



City of Santa Rosa

City Hall, Council
Chamber
100 Santa Rosa Avenue
Santa Rosa, CA

HOUSING AUTHORITY REGULAR MEETING AGENDA AND SUMMARY REPORT DECEMBER 14, 2020

SPECIAL

1:30 P.M.

DUE TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, THE HOUSING AUTHORITY COMMISSIONERS WILL BE PARTICIPATING VIA ZOOM WEBINAR.

MEMBERS OF THE PUBLIC CAN PARTICIPATE IN THE MEETING BY VISITING [HTTPS://SRCITY-ORG.ZOOM.US/J/92041906943](https://srcity-org.zoom.us/j/92041906943) OR BY DIALING 888-475-4499 (Toll Free) AND ENTER WEBINAR ID: 920 4190 6943

THE MEETING WILL ALSO BE LIVE STREAMED AT [HTTPS://SANTA-ROSA.LEGISTAR.COM/CALENDAR](https://santa-rosa.legistar.com/calendar). CLICK ON THE "IN PROGRESS" LINK TO VIEW. THE MEETING CAN ALSO BE VIEWED ON COMCAST CHANNEL 28, AT&T U-VERSE CHANNEL 99, AND AT [HTTPS://WWW.YOUTUBE.COM/CITYOFSANTAROSA](https://www.youtube.com/cityofsantarosa)

Public Comment for any agenda item can be submitted by 5:00 pm, the Friday before the Housing Authority Meeting via e-mail at HAPublicComment@srcity.org. All comments will be read into the record (up to 3 minutes each) at the time that Agenda Item is discussed during the Housing Authority Meeting.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. STATEMENTS OF ABSTENTION**

4. STUDY SESSION

NONE

5. PUBLIC COMMENTS (ON NON-AGENDA ITEMS)

Comments from the public will be allowed on all agenda items at the time each item is called. This is the time when any person may address the Housing Authority on matters not listed on this agenda, but which are within the subject matter jurisdiction of the Housing Authority. Each speaker will be allowed three minutes. To address the Housing Authority you are requested to complete an orange Speaker Card and give it to the Recording Secretary.

6. APPROVAL OF MINUTES

6.1 October 26, 2020 - Draft Minutes

Attachments: [Draft Minutes](#)

7. PROCLAMATIONS/PRESENTATIONS

7.1 PROCLAMATION - PROCLAMATION OF APPRECIATION FOR DAVID GOUIN

Attachments: [Proclamation](#)

8. CHAIRMAN/ COMMISSIONER REPORTS

9. COMMITTEE REPORTS

10. EXECUTIVE DIRECTOR REPORTS/ COMMUNICATION ITEMS

10.1 A. STATUS OF COMMUNITY DEVELOPMENT BLOCK GRANT
DISASTER RECOVERY MULTI-FAMILY HOUSING PROGRAM - FOR
INFORMATION ONLY.

B. REVIEW OF HOUSING INVESTMENT OPPORTUNITIES FOR
PG&E SETTLEMENT FUNDS - FOR INFORMATION ONLY.

11. CONSENT ITEMS

11.1 RESOLUTION - ALLOCATION OF 15 ADDITIONAL ARTICLE XXXIV
UNITS FOR CANNERY AT RAILROAD SQUARE AND AN

AMENDMENT TO THE REGULATORY AGREEMENT INCREASING
THE NUMBER OF AFFORDABLE UNITS FROM 113 TO 128 UNITS
AND ADJUSTING THE INCOME ALLOCATIONS

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve an additional allocation of fifteen (15) Article XXXIV units for the Cannery at Railroad Square an 129-unit affordable housing project, located at 3 W. Third Street, and approve an amendment to the Regulatory Agreement increasing the number of affordable units from 113 to 128 units and adjusting the income allocations.

