

# Housing Authority

## Mission

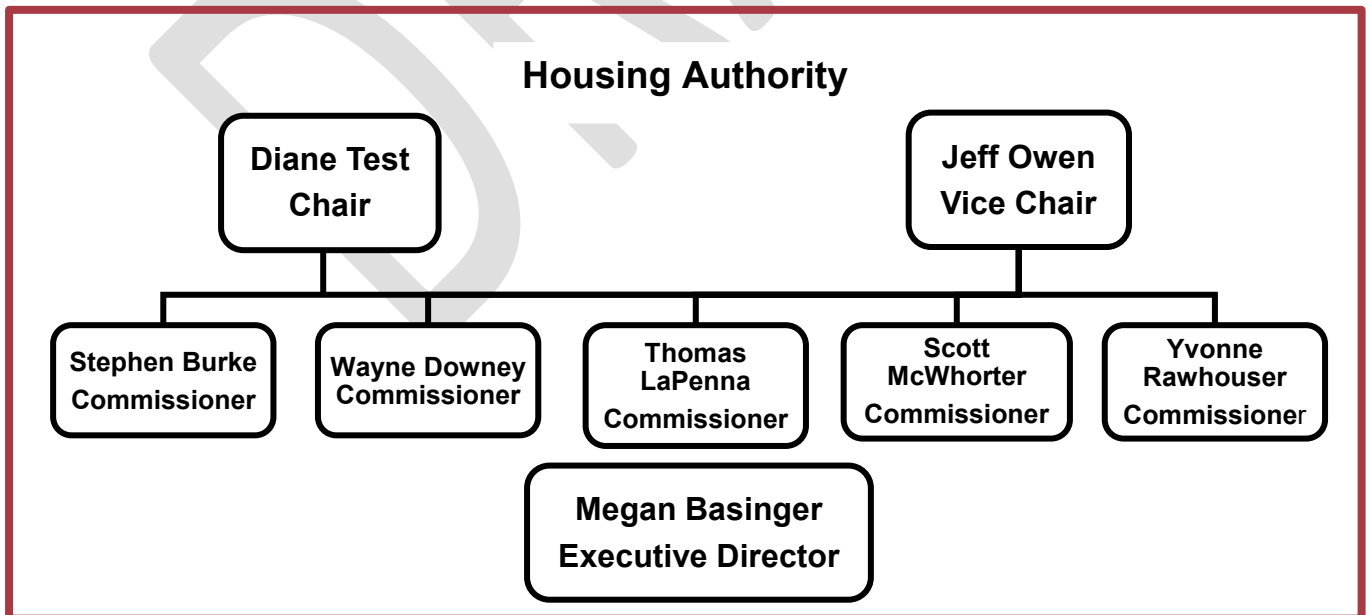
To ensure adequate, decent, safe, and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

## Department Description

The Housing and Community Services Department supports the Housing Authority (Authority) which consists of two programs: the Santa Rosa Housing Trust and the Rental Housing Assistance Division. The Authority's programs improve the quality and affordability of housing in the City. The focus population is very low- and low-income households.

**Santa Rosa Housing Trust (SRHT)** - Manages the City's \$155 million affordable housing loan portfolio, administers Federal and State housing grants, and performs compliance monitoring for approximately 5,000 units Citywide. These programs maximize and leverage available Federal, State, and local funding to assist in the production of affordable housing programs; conversion, preservation, and rehabilitation of affordable housing; and the acquisition, development, and rehabilitation of special needs facilities.

**Rental Assistance Division** - Provides rental assistance to over 2,200 income-qualifying individuals and families by administering three programs directed by the Federal Housing and Urban Development (HUD) Department: 1) Housing Choice Voucher program, including the HUD-Veterans Affairs Supportive Housing program (VASH), Project-Based Vouchers, and the Family Self-Sufficiency program; 2) HOME-funded Tenant Based Rental Assistance; and 3) American Rescue Plan Act (ARP) funded Emergency Housing Vouchers.



