- **Lease Terms**
 - Base Rent: City leases 70 Healdsburg Avenue to Reach for Home at an annual rate of \$1.00.
 - Utilities: Reach for Home covers gas, water, electricity, light, heat, power, telephone, and internet.
- **Maintenance and Insurance**
 - Capital Improvements: Reach for Home is responsible for minor improvements, repairs, or maintenance under \$10,000.
 - Insurance: Reach for Home shall maintain and furnish City with Certificates of Insurance.
- **Service Obligations**
 - Terms of Service: Reach for Home shall perform the services outlined in the Terms of Service.

Terms of Service - Overview

- **Project Description**
 - Goal: Support individuals in accessing permanent housing.
 - Provides a safe and supportive environment with 22 units of non-congregate interim housing for individuals experiencing chronic homelessness.
- **Enrollment**
 - Case management and staff screen and enroll participants “in the field” on a case-by-case basis.
 - Referral and Prioritization Process: Reach for Home follows the Program Participant Selection Plan as approved by City, County, and State.
- **Coordination**
 - Terms of Service and updates require approval by the City Council.
 - Updates align with City’s fiscal year from July 1 - June 30.
 - Housing Director serves as the Project Manager, overseeing progress and execution.

Terms of Service - Overview Cont'd.

- **Core Services**
 - Eligibility and Screening & Enrollment
 - Case Management
 - Data Tracking and Reporting
 - Exit Coordination
 - Project Site Supervision
 - Community Engagement
 - Project Site Safety and Cleanliness

Terms of Service

-

Regulatory Compliance and Oversight

- **County and State Requirements**
 - Reach for Home operates the program as per Homekey Funding Agreement executed on February 6, 2022.
 - Reach for Home adheres to County of Sonoma Agreement for Services dated May 17, 2024.
- **Oversight and Compliance**
 - Reach for Home and Project Manager meet regularly for project review, evaluation, and compliance.
 - Project participant data is entered into the Federal Homeless Management Information System (HMIS).
 - City conducts inspections of the Project Site to ensure compliance.
- **Compensation and Amendments**
 - Compensation: Monthly disbursements made to Reach for Home include a true-up for actual expenditures and revenues from previous months.
 - Amendments: City and Reach for Home collaborate annually to adjust the budget for the upcoming service term, beginning July 1.

County Operational Funding

- **October 26, 2021**
 - County of Sonoma Board of Supervisors adopted Reso. No. 21-0431.
 - Establishment of Early Capital Match and Operational Funding framework to support City-sponsored Homekey programs.
- **January 2024**
 - City's State Homekey operational funding fully expended.
 - City advanced operational costs for the L&M Village, in anticipation of the County contract.
- **April 30, 2024**
 - County Board of Supervisors approves a 1-year contract with the City for L&M Village operational funding.
 - FY 2023-24 operational funding with a maximum reimbursement amount of \$644,160.
 - Contract terms differ from initial discussions, resulting in misalignment with original funding framework.
- **City & DHS**
 - City Staff are working with DHS to extend the contract through the next fiscal year and beyond to support operations, while exploring alternative funding sources.

Budget Proposal and Projection

- **FY 2024-2025 Operating Budget**
 - Total: \$807,640
 - Per-door-per-day: \$101
- **Measure S Affordable Housing Fund**
 - Projected Funding:
 - FY 2023-24: \$41,053
 - FY 2024-25: \$513,631
 - FY 2025-26: \$845,535
- **Financial Projection**
 - FY 25-26 Ending Fund Balance: \$679,966
 - Structural Deficit: Expenditure exceeds revenue annually after FY 25-26.

Staff Recommendation

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Discussion & Questions



Public Comment

Comentarios del público

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Healdsburg Chamber of Commerce Professional Services Agreement Discussion

City Managers Office

June 3, 2024



Recommended Action

- Provide feedback to staff on the structure and deliverables for the Chamber of Contract Professional Services Agreement for Fiscal Year 2024-25.

Background

- The Healdsburg Chamber of Commerce has provided economic development support services to the City for many years. This includes:
 - Business attraction, expansion, and retention support services
 - Partnering on Community and Economic Development events
 - Specific deliverable-based support based on City and community needs

Background

- The FY 2021-2022 Professional Services Agreement with the Chamber included a scope of work that was 7 pages long and included 40 focus areas, 14 deliverables, and 7 categories of work.
- Both staff and the Chamber found it difficult to manage deliverables and track success.
- As a result, as part of the FY 2022-23 contract development cycle, staff from the City and Chamber, along with then Council liaison Mitchell, met to restructure and modernize the scope of work.

Resulting Scope of Work Format

The current year scope includes three areas of focus:

1. Community Partnership and Economic Development Support (\$40K)
2. Visitor Center Operations (\$20k, Partial Year)
3. Task based Deliverables (\$20k)

2024 Scope Conceptual Framework

Community Partnership and Economic Development Support (\$40k)

- Support business attraction, retention, and expansion (BRE)
 - Annually report to Council on BRE activities, including:
 - Business outreach visits and direct support, New business outreach, Business resource seminars/webinars, Local business support campaigns
- Serve as a liaison between the City and the business community by providing opportunity for feedback and engagement on proposed City policies, projects, and initiatives.
- Event Production
 - Hold annual CEO Roundtable with the Mayor and City Manager
 - Partner with the City on Community Events, including Merry Healdsburg
 - Partner with the City to host forums, events, and meetings on specific topics to the business community, including Good Morning Healdsburg and Chamber Government Affairs Committee.
- Chamber Event Participation:
 - Chamber to provide the City tickets to the following events:
 - 8 tickets to the annual breakfast (State of the City)
 - 2 reserved tables at the annual BBQ
 - 4 tickets to all chamber mixers and events

2024
Conceptual
Scope of Work

Staff
Generated
Task Based
Deliverable
Options (\$20k)

1. Continuing the quarterly commercial/industrial vacant property inventory
2. Partnering with the Chamber to conduct a seasonal worker job fair.
 - a. This was a goal included in the City Diversity, Equity, and Inclusion Plan
3. Downtown Activation
 - a. Council has expressed an interest in working with the Chamber to find ways to increase activation of certain areas of downtown.
4. Workforce Housing and Outreach Support
 - a. The City is continuing to prioritize workforce housing and support and anticipates opportunities to partner with the Chamber in the upcoming year.