Attachments: [Staff Report](#)
[Resolution](#)
[Exhibit A - Article 34 Authority](#)

11.2 RESOLUTION - ALLOCATION OF AN ADDITIONAL EIGHT (8)
ARTICLE XXXIV UNITS FOR HEARN VETERANS VILLAGE PHASE 2

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve an additional allocation of eight (8) Article XXXIV units for the Hearn Veterans Village Phase 2 an 32-unit affordable permanent supportive housing project, located at 2149 West Hearn Avenue, and approve an amendment to the Regulatory Agreement increasing the number of affordable units from 23 to 31 units.

Attachments: [Staff Report](#)
[Attachment 1 - Letter from Community Housing Sonoma C](#)
[Resolution](#)

12. REPORT ITEMS

13. ADJOURNMENT

Housing Authority

DECEMBER 14, 2020

The City of Santa Rosa does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings and programs are available by contacting the Housing Authority Recording Secretary at (707) 543-3300 one week prior to the meeting/program.

This information can also be accessed via the internet at: <http://www.srcity.org>

NOTE: Any writings or documents provided to a majority of the Housing Authority regarding any item on this agenda will be made available for public inspection in the Department of Housing and Community Services located 90 Santa Rosa Avenue during normal business hours.



City of Santa Rosa

Text File

File Number: 20-610HA

Agenda Date: 12/14/2020

Version: 2

Status: Agenda Ready

In Control: Housing Authority

File Type: HA- Minutes

Agenda Number: 6.1



**Housing Authority
Regular Meeting Minutes - Draft**

Monday, October 26, 2020

1:30 PM

1. CALL TO ORDER

Chair Owen called the meeting to order at 1:31 PM.

2. ROLL CALL

Present 4 - Commissioner Stephen Burke, Commissioner Wayne Downey Ph. D,
Vice Chair Diane Test, and Chair Jeffrey Owen

Absent 1 - Commissioner Phil Olsen

3. STATEMENTS OF ABSTENTION

None.

4. STUDY SESSION

None.

5. PUBLIC COMMENTS (ON NON-AGENDA ITEMS)

None.

6. APPROVAL OF MINUTES

6.1 July 27, 2020 - Draft Minutes

approve as submitted

7. CHAIRMAN/ COMMISSIONER REPORTS

None.

8. COMMITTEE REPORTS

None.

9. EXECUTIVE DIRECTOR REPORTS/ COMMUNICATION ITEMS:

Dave Gouin gave a brief overview on the Housing Authority FY 2019/2020 Quarter 4 (Year End) Financial Report - Unaudited and the Housing Authority Director's Report and answered Commissioner's questions.

9.1 HOUSING AUTHORITY FY 2019/20 QUARTER 4 (YEAR END) FINANCIAL REPORT- UNAUDITED. (Continued from the September 28, 2020, Regular Meeting)

Kate Goldfine, Administrative Services Officer, Megan Basinger, Housing and Community Services Manager, and Rebecca Lane, Housing Choice Voucher Program Manager, answered Commissioner's questions.

received and filed

9.2 HOUSING AUTHORITY DIRECTOR'S REPORT - PROVIDED FOR INFORMATION.

Dave Gouin, Director of Housing & Community Services, and Rebecca Lane, Housing Choice Voucher Program Manager, answered Commissioner's questions and received direction from the Commissioners.

received and filed

10. CONSENT ITEMS

Approval of the Consent Agenda

A motion was made by Commissioner Burke, seconded by Vice Chair Test, to waive reading of the text and adopt Motion to waive reading of the text and adopt the following Consent Items: 10.1 and 10.2. The motion carried by the following vote:

Yes: 4 - Commissioner Burke, Commissioner Downey Ph. D, Vice Chair Test and Chair Owen

Absent: 1 - Commissioner Olsen

10.1 RESOLUTION - LOAN MODIFICATION OF TARGETED AFFORDABLE UNITS - ORCHARD COMMONS, 811 BOYD STREET (Continued from the September 28, 2020, Regular Meeting)

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve a modification to the targeted affordable units for Orchard Commons (formerly known as Boyd Street Family Apartments), located at 811 Boyd Street from 8 units at 30% of Area Median Income (AMI), 37 units at 50% of AMI and one unrestricted manager's unit to 10

units at 30% of AMI, 5 units at 50% of AMI, 30 units @ 60% of AMI, and one unrestricted manager's unit.