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## Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

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- Manage the Housing Authority's over \$155M loan portfolio and perform compliance monitoring on approximately 5,000 units annually. 1
  - Solicit, evaluate, originate, and close loans for new affordable housing units, rehabilitation of existing units, or conversion of market rate to affordable housing units. 1
  - Pursue additional funding opportunities to further the creation and preservation of affordable housing units in Santa Rosa. 1,2
  - Continue management and oversight of \$38.4M of one-time Community Development Block Grant- Disaster Recovery funds, received as a result of the 2017 Tubbs Nunns fire disaster, to facilitate loans for five projects totaling 377 new affordable housing units. 1
  - Continue management and oversight of one-time COVID pandemic related funding, including CARES Act funding of \$2.3M Community Development Block Grant- CV and HOME-ARP (American Rescue Plan Act) funding of \$2.7M. 1,2
  - Utilize American Rescue Plan Act (ARP) Emergency Housing Voucher funding and allotment of 131 vouchers to achieve 100% lease up rate. 1,2
  - Utilize HOME funding to provide monthly tenant based rental assistance to 45 income qualifying individuals/families. 1
  - Utilize the resources of the Housing Choice Voucher program to support the preservation and development of affordable housing. 1
  - Fully utilize the resources of the Housing Choice Voucher program to provide direct assistance to at least 1,864 income qualifying individuals/families 1

## Major Budget Changes

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Overall, the Housing Authority budget increased by \$10.5M (23.8%) when compared to the prior year. Various programs and funds had increases and decreases, as discussed below, that together resulted in a significant increase.

Most notably, the Emergency Housing Voucher Program, funded by the American Rescue Plan Act, was established in summer 2021. This program added \$2.3M in administrative and rental assistance funding to the Authority to administer 131 vouchers, focused on persons who are homeless or at risk, fleeing domestic violence, human trafficking or stalking, or facing housing instability. In the existing Housing Choice Voucher program, which administers 1903 Santa Rosa vouchers and 250+ port in vouchers monthly, administrative allowance increased, allowing the addition of two positions- a Limited Term Housing Technician to focus on inspections that were postponed in 2020 and 2021 due to COVID, and a Program Specialist to assist with supervision and complex program elements. Rental assistance payments also increased approximately 5% over the prior year; and various services and supplies increased to utilize the full administrative allowance in both the Emergency and Housing Choice Voucher programs.

The Santa Rosa Housing Trust increased by \$6M, most notably in salaries, benefits, and loan activity, due to an increase in available funds over the prior year. The Trust is funded by 15 distinct Federal, State and local sources through grants, impact fees, compliance monitoring fees, and loan repayments. Loan repayments increased over \$1.8M over the prior year, particularly from Lantana project loan paydowns. Real Property Transfer Tax (RPTT) increased over \$2.7M. The City Council has a policy dictating that a portion of City General Fund RPTT must be allocated to homeless services and housing annually. In FY 22/23, the Council chose to fund the entirety of homeless services with American Rescue Plan Act funds, which allowed all RPTT to go to Housing Trust, where it is primarily used for loan activity. Compliance

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monitoring fees also increased due the number of affordable units coming online. To address this need, the Trust is adding a Housing Technician to focus on monitoring activities. Additionally, the Trust received the State Permanent Local Housing Assistance Grant of nearly \$1.1M, all used for loan activity, and shown in the CIP and O&M Projects category in the Expenditures by Program and Fund tables below.

## Budget Summary

<b>Expenditures by Program</b>				
	<b>2019 - 2020 Actual</b>	<b>2020 - 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>2022 - 2023 Budget</b>
Admin Housing & Community Svcs	\$1,352,736	\$1,463,539	\$1,435,301	\$1,574,741
Rental Housing Assistance	\$28,257,137	\$29,273,578	\$34,666,183	\$38,967,504
SRHT Portfolio Svcs & Grant	\$737,217	\$637,430	\$855,321	\$845,532
SRHT Afford Housing Pgrm & Fin	\$6,485,260	\$2,984,979	\$6,929,991	\$11,910,429
CIP and O&M Projects	\$200,594	\$1,541,859	\$230,549	\$1,316,066
<b>Total</b>	<b>\$37,032,944</b>	<b>\$35,901,385</b>	<b>\$44,117,345</b>	<b>\$54,614,272</b>