Council
Discussion and
Staff Direction

1. Scope of Work format and structure
2. Task Based Deliverables for FY 2024-25 Scope of Work
3. Contract amount

Questions and Feedback

Thank you!



Public Comment

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GMO Policy Options & Next Steps

City Council, June 3rd, 2024



Overview

- Policy Objective
- Geography Options
- Additional Guardrails
- Next Steps

Policy Objective

Create a pathway for construction of multi-family housing projects that:

- Are affordable to middle-income households
- Provide 20% of units for low-income households
- Increase the percentage of Healdsburg's workforce that can live in town
- Create non-hospitality options for revitalizing underutilized properties
- Accommodate a diverse range of income levels, contributing to a balanced community.

3 Options Considered for Amending the GMO

In February and March, the City polled likely voters to assess support for three options to amend the GMO:

1. Exempt specific geographic areas
2. Eliminate the income restriction on Measure P multi-family rental units
3. Permit carryover of prior unused allocations

Council directed staff to pursue option 1 and return with additional options for geographies and guardrails that would limit the potential for additional luxury housing.

Geography Options

- Initial Geographies:
 - Healdsburg Avenue North Corridor
 - Downtown Housing Capacity Study Area
 - Central Healdsburg Avenue Plan Area
 - South Entry Plan Area
- Additional Alternatives:
 - Exclude South of North Street and East of Center Street from Downtown
 - Removal of Downtown Commercial Zone

Geographic Area Polling Results

- Healdsburg Avenue North Corridor
 - Concise Description: 54% Support 39% Oppose
 - Long Description: 67% Support 29% Oppose
- Downtown Housing Capacity Study Area
 - Concise Description: 43% Support 54% Oppose
 - Long Description: 50% Support 47% Oppose
- Central Healdsburg Avenue Plan Area
 - Concise Description: 66% Support 30% Oppose
 - Long Description: 76% Support 22% Oppose
- South Entry Plan Area
 - Concise Description: 67% Support 30% Oppose
 - Long Description: 66% Support 29% Oppose

Current Zoning in Proposed Geographic Areas

	Single-Family Development	Multi-Family Development
Multi-Family Residential (RM)	<u>Not Permitted</u>	Permitted
Office & Multi-Family Residential (ORM)	<u>Not Permitted</u>	Permitted
Service Commercial (CS)	<u>Not Permitted</u>	Permitted
Downtown Commercial (CD)	<u>Not Permitted</u>	Permitted
Mixed Use (MU)	<u>Not Permitted</u>	Permitted
Industrial (I)	<u>Not Permitted</u>	Conditional
Public (P)	<u>Not Permitted</u>	<u>Not Permitted</u>