RESOLUTION NO. 1697 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A MODIFICATION TO THE UNIT ALLOCATION FOR ORCHARD COMMONS (FORMERLY KNOWN AS BOYD STREET APARTMENTS) LOCATED AT 811 BOYD STREET; LOAN NOS. 9031-3055-18, 9931-3065-18 AND 9931-3075-18

This Consent - Resolution was adopted.

RESOLUTION NO. 1697 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A MODIFICATION TO THE UNIT ALLOCATION FOR ORCHARD COMMONS (FORMERLY KNOWN AS BOYD STREET APARTMENTS) LOCATED AT 811 BOYD STREET & LOAN NOS. 9031-3055-18, 9931-3065-18 AND 9931-3075-18

- 10.2** RESOLUTION - APPROPRIATION OF ADDITIONAL HOUSING CHOICE VOUCHER ADMINISTRATIVE FEE FUNDS IN THE AMOUNT OF \$488,836 ALLOCATED TO THE CITY OF SANTA ROSA UNDER THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT) FUNDING ROUND 2. **(Continued from the September 28, 2020, Regular Meeting)**

RECOMMENDATION: It is recommended by the Housing & Community Services Department that the Housing Authority, by resolution, appropriate \$488,836 of additional Housing Choice Voucher administrative fee funding allocated to the City under the Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding Round 2..

RESOLUTION NO. 1698 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROPRIATING \$488,836 OF ADDITIONAL HOUSING CHOICE VOUCHER ADMINISTRATIVE FEE FUNDING ALLOCATED TO THE HOUSING AUTHORITY UNDER THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT FUNDING ROUND 2

This Consent - Resolution was adopted.

RESOLUTION NO. 1698 ENTITLED: RESOLUTION OF THE HOUSING

**AUTHORITY OF THE CITY OF SANTA ROSA APPROPRIATING \$488,836 OF
ADDITIONAL HOUSING CHOICE VOUCHER ADMINISTRATIVE FEE
FUNDING ALLOCATED TO THE HOUSING AUTHORITY UNDER THE
CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT
FUNDING ROUND 2**

11. REPORT ITEMS

None.

12. ADJOURNMENT

Chair Owen adjourned the meeting at 2:24 PM.

Approved on:

Kali Mahre

Recording Secretary



City of Santa Rosa

Text File

File Number: 21-002HA

Agenda Date: 12/14/2020

Version: 2

Status: In Committee

In Control: Housing Authority

File Type: HA- Agenda Item

Agenda Number: 7.1

PROCLAMATION OF APPRECIATION DAVID E. GOUIN

WHEREAS, in March 1999, David Gouin joined the City of Santa Rosa as the Program Manager for Affordable Housing; and

WHEREAS, David promoted to the Director of Housing and Redevelopment in 2004; and

WHEREAS, over the course of his leadership, David saw Housing and Redevelopment evolve to include Neighborhood Revitalization, Economic Development, Parking, Homeless Services and Code Enforcement; and

WHEREAS, David led the City's Redevelopment Agency to finance major projects benefiting Santa Rosa, such as the Hyatt Vineyard Creek Hotel and multiple affordable housing units; and led the City through the dissolution of Redevelopment; and

WHEREAS, David led the Neighborhood Revitalization Program, a City-wide task force dedicated to improving conditions in neighborhoods throughout Santa Rosa through code enforcement and neighborhood outreach; and

