

CITY OF SANTA ROSA  
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS  
FROM: MEGAN BASINGER, DIRECTOR  
HOUSING AND COMMUNITY SERVICES  
SUBJECT: CHANGE TO NAME OF ENTITY ON PRIOR AWARDS OF  
PROJECT-BASED VOUCHERS FOR BURBANK AVENUE  
APARTMENTS

AGENDA ACTION: REPORT

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RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, change the name of the entity awarded Project-Based Vouchers for Burbank Avenue Apartments under Resolution No. 1707, dated January 25, 2021, and Resolution No.1736, dated June 20, 2022, from the Developer, WSA Burbank Housing Partners I, LP, to the entity that is the legal owner of the property, BHDC Burbank Ave, LLC.

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EXECUTIVE SUMMARY

Burbank Avenue Apartments (Project) is an affordable housing development currently under construction located at 1780 Burbank Avenue in Santa Rosa. The Project will have sixty-four (64) total units targeted to households with income levels between 20% and 60% of Area Median Income (AMI) with one unrestricted manager's unit. The Project received two separate awards of Project-Based Vouchers (PBVs) for a total of sixteen (16) PBVs. The Agreement to Enter Into Housing Assistance Contract (AHAP) became effective December 6, 2023. Due to changes to the ownership structure of the Project that have occurred since the Developer submitted its applications for PBVs, the legal name of the entity that received the awards under previous Housing Authority resolutions needs to be updated.

BACKGROUND

The Project initially applied for twelve (12) PBVs in May of 2020 under a Request for Funding Proposals (RFP) that was released to utilize the PBV program to assist affordable housing project proposals more competitive in tax credit and other funding applications. The Housing Authority awarded twelve (12) PBVs to Waterstone Residential, LLC, which was the name of the applicant under the RFP. Waterstone

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Residential, LLC is the Administrative General Partner of WSA Burbank Housing Partners I, LP, which is the Developer of the Project. Burbank Housing Development Corporation (BHDC) is the Managing General Partner of the Developer.

The Project applied for an additional four (4) PBVs under a second RFP released in 2020 after the City received its allocation of Community Development Block Grant – Disaster Recovery (CDBG-DR) funds. The Housing Authority awarded the additional four (4) PBVs for the Project to WSA Housing Partners I, LP, the Developer and the applicant under the November 2020 RFP.

In 2022, the Project requested that the Housing Authority change the legal name of the entity awarded the twelve (12) PBVs on June 22, 2020, from Waterstone Residential, LLC to WSA Burbank Housing Partners I, LP to align the PBV awards under the same entity to provide clarity for additional funding applications and to comply with the U.S. Department of Housing and Urban Development's (HUD) Subsidy Layering Review (SLR) requirements. The Housing Authority approved the change under Resolution No. 1736 on June 20, 2022.

The AHAP Contract was executed effective December 6, 2023, between the Housing Authority and BHDC Burbank Ave, LLC. BHDC Burbank Ave, LLC became the legal owner of the property on December 5, 2023. Under the PBV program regulations, the legal owner of the property is responsible for the management of the property and is the entity obligated to the requirements of the AHAP Contract, therefore, the parties to the AHAP should be the legal owner and the Housing Authority.

The AHAP Contract is a standard HUD Form which contains exhibits identifying specific project information. When the AHAP for the Project was executed, the exhibits identified the original twelve (12) PBV units. The AHAP must be amended to reflect the total of sixteen (16) PBVs awarded to the Project. In addition, minor modifications to the construction schedule necessitate an extension to the Project completion deadline identified in the AHAP. The Executive Director has the authority to execute the AHAP contract and amend or extend this contract.

#### PRIOR HOUSING AUTHORITY REVIEW

On June 22, 2020, the Housing Authority awarded a conditional commitment of twelve (12) PBVs to the Project under a Request for Funding Proposals (RFP) dated May 14, 2020. Resolution No. 1694 awarded the PBVs to Waterstone Residential, LLC.

On January 25, 2021, the Housing Authority awarded a conditional commitment of four (4) additional PBVs to the Project under an RFP dated November 3, 2020. Resolution No. 1707 awarded the PBVs to WSA Burbank Housing Partners I, LP.

On June 20, 2022, the Housing Authority approved a change to the legal name of the entity in the June 22, 2020 award of twelve (12) PBVs from Waterstone Residential,

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LLC to WSA Burbank Housing Partners I, LP at the Developer's request for the purpose of aligning the two PBV awards under the same legal entity. This change was approved under Resolution No. 1736.

ANALYSIS

Staff recommends that the Housing Authority approve a Resolution to award both rounds of PBVs to the legal owner of the property, BHDC Burbank Ave LLC.

FISCAL IMPACT

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

ENVIRONMENTAL IMPACT

Burbank Avenue Apartments completed a National Environmental Policy Act of 1969 (NEPA) review in September 2023, resulting in an Authorization to Use Grant Funds approved by HUD on October 26, 2023. Burbank Avenue Apartments is exempt from the California Environmental Quality Act (CEQA) under Government Code Section 65457, CEQA Guidelines Sections 15182(a)(c) and 15183.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

The Developer was notified of the meeting.

ATTACHMENTS

- Resolution

PRESENTER

Rebecca Lane, Program Specialist