Geographic Exemption

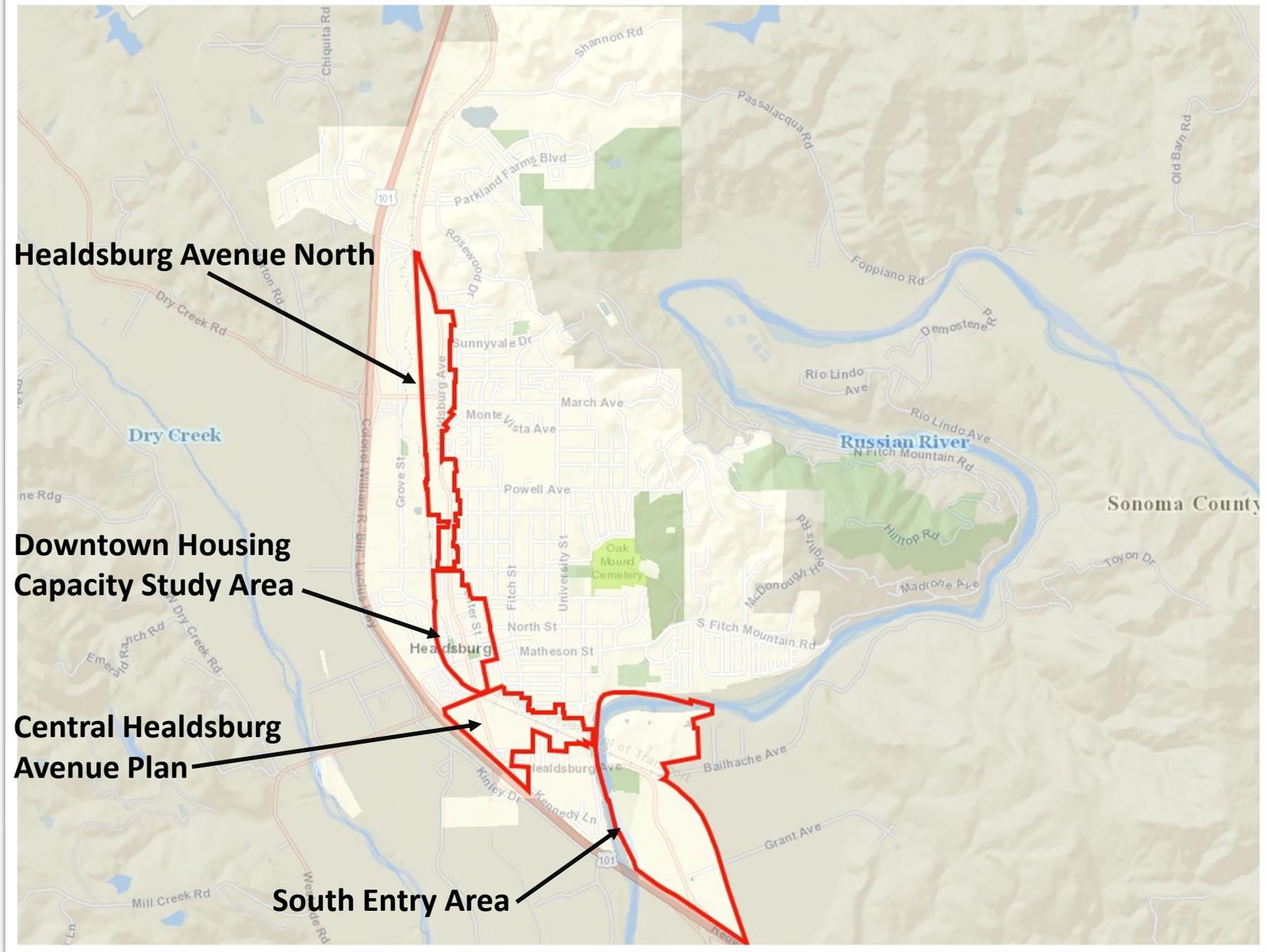
Original areas
Under
Consideration

Healdsburg Avenue North

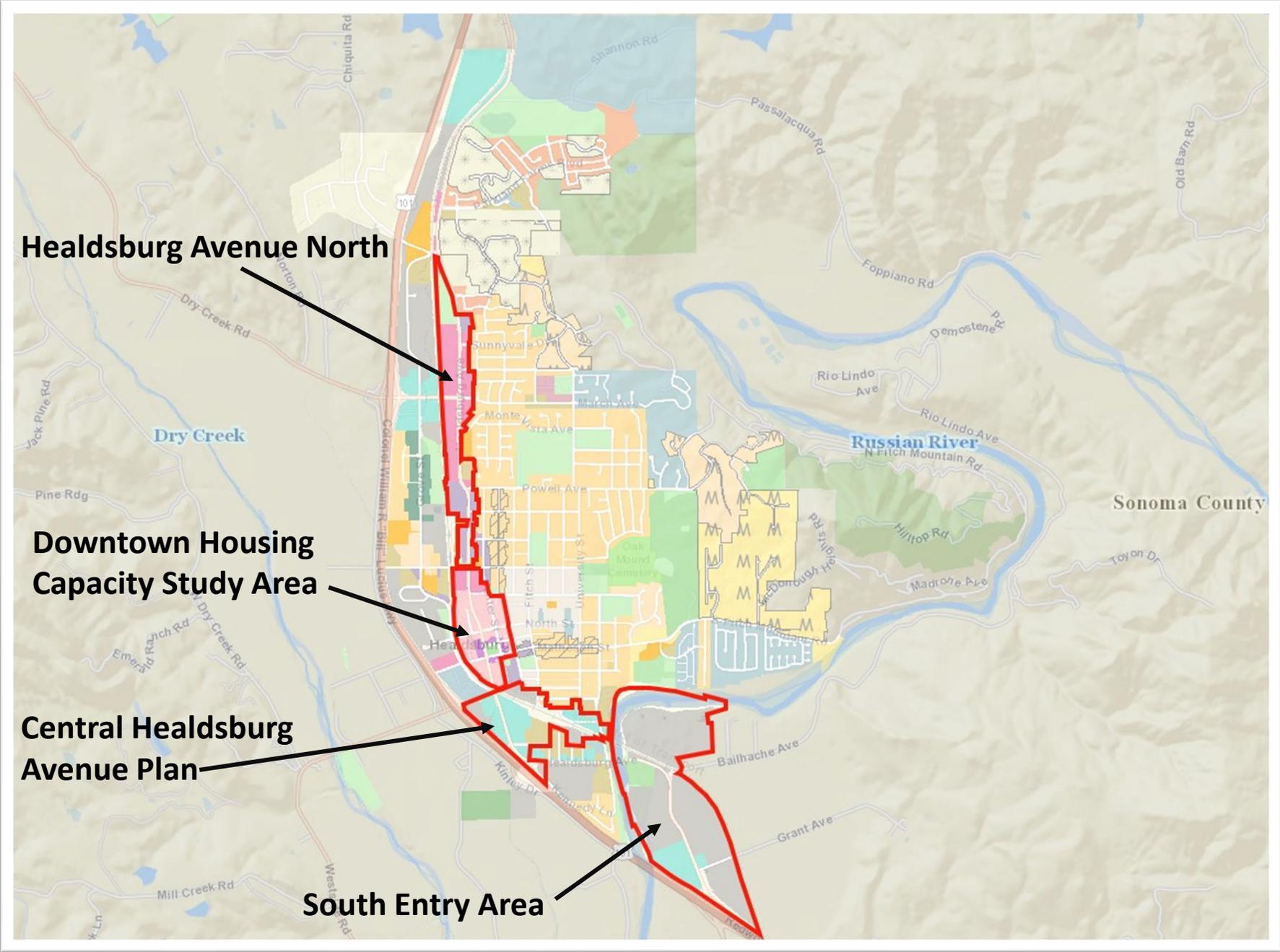
**Downtown Housing
Capacity Study Area**