WHEREAS, during David's tenure, the City opened two homeless shelters with more than 200 emergency shelter beds, assisted Catholic Charities in purchasing the "Block" for the development of Caritas Center; and

WHEREAS, David led the City's efforts to expand homeless services and programs to address the changing needs of the community, including the adoption of a comprehensive Housing First Strategy, implementation of a multi-disciplinary encampment response team, and activation of innovative programming in response to the COVID-19 pandemic; and

WHEREAS, David led a team to bring over 1,500 affordable housing units to fruition and assure their continued affordability for future generations of Santa Rosa residents through ongoing compliance and monitoring; and

WHEREAS, under his leadership the Housing Choice Voucher program grew by approximately 40 percent, earned the High Performing Agency award from the Department of Housing and Urban Development for 12 years and continues to provide ongoing rental assistance to over 2,000 households; and

WHEREAS, the City of Santa Rosa, the former Redevelopment Agency of the City of Santa Rosa, and the Housing Authority of the City of Santa Rosa have greatly benefited from David's leadership and insight.

THEREFORE, BE IT RESOLVED that David is recognized as a consummate professional and will be remembered for the kindness and professionalism that he brought to the City of Santa Rosa.

BE IT FURTHER RESOLVED that David Gouin will be greatly missed and is hereby wished a well-deserved retirement.



City of Santa Rosa

Text File

File Number: 21-300HA

Agenda Date: 12/14/2020

Version: 1

Status: ATS Review

In Control: Housing Authority

File Type: HA- Communication
Item

Agenda Number: 10.1



City of Santa Rosa

Text File

File Number: 20-415HA

Agenda Date: 12/14/2020

Version: 1

Status: Agenda Ready

In Control: Housing Authority

File Type: HA- Consent

Agenda Number: 11.1

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, HOUSING AND COMMUNITY SERVICES MANAGER

SUBJECT: ALLOCATION OF AN ADDITIONAL FIFTEEN (15) ARTICLE XXXIV UNITS FOR CANNERY AT RAILROAD SQUARE LOCATED AT 3 W. THIRD STREET AND AMENDMENT TO THE REGULATORY AGREEMENT TO INCREASE THE NUMBER OF RESTRICTED UNITS FROM 113 TO 128 UNITS AND ADJUSTING THE INCOME ALLOCATIONS

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve an additional allocation of fifteen (15) Article XXXIV units for the Cannery at Railroad Square an 129-unit affordable housing project, located at 3 W. Third Street, and approve an amendment to the Regulatory Agreement increasing the number of affordable units from 113 to 128 units and adjusting the income allocations.

EXECUTIVE SUMMARY

In January 2020, the Cannery at Railroad Square, located at 3 W. Third Street, received a predevelopment loan from the Housing Authority for a 114-unit multifamily rental complex. The Project was increased in size, as more units could be accommodated on the site and was approved by the Department of Planning and Economic Development in August 2020 as a 129-unit multifamily rental complex with 128 units affordable to households between 30% and 80% of Area Median Income. As a result of the increased project size, the developer, Santa Rosa Cannery LLC, is requesting that the Housing Authority allocate fifteen (15) additional Article XXXIV units for a total of 128 Article XXIV units and increase the number of units subject to the recorded Regulatory Agreement from 113 units to 128 units.

BACKGROUND

1. The Cannery at Railroad Square is multifamily rental complex to be developed at 3 W. Third Street. In January 2020, the Housing Authority approved a predevelopment loan in the amount of \$450,000 for a 114-unit multifamily rental complex, comprised of 113 income-restricted units and one unrestricted manager's unit
2. In August 2020, the Project which was increased in size because more units could be accommodated on the site and was approved by the Department of Planning and Economic Development as a 129-unit multifamily rental complex, 128 affordable units and one manager unit.

As a result of the increased project size, additional Article XXXIV units and an amendment to the Regulatory Agreement are also necessary.