<b>Expenditures by Category</b>				
	<b>2019 - 2020 Actual</b>	<b>2020 - 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>2022 - 2023 Budget</b>
Salaries	\$1,492,393	\$1,350,987	\$1,766,100	\$2,061,465
Benefits	\$849,262	\$767,914	\$1,013,198	\$1,278,465
Professional Services	\$118,117	\$116,129	\$220,000	\$264,676
Vehicle Expenses	\$8,360	\$10,854	\$24,700	\$22,750
Utilities	\$2,900	\$4,068	\$14,318	\$13,700
Operational Supplies	\$20,497	\$20,738	\$136,056	\$191,669
Information Technology	\$242,022	\$243,721	\$246,666	\$263,629
Liability & Property Insurance	\$29,792	\$32,938	\$48,825	\$101,925
Other Miscellaneous	\$52,162	\$40,201	\$122,282	\$119,920
Subrecipient Funding	\$527,558	\$476,255	\$517,857	\$516,612
Loan Activity	\$5,265,721	\$1,920,296	\$4,688,105	\$9,630,828
Rental Assistance	\$26,081,796	\$27,193,900	\$32,732,460	\$36,280,680
Indirect Costs	\$2,141,770	\$2,181,525	\$2,356,229	\$2,551,887
CIP and O&M Projects	\$200,594	\$1,541,859	\$230,549	\$1,316,066
<b>Total</b>	<b>\$37,032,944</b>	<b>\$35,901,385</b>	<b>\$44,117,345</b>	<b>\$54,614,272</b>

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<b>Expenditures by Fund</b>				
	<b>2019 - 2020 Actual</b>	<b>2020 - 2021 Actual</b>	<b>2021 - 2022 Budget</b>	<b>2022 - 2023 Budget</b>
Housing Operations Fund	\$1,351,271	\$1,338,922	\$1,435,301	\$1,574,741
Operating Reserve Fund	\$223,914	\$107,745	\$88,695	\$343,612
Housing Choice Voucher Program	\$28,257,636	\$29,429,204	\$34,666,183	\$36,685,174
Emergency Housing Vouchers	\$0	\$0	\$0	\$2,282,330
Brookwood Property	\$2,466	\$4,835	\$19,680	\$19,286
Community Development Block Grnt	\$436,246	\$2,332,216	\$2,257,758	\$1,999,844
Rental Rehabilitation Fund	\$0	\$25,000	\$8,614	\$0
Housing Grant Fund	\$543,465	\$453,064	\$640,118	\$1,914,654
Real Property Transfer Tax Fund	\$921,283	\$432,876	\$599,787	\$3,279,559
Southwest Low/Mod Housing Fund	\$66,374	\$48,148	\$80,623	\$228,939
CDBG-DR Fund	\$0	\$20,629	\$0	\$0
Low and Moderate Income Housing	\$331,630	\$161,581	\$131,172	\$836,690
HOME Fund	\$68,712	\$213,797	\$974,852	\$1,101,815
Mortgage Revenue Bond Fund	\$0	\$33,000	\$338,021	\$343,401
Housing Compliance Fund	\$235,230	\$179,531	\$380,907	\$345,203
Housing Impact Fee Fund	\$4,593,602	\$1,098,364	\$2,423,819	\$3,584,065
CalHome Grant MH Loan Prg	\$1,115	\$22,473	\$71,815	\$74,959
<b>Total</b>	<b>\$37,032,944</b>	<b>\$35,901,385</b>	<b>\$44,117,345</b>	<b>\$54,614,272</b>