**Central Healdsburg
Avenue Plan**

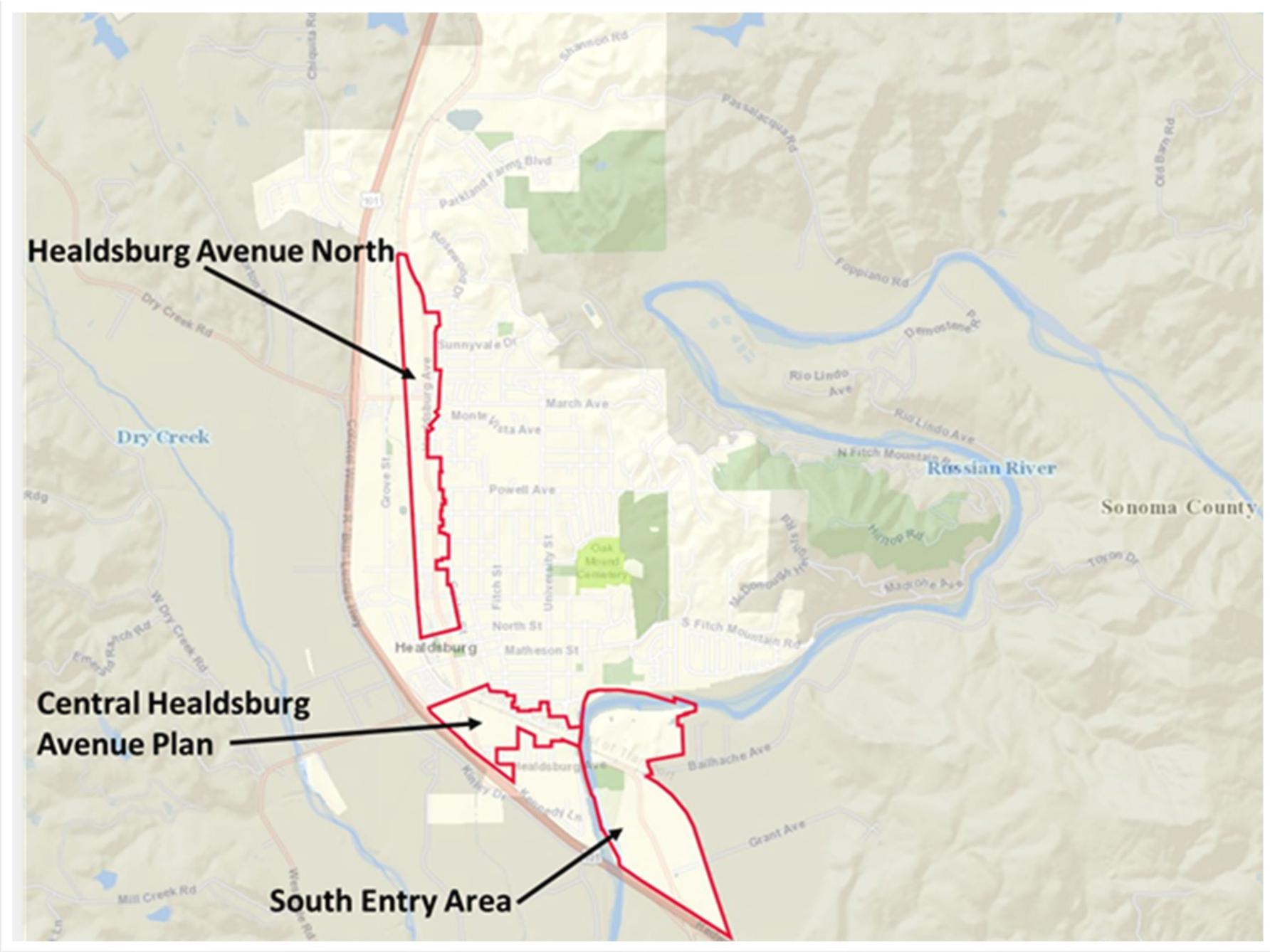
South Entry Area



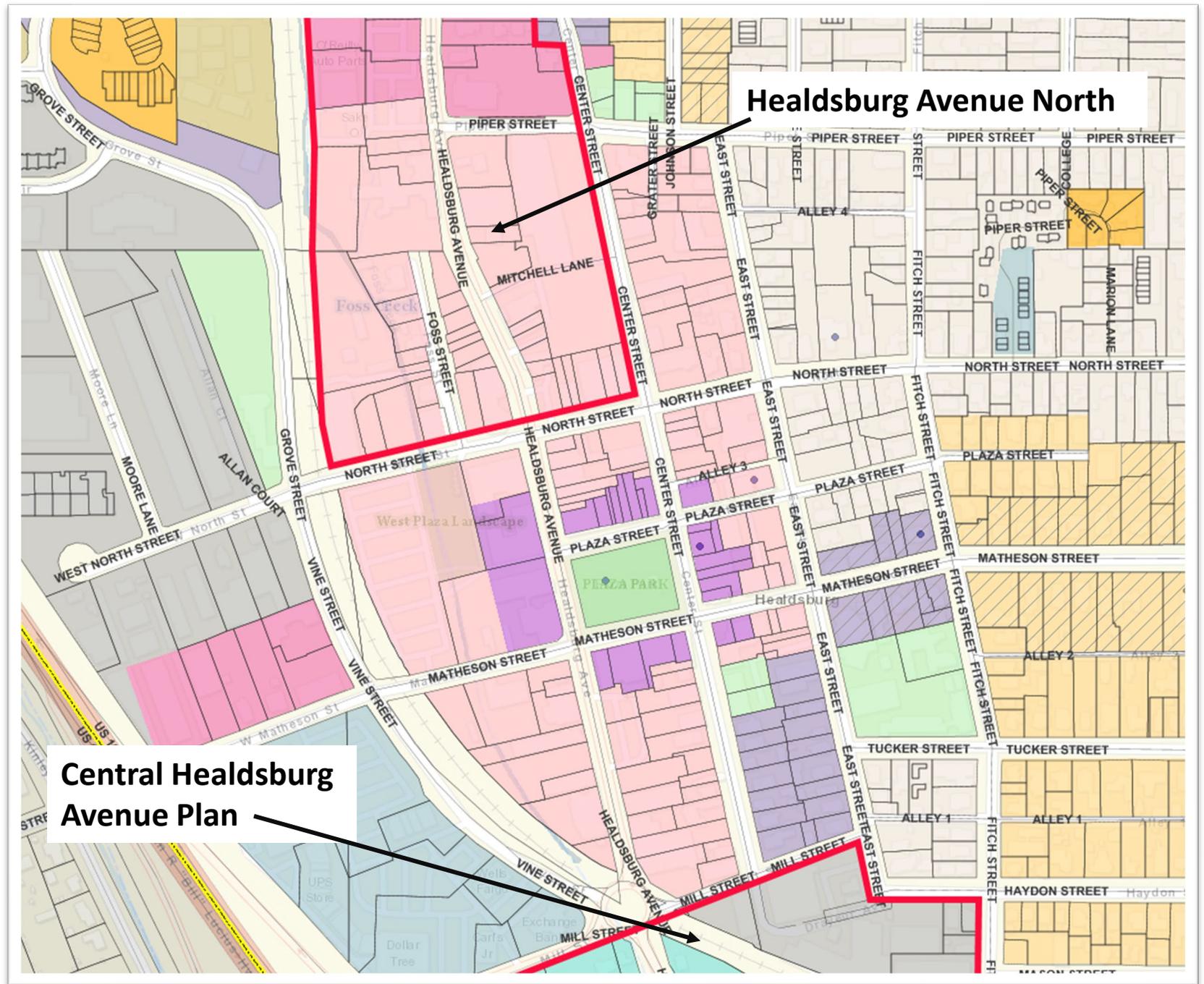
Boundaries with Zoning



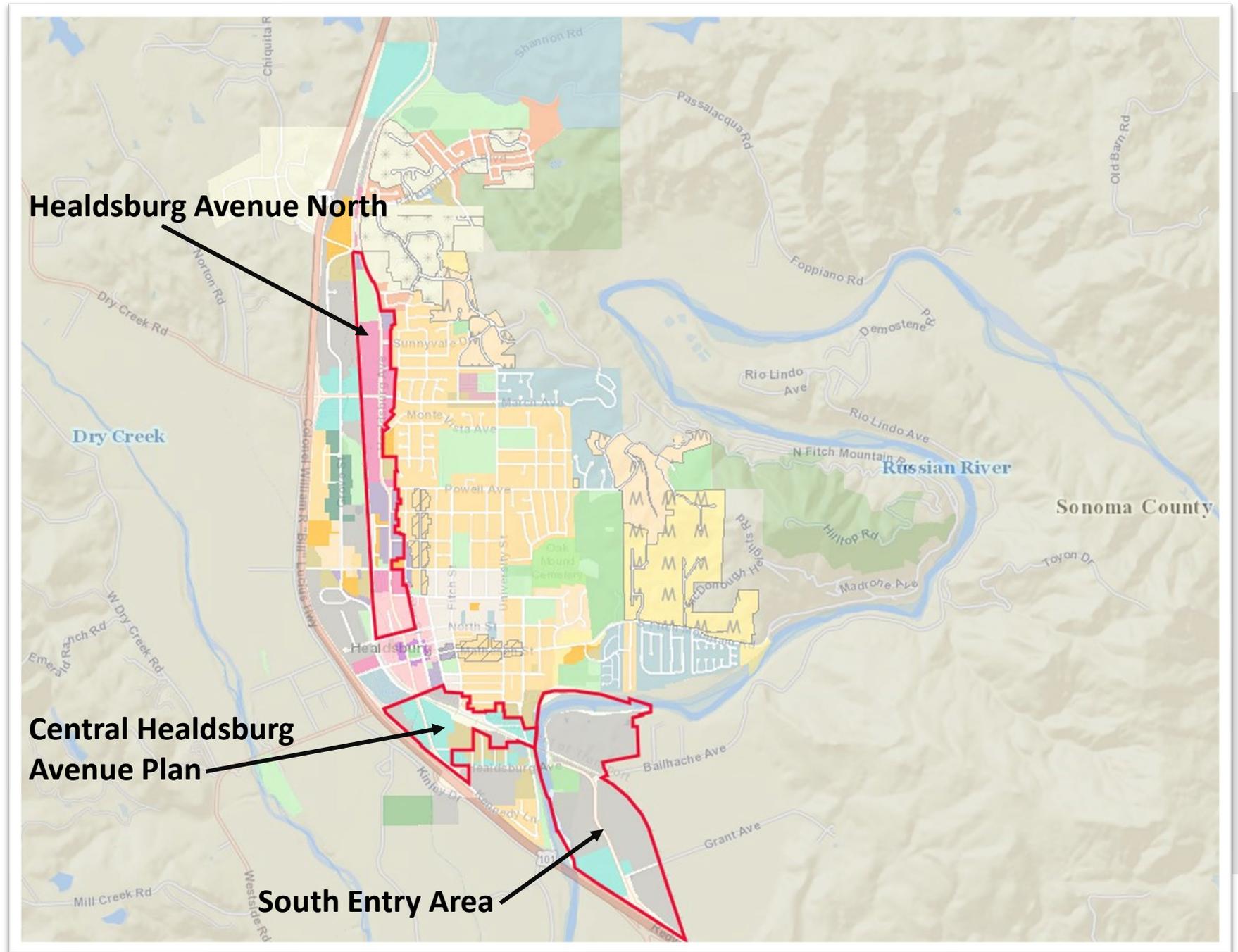
Exclude
South
of North St.
and
East
of Center St.



Exclude
South of
North St.
and
East of
Center St.



Boundaries with Zoning



Additional Guardrails for Consideration

- Option 1: Include a cap on unit size
 - In ordinance, restrict unit size to a specific square footage.
- Option 2: Codify multi-family intention.
 - In ordinance, exempt only multi-family units in certain geographies.

Staff will continue to pursue zoning changes that will further define what the City prefers to be built in the future for multi-family housing.