PRIOR HOUSING AUTHORITY REVIEW

1. On January 27, 2020, the Housing Authority approved a predevelopment loan in the amount of \$450,000 and the allocation of 113 Article XXXIV units to the Project. The developer has since increased the size of the project necessitating the allocation of fifteen additional Article XXIV units.

ANALYSIS

1. Article XXXIV of the California Constitution was originally adopted by voters in 1950. Article XXIV states that “no low rent housing project” can be constructed without the electoral approval of a majority of voters. Article XXXIV defines “low rent housing project” as “any development composed of urban or rural dwellings, apartments, or other living accommodations for persons of low income, financed in whole or part by the Federal Government or a state public body or to which the Federal Government or a state public body extends assistance by supplying all or part of the labor, by guaranteeing the payment of liens, or otherwise.”
2. In 2002, the voters of the City of Santa Rosa approved Measure K which allowed the number of approved Article XXXIV allocated units to increase from one-half of one percent of the existing housing units in the City to one percent (1%) of the existing housing units in the City.
3. Currently, per the State of California Department of Finance, the total number of residential units in Santa Rosa is 69,185; therefore, the City is allowed 692 Article XXXIV units in 2020. The allocation of 15 additional units to Cannery at Railroad Square can be accommodated within the available units.
4. An amendment to the recorded Regulatory Agreement will increase the number of affordable units that are available to low-income households for 55-years. The unit allocation has changed as a result of the increased project size and due to the developer reserving 25% of the units to formerly homeless households, increasing the number of units for households at or below 50% of AMI. Below is a table comparing the approved and proposed unit allocations:

114-Unit Project

12 @ 30% of AMI
45 @ 50% of AMI
56 @ 80% of AMI
1 Manager Unit

114 Units

129-Unit Project

33 @ 30% of AMI
13 @ 40% of AMI
24 @ 50% of AMI
38 @ 70% of AMI
20 @ 80% of AMI
1 Manager Unit

129 Units

FISCAL IMPACT

Approval of this action does not have a fiscal impact on Housing Authority funds.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15183 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution
- Letter from Santa Rosa Cannery, LLC/John Stewart Company

CONTACT

Megan Basinger, mbasinger@srcity.org

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING AN ADDITIONAL ALLOCATION OF FIFTEEN (15) ARTICLE XXXIV UNITS FOR CANNERY AT RAILROAD SQUARE LOCATED AT 3 W. THIRD STREET AND APPROVING AN AMENDMENT TO THE REGULATORY AGREEMENT INCREASING THE NUMBER OF RESTRICTED UNITS FROM 113 TO 128 UNITS AND ADJUSTING THE INCOME ALLOCATIONS

In November 2002, the voters of the City of Santa Rosa approved Measure K – Santa Rosa Affordable Housing; Measure K specifically authorized the City of Santa Rosa to increase its approval of the development, construction or acquisition of affordable rental housing for low-income persons in an annual amount not to exceed one percent (1%) of the existing housing units in Santa Rosa; and

WHEREAS, the Santa Rosa City Council approved Resolution 25500 certifying the vote approved adoption of Measure K; the Housing Authority of the City of Santa Rosa regularly allocates affordable units consistent with the requirements of Article XXXIV of the California Constitution and Measure K; and

WHEREAS, in January 2020, the Housing Authority approved a predevelopment loan in the amount of \$450,000 and allocated 113 Article XXXIV units for the Cannery at Railroad Square located at 3 W. Third Street, the “Project”; and

WHEREAS, the Housing Authority’s loan was accompanied by a Regulatory Agreement restricting 113 units with the following unit allocation: 12 units at 30% of Area Median Income (AMI), 45 units @ 50% of AMI, 56 units @ 80% of AMI, and one unrestricted manager’s; and

WHEREAS, in August 2020, the Planning and Economic Development Department issued a Senate Bill 35 approval for the Project as a 129-unit multifamily development; and