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## Performance Measures

Service Indicators	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 Est.
New affordable housing rental and ownership units completed	34	3	18	88
Very Low-Income units	27	0	6	28
Low-Income units	7	3	12	42
Moderate-Income units	0	0	0	18
New affordable rental housing units preserved	0	0	8	0
New affordable rental housing units preserved-Special Needs	0	0	0	8
New affordable rental and ownership housing units in the pipeline	119	555	544	717
Very Low-Income Units	68	314	338	432
Low-Income Units	28	218	197	285
Moderate-Income Units	23	23	31	0
Above Moderate-Income Units	0	0	0	0
Affordable ownership units transferred title	2	0	7	5
Owner-occupied affordable housing units rehabilitated or financed	13	1	0	0
Investor/developer affordable rental housing units rehabilitated	0	0	34	15
Units receiving housing accessibility modifications	0	3	2	1
Affordable housing rental units monitored	3,076	3,076	3,094	3152
Owner-occupied housing units monitored	340	343	343	366
Consolidated Plan for CDBG, HOME and HOPWA Funds (2014 -2019 and 2020 -2024)	✓	✓	✓	✓
Action Plan for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Estimated individuals/families receiveing rental assistance, all programs	2,072	2,117	2,169	2,334
Total Housing Choice Vouchers- Santa Rosa clients	1,877	1,897	1,903	1,903
HUD-VASH Vouchers (included in total)	404	414	414	414
Port-In clients (varies monthly, all figures approx)	195	220	250	265
Individuals/families receiving HOME tenant based rental assistance (new in FY 20/21)	n/a	n/a	16	35
Emergency Housing Vouchers (new in FY 21/22)	n/a	n/a	n/a	131
Landlords participating in programs (all figures approx)	700	700	700	725

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## Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Initiated new ARP funded Emergency Housing Voucher program, receiving 131 new vouchers and \$2.5M in funding; as of March 2022, 57 clients have leased up and an additional 35 clients have vouchers and are searching for units. 1, 2
- Created HOME-ARP Allocation Plan, including holding public hearings and community meetings and consulting with the Continuum of Care. 1
- Completed 1,681 housing choice voucher program unit inspections that were postponed in 2020 and 2021 due to the COVID pandemic. 1
- Initiated HOME-funded tenant based rental program, providing over \$350K to approx. 35 income-qualifying individuals and families. 1
- Performed compliance monitoring on over 4,000 units. 1
- Received the California State Permanent Local Housing grant in the amount of \$4.2M over five years. 1
- Committed \$410K for the acquisition and pre-development for Hearn Veteran's Village, a 32-unit complex targeted to homeless veterans. 1
- Committed \$284K for construction costs and 16 Project-Based Vouchers for the Burbank Avenue Apartments, a 64 unit-complex targeted to families and homeless persons. 1
- Committed \$1.6M for construction costs and 13 Project-Based Vouchers for project 3575 Mendocino Avenue Phase II, which includes 38 additional affordable units, targeted to seniors. 1
- Completed Alta Madrone Apartments, with 48 affordable family apartments including 10 Project-Based VASH units.
- Completed Windsor Veterans Village, a 60-unit project with 53 Project-Based Veterans Affairs Supportive Housing (VASH) units dedicated to homeless Veterans. 1, 2
- Completed Sage Commons, a 54-unit project with 8 Project-Based Vouchers dedicated to persons experiencing homelessness. 1, 2

## Looking Ahead

In Fiscal Year 2022-2023, Housing and Community Services is looking forward to stabilizing services by moving out of COVID-19 work efforts and normalizing the services provided to the community. The funding allocated to the City as a result of the 2017 wildfires is now reaching new affordable housing projects and over 700 affordable units are in the pipeline; staff will work with developers to establish the compliance requirements and lease the units to income eligible households.

Two additional projects supported by Project-Based Voucher resources will complete construction, bringing an additional 80 units of affordable housing dedicated to seniors and senior Veterans. The Housing Authority's strategic use of Project-Based Vouchers has, since inception, supported the creation or preservation of 430 affordable housing units.

In addition, the Rental Housing Assistance division will focus on maximizing the federal resources available in Santa Rosa by increasing utilization of the Housing Choice Voucher program to at least 98% by September 2022 and the Emergency Housing Voucher program to 100% by October 2022.