Next Steps

Upcoming:

- CEQA Analysis
- Draft Language
- Council proposed action to place measure on ballot on June 17
- Develop educational and outreach materials
- GMO Workshop cohosted with Corazon on June 26th at 6PM at Community Center

Election Dates:

- Measure must be filed with County by August 9
- Arguments for and against measures must be submitted by August 16.
- Rebuttal arguments (if opposing arguments are filed) filed by August 23.
- Election on November 5, 2024.

Questions & Discussion



Public Comment

Comentarios del público

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FY 2024-25 & 25-26 Budget Adoption

Finance Department

June 3, 2024



Proposed Action

- Adopt a resolution approving the FY 2024-25 Budget
- Adopt a resolution approving the FY 2025-26 Budget
- Adopt a resolution approving the Capital Improvement Plan for FY 2025-29
- Adopt a resolution establishing the list of authorized positions

Tonight's Agenda

- Budget Themes
- City-Wide Budget Overview
- CIP Budget Overview
- Next Steps

Budget Themes

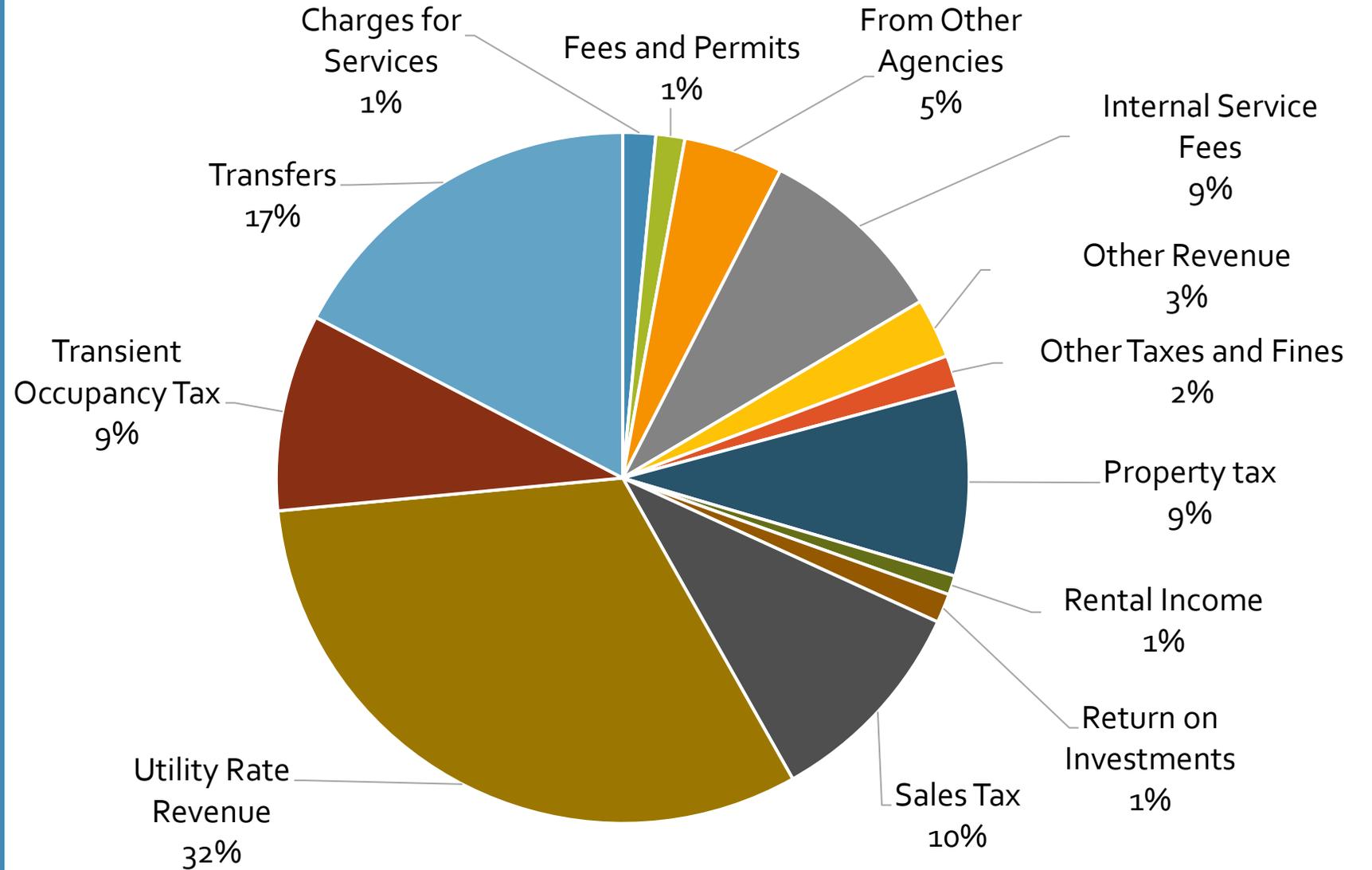


- Economic Uncertainty
- Revenue Stagnation

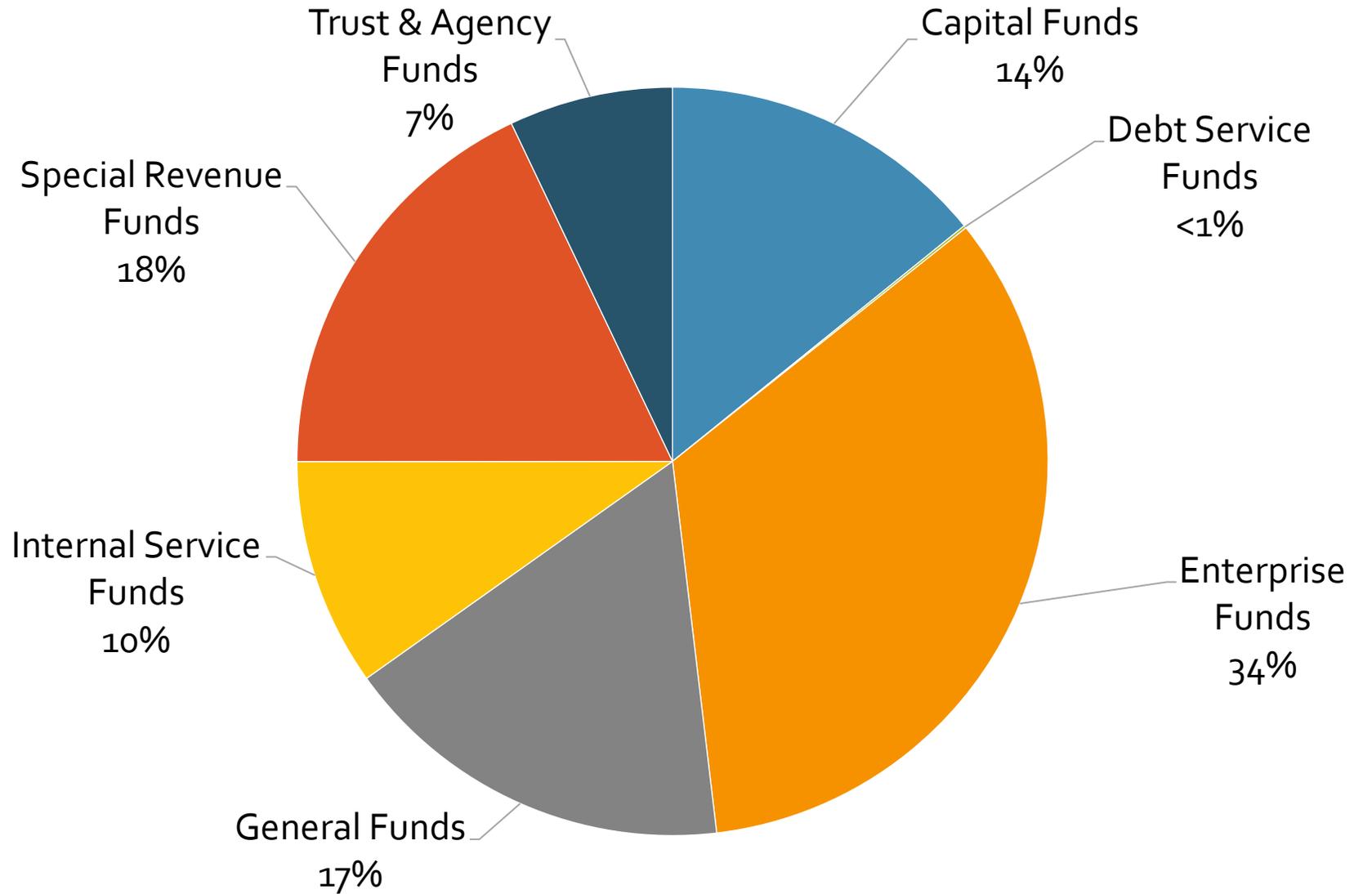


- Capital Investments in Public Infrastructure
- Utility Fund Resilience
- Council & Public Feedback

FY 2024-25
City-Wide
Revenue
\$107.4 Million



FY 2024-25
City-Wide
Expense
\$109.4 Million



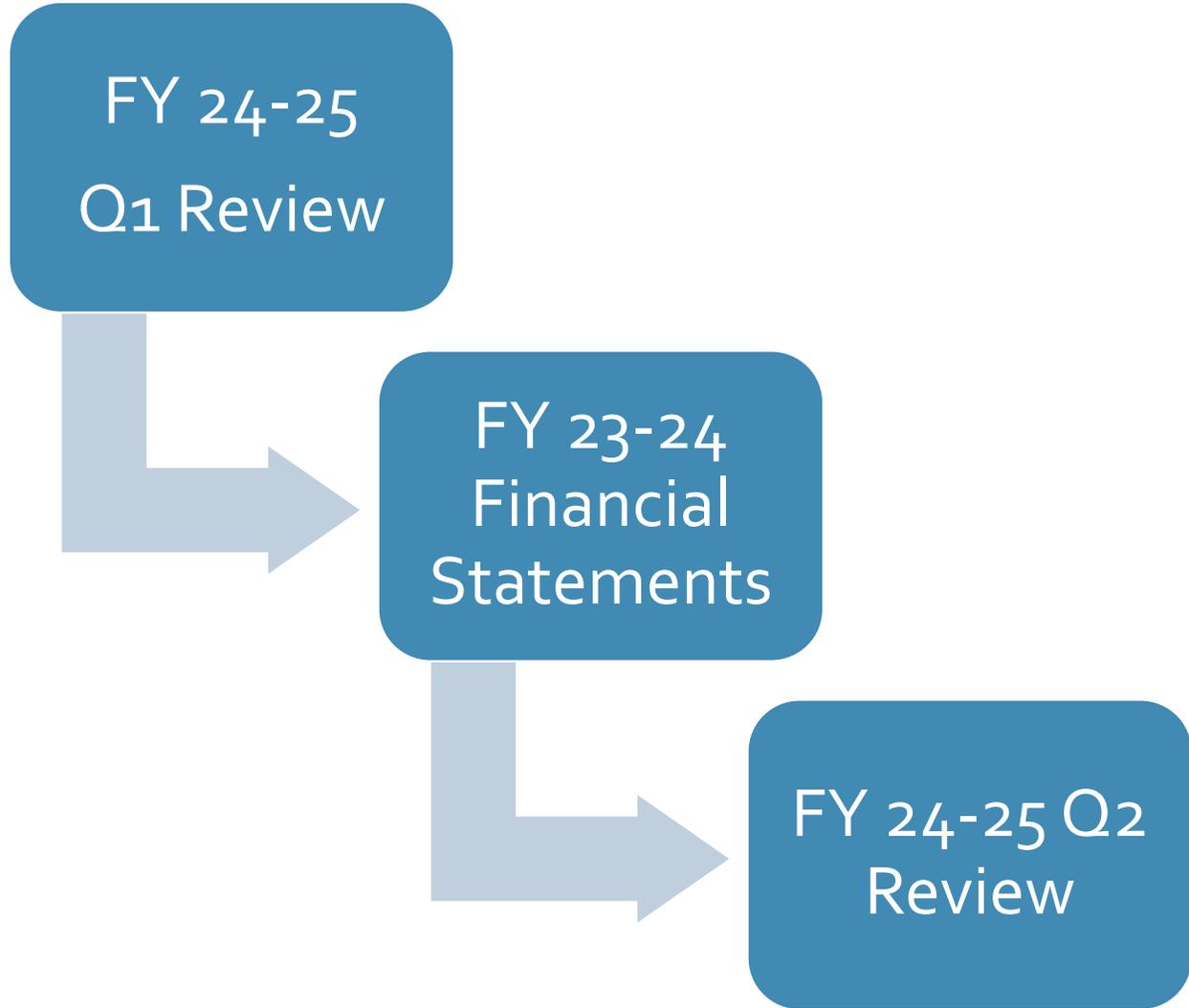
What's in this Budget?