WHEREAS, Santa Rosa Cannners, LLC has requested that the City of Santa Rosa provide an additional allocation of fifteen (15) Article XXXIV units to the Project to address the units that were added to the development; and

WHEREAS, it is necessary to amend the recorded Regulatory Agreement to address the additional units that will be constructed in the Project and to incorporate a change to the unit allocation that will reserve 25% of the units to formerly homeless households and increases the number of units for households at or below 50% of AMI; and

WHEREAS, the Project was reviewed for compliance with the California Environmental Quality Act (CEQA) and is exempt pursuant to CEQA Guidelines Section 15183; and

WHEREAS, approval of this action does not have a fiscal impact on any Housing Authority Funds.

NOW, THEREFORE, BE IT RESOLVED that the Housing Authority of the City of Santa Rosa hereby approves an additional allocation of fifteen (15) Article XXXIV Units to the Cannery at Railroad Square Project, for a total of one hundred twenty eight (128) Article XXXIV units in the Project.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Housing Authority of the City of Santa Rosa hereby approves the change of unit allocation to the following: 33 units @ 30% of AMI,

13 units @ 40% of AMI, 24 units @ 50% of AMI, 38 units @ 70% of AMI, 20 units @ 80% of AMI, and one unrestricted manager's unit.

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this 14th day of December, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Chair

ATTEST:

Secretary

SANTA ROSA CANNERS, LLC/The John Stewart Company

November 16, 2020

Megan Basinger
City of Santa Rosa
Housing and Community Services Manager
Housing and Community Services
90 Santa Rosa Avenue
Santa Rosa, CA 95404

Subject: Article 34 Authority
Re: The Cannery at Railroad Square Family Affordable Apartments
(3 W. Third Street)

Dear Ms. Basinger:

The Santa Rosa Cannery, LLC submitted an application to the Housing authority for funding in September 2019 to develop the above-referenced affordable family project. At the time of submittal, the project was envisioned as a 114-unit project (113 affordable tax credit units plus one staff unit). Since that time, further refinement of the building's design now allows for a 129-unit project (128 affordable tax credit units plus one staff unit). Accordingly, we request an increase in Article 34 authority from 113 units, approved by Housing Authority Resolution No. 1681, to 128 units, reflecting the increased number of affordable units.

We appreciate the Housing Authority's continued support of this project – please let us know if you need further information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Donald Lusty', with a long horizontal flourish extending to the right.

Donald Lusty
Director of Development

1388 Sutter Street, 11th Floor San Francisco, CA 94109



City of Santa Rosa

Text File

File Number: 20-416HA

Agenda Date: 12/14/2020

Version: 1

Status: Agenda Ready

In Control: Housing Authority

File Type: HA- Consent

Agenda Number: 11.2

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: ANGELA MORGAN, PROGRAM SPECIALIST II

SUBJECT: ALLOCATION OF AN ADDITIONAL EIGHT (8) ARTICLE XXXIV UNITS FOR HEARN VETERANS VILLAGE PHASE 2 LOCATED AT 2149 WEST HEARN AVENUE AND AMENDMENT TO THE REGULATORY AGREEMENT TO INCREASE THE NUMBER OF RESTRICTED UNITS FROM 23 TO 31

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve an additional allocation of eight (8) Article XXXIV units for the Hearn Veterans Village Phase 2 a proposed 31-unit affordable permanent supportive housing project, located at 2149 West Hearn Avenue, and approve an amendment to the Regulatory Agreement increasing the number of affordable units from 23 to 31 units.

EXECUTIVE SUMMARY

In February 2019, the Hearn Veterans Village Phase 2, located at 2149 West Hearn Avenue, received a predevelopment loan from the Housing Authority for a 23-unit permanent supportive housing facility. The Project is in the early stages of development and anticipates approval by the Department of Planning and Economic Development in 2021 as a 31-unit permanent supportive housing facility with units affordable to households between 30% and 60% of Area Median Income. As a result of the increased project size, the developer, Community Housing Sonoma County, is requesting that the Housing Authority allocate eight (8) additional Article XXXIV units for a total of 31 Article XXIV units and increase the number of units subject to the recorded Regulatory Agreement from 23 units to 31 units.

BACKGROUND

1. The Hearn Veterans Village Phase 2 is a permanent supportive housing facility to be developed at 2149 West Hearn Avenue. In February 2019, the Housing Authority approved a predevelopment loan in the amount of \$285,000 for a 23-unit permanent supportive housing facility.
2. As a result of the increased project size, additional Article XXXIV units and an amendment to the Regulatory Agreement are also necessary.

PRIOR HOUSING AUTHORITY REVIEW

1. In February, 2020, the Housing Authority approved a predevelopment loan in the amount of \$285,000 and the allocation of 23 Article XXXIV units to the Project. The developer has since increased the size of the project necessitating the allocation of eight (8) additional Article XXIV units.

ANALYSIS

1. Article XXXIV of the California Constitution was originally adopted by voters in 1950. Article XXIV states that “no low rent housing project” can be constructed without the electoral approval of a majority of voters. Article XXXIV defines “low rent housing project” as “any development composed of urban or rural dwellings, apartments, or other living accommodations for persons of low income, financed in whole or part by the Federal Government or a state public body or to which the Federal Government or a state public body extends assistance by supplying all or part of the labor, by guaranteeing the payment of liens, or otherwise.”
2. In 2002, the voters of the City of Santa Rosa approved Measure K which allowed the number of approved Article XXXIV allocated units to increase from one-half of one percent of the existing housing units in the City to one percent (1%) of the existing housing units in the City.
3. Currently, per the State of California Department of Finance, the total number of residential units in Santa Rosa is 69,185; therefore, the City is allowed 692 Article XXXIV units in 2020. The allocation of 8 additional units to Hearn Veterans Village Phase 2 can be accommodated within the available units.
4. An amendment to the recorded Regulatory Agreement will increase the number of affordable units that are available to low-income households for 55-years. Below is a table comparing the approved and proposed unit allocations:

24-Unit Project	32-Unit Project
17 @ 30% of AMI	17 @ 30% of AMI
6 @ 50% of AMI	14 @ 50% of AMI
1 Manager Unit	1 Manager Unit
<hr/> 24 Units	<hr/> 32 Units

FISCAL IMPACT

Approval of this action does not have a fiscal impact.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15183 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required. Any subsequent approvals permitting the proposed development will require environmental review consistent with the requirements of CEQA.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

ALLOCATION OF AN ADDITIONAL EIGHT (8) ARTICLE XXXIV UNITS FOR HEARN VETERANS VILLAGE
PHASE 2 LOCATED AT 2149 WEST HEARN AVENUE AND APPROVAL OF AN AMENDMENT TO THE
REGULATORY AGREEMENT
PAGE 3 OF 3

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution
- Letter from Community Housing Sonoma County

CONTACT

Angela Morgan, amorgan@srcity.org

131-A STONY CIRCLE N° 500, SANTA ROSA, CA 95401
tel 707 578 2338 fax 707 578 2339 www.ch-sc.org



WE BELIEVE **HOME** IS FOR EVERYONE

CHSC BOARD MEMBERS

Keith Christopherson
ACTING CHAIR

Lesley Haylock
SECRETARY

Stephen Harper
ASSISTANT SECRETARY

Andrea Mendoza
TREASURER

Karin Jones
Ross Liscum

November 19, 2020

Megan Basinger
Housing and Community Services Manager
Housing and Community Services
City of Santa Rosa
90 Santa Rosa Avenue
Santa Rosa, California 95404

Re: Hearn Veterans Village
Article XXXIV – 23 allotted; 8 more needed

Dear Megan,

Per Housing Authority of the City of Santa Rosa (HASR) Resolution 1668 executed August 26, 2019, and HASR Regulatory Agreement recorded March 12, 2020, HASR allocated 23 of its Article XXXIV units to Hearn Veterans Village. I hereby request HASR approve a further allocation of 8 Article XXXIV units to Hearn Veterans Village.