- Growth Management Ordinance Outreach
- Public Safety Cameras
- Type 1 Engine Replacement
- Fire Department Roof Repair
- New Fire Inspector Position (Measure H)
- Facility Site Assessments
- Community Services Deferred Maintenance
- Foley Pavilion IT infrastructure
- Arts & Culture
- Restored Frozen Utility Positions
- Electric Meter Reading Improvements

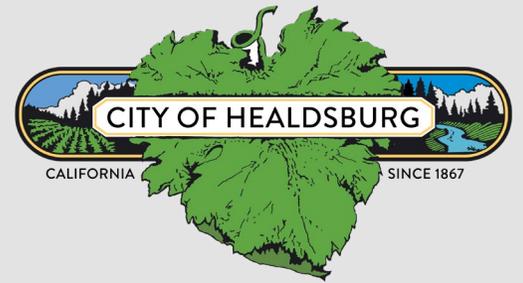
Capital Projects Funded

- March Avenue Rehabilitation (\$2.4M)
- Healdsburg Ave Complete Streets (\$15.4 M)
- Grove Street Neighborhood Implementation Plan (\$3.3 M)
- Ward Street Neighborhood Revitalization (\$1.5 M)
- Badger Park Redevelopment (\$2.0 M)
- Saggio Hills Park (\$7.7 M)
- Electric Undergrounding Healdsburg Ave (\$3.9 M)
- Electric Undergrounding Grove Street (\$2.1 M)
- Brown Street Water and Sewer Replacement (\$2.6 M)
- Healdsburg Ave Water and Sewer Replacements (\$2.9 M)

Budget Evolution



Discussion, Feedback, Questions, and Direction



Public Comment

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Legislative Platform Update

June 3, 2024



Staff Recommendation

Receive a presentation on a draft State and Federal Legislative Platform and provide direction to Staff on recommended legislative positions.

Background

- **Purpose:** To establish general principles enabling quick decision-making in response legislative processes.
- **Adopted:** Adopted in January 2021 with input from departments and the City Council.
- **Goals and Policies:** Establishes Council-approved legislative goals and policies.
- **Timely Actions:** Allows the City to take positions on legislative or administrative actions in a timely manner.

General Principals

- Maximize revenues from State and Federal sources.
- Secure greater flexibility over the use of State and Federal funds.
- Lessen any Adverse Impact of State or Federal Policies on City finances and decision-making authority.

Overview of Proposed Departmental Changes

- **General Positions**
 1. Diversity, Equity and Inclusion.
 2. Public Records Requests.
 3. Climate Mobilization Strategy Funding.
- **Administrative Services**
 1. Immunities & Liability.
 2. Cybersecurity.
 3. Workers' Compensation.
- **Environment and Natural Resources**
 1. Climate Resiliency & Jobs.

Overview of Proposed Departmental Changes

- **Community Services**
 1. Childcare Funding.
- **Housing & Economic Development**
 1. Regional Housing Bonds.
- **Environment and Natural Resources**
 1. Climate Resiliency & Jobs.
- **Homelessness**
 1. Homeless Housing, Assistance, and Prevention (HHAP) advocacy.

Overview of Proposed Departmental Changes

- **Public Safety & Emergency Management**
 1. Gun Safety.
 2. Humane Treatment of Fuel Management Grazing Animals.
 3. Firefighter Safety.
- **Public Works**
 1. Recycling & Waste Diversion.
 2. Wastewater & Recycled Water.
- **Utilities**
 1. Water Supply.
 2. Vegetation Management.
 3. Wildfire Liability.
- **Public Health**
 1. Youth Access to Tobacco Products.

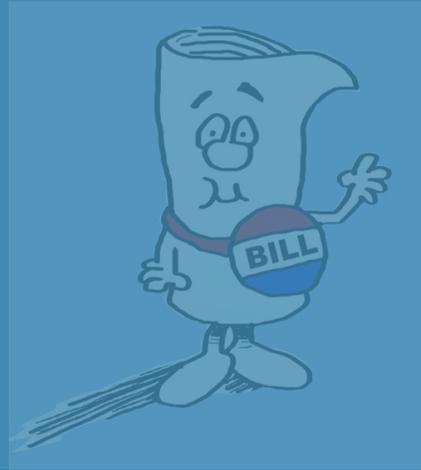
Next Steps

- Incorporate Council Feedback into the Final Draft Legislative Platform.
- Present the Draft Legislative Platform to Council on June 17, 2024, for Adoption.

Staff Recommendation

Receive a presentation on a draft State and Federal Legislative Platform and provide direction to Staff on recommended legislative positions.

Discussion & Questions



Public Comment

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