At the time of the allocation, the project contemplated developing three of four lots and providing a total of 23 affordable units, 17 units targeted to homeless veterans with incomes at or below 30% AMI and 6 units targeted to homeless veterans with incomes up to 50% AMI.

The current project plan includes development of the fourth lot at the same time, providing an additional 8 units for homeless veterans with incomes at or below 50% AMI, for a total of 31 affordable units: 17 @ 30% AMI; 14 @ 50% AMI.

Thank you for your continued support of our Hearn Veterans Village project. If you have any questions, I can be reached at 707 235 4928, or at pcook@ch-sc.org.

Sincerely,

A handwritten signature in blue ink that reads "Paula Cook". The signature is fluid and cursive, with the first name "Paula" and last name "Cook" clearly distinguishable.

Paula Cook
Executive Director

RESOLUTION NO. _____

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING AN ADDITIONAL ALLOCATION OF EIGHT (8) ARTICLE XXXIV UNITS FOR WEST HEARN VETERANS VILLAGE LOCATED AT 2149 WEST HEARN AVENUE AND APPROVING AN AMENDMENT TO THE REGULATORY AGREEMENT INCREASING THE NUMBER OF RESTRICTED UNITS

In November 2002, the voters of the City of Santa Rosa approved Measure K – Santa Rosa Affordable Housing; Measure K specifically authorized the City of Santa Rosa to increase its approval of the development, construction or acquisition of affordable rental housing for low-income persons in an annual amount not to exceed one percent (1%) of the existing housing units in Santa Rosa; and

WHEREAS, Santa Rosa City Council approved Resolution 25500 certifying the vote approved adoption of Measure K; the Housing Authority of the City of Santa Rosa regularly allocates affordable units consistent with the requirements of Article XXXIV of the California Constitution and Measure; and

WHEREAS, in February 2019, the Housing Authority approved a predevelopment loan in the amount of \$285,000 and allocated 23 Article XXXIV units for the West Hearn Veterans Village located at 2149 West Hearn Avenue, the “Project”; and

WHEREAS, the Housing Authority’s loan was accompanied by a Regulatory Agreement restricting 23 units with the following unit allocation: 17 units at 30% of Area Median Income (AMI), 6 units @ 50% of AMI, and one unrestricted resident manager’s unit; and

WHEREAS, the Project is in the its predevelopment phase and anticipates receiving approvals from the Department of Planning and Economic Development in 2021 as a 31 unit permanent supportive housing facility; and

WHEREAS, Community Housing Sonoma County has requested that the City of Santa Rosa provide an additional allocation of eight (8) Article XXXIV units to the Project to address the units that were added to the development; and

WHEREAS, it is necessary to amend the recorded Regulatory Agreement to address the additional units that will be constructed in the Project; and

WHEREAS, the Project was reviewed for compliance with the California Environmental Quality Act (CEQA) and is exempt pursuant to CEQA Guidelines Section 15183; and

WHEREAS, approval of this action does not have a fiscal impact on any Housing Authority Funds.

NOW, THEREFORE, BE IT RESOLVED that the Housing Authority of the City of Santa Rosa hereby approves an additional allocation of eight (8) Article XXXIV Units to the West Hearn Veterans Village Project, for a total of thirty-one (31) Article XXXIV units in the Project.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Housing Authority of the City of Santa Rosa hereby approves the change of unit allocation to the following: 17 units @ 30% of AMI, 14 units @ 50% of AMI, and one unrestricted manager’s unit.

DULY AND REGULARLY ADOPTED by the Housing Authority of the City of Santa Rosa this
14th day of December, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Chair

ATTEST:

Secretary