

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, DIRECTOR, HOUSING AND COMMUNITY SERVICES
SUBJECT: ACKNOWLEDGEMENT OF PROJECT COMPLETION FOR BURBANK AVENUE APARTMENTS, A SIXTY-FOUR (64)-UNIT AFFORDABLE RENTAL HOUSING PROJECT LOCATED AT 1780 BURBANK AVENUE IN SANTA ROSA, SONOMA COUNTY, CALIFORNIA, APN 125-361-014-000 AND A PORTION OF 125-361-013-000

AGENDA ACTION: RESOLUTION

RECOMMENDATION

The Housing and Community Services Department recommends that the Housing Authority, by resolution, acknowledge the completion of Burbank Avenue Apartments under the Community Development Block Grant – Disaster Recovery program administered by the California Department of Housing and Community Development.

EXECUTIVE SUMMARY

In response to the 2017 wildfires, the United States Department of Housing & Urban Development (HUD) allocated Community Development Block Grant – Disaster Recovery (CDBG-DR) funds to the State of California Department of Housing & Community Development (HCD) to be distributed to disaster-affected areas. HCD appropriated \$66 million to multifamily housing and up to \$38,469,772 was allocated to the City of Santa Rosa for rehabilitation, reconstruction, and/or new construction of affordable multifamily housing. The City Council then delegated program administration to the Housing Authority, which awarded the CDBG-DR funds to five projects in January 2021, including Burbank Avenue Apartments. HCD issued Burbank Avenue Apartments (Project) a Final Notice to Proceed on November 17, 2023. The Project completed construction, was issued Certificates of Occupancy on August 20, 2025, and is expected to be fully leased by the end of June 2026. Prior to processing the final reimbursement request, HCD requires the Housing Authority to adopt a resolution acknowledging completion and closeout of the Project.

BACKGROUND

In March 2019, HUD awarded HCD \$66 million for a state-wide Disaster Recovery Multifamily Housing Program (DR-MHP) with \$38,469,772 allocated to the City of Santa Rosa for the rehabilitation, reconstruction, and/or new construction of affordable multifamily housing. In October of 2020 the City Council approved the funding allocation, authorization to enter into a Master Standard Agreement with HCD and delegated the program administration to the Housing Authority.

The Housing Authority released a Notice of Funding Availability (NOFA) in November of 2020 and awarded five affordable housing developments CDBG-DR funds on January 25, 2021. The Project was awarded \$5,000,000 in CDBG-DR funds for construction-related costs associated with the development of 63 affordable housing rental units and one unrestricted manager's unit.

The Project was the final DR-MHP project to break ground in Santa Rosa. The Project commenced construction in January 2024, completed construction and was issued its Certificates of Occupancy in August 2025. The Project includes 16 units targeted to households with incomes up to 20% of Area Median Income (AMI), 8 units targeted to household incomes up to 30% AMI, 13 units targeted to household incomes up to 40% AMI, 14 units targeted to household incomes up to 50% AMI, and 12 units targeted to household incomes up to 60% AMI with affordability restricted for 55 years.

HCD requires the Housing Authority to approve, by resolution, an acknowledgement of project completion for the Project, which allows the staff to submit the final financial reports to HCD for reimbursement and issue the 10% retention payment to the developer.

PRIOR HOUSING AUTHORITY REVIEW

On June 22, 2020, the Housing Authority by Resolution No. 1694, approved a commitment of twelve (12) Project-Based Vouchers (PBVs) under a 20-year Housing Assistance Payments (HAP) Contract.

On January 25, 2021, the Housing Authority by Resolution No. 1704, approved a commitment of CDBG-DR loan funds in the amount of \$5,000,000 and in Resolution No. 1707 a commitment of four (4) PBVs under a 20-year HAP Contract.

On December 13, 2021, the Housing Authority by Resolution No. 1731 approved a commitment of Permanent Local Housing Allocation (PLHA) funds in the amount of \$284,325.

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On June 20, 2022, the Housing Authority by Resolution No. 1743, approved a commitment of local funds in the amount \$4,400,000.

On July 24, 2023, the Housing Authority by Resolution No. 1759 approved a commitment of HOME Investment Partnership, CDBG, PLHA and local funds in the total amount of \$3,500,000.

On September 25, 2023, the Housing Authority by Resolution No. 1764 approved revisions to prior resolutions to align the funding commitments under a new ownership entity, BHDC Burbank Avenue, LLC.

ANALYSIS

The Housing Authority's acknowledgment of the completion of the Project completes the requirements set forth in the Master Standard Agreement and Notice to Proceed for the DR-MHP Program and fulfills the Project Closeout Checklist required for submittal of the final financial report for reimbursement of the remaining 10% retention of the project award.

FISCAL IMPACT

Approval of this action allows staff to release the remaining 10% retention payment to the developer, complete project closeout forms, submit the final financial report to HCD, and request reimbursement for the Project.

ENVIRONMENTAL IMPACT

Pursuant to CEQA Guidelines Section 15378, the proposed action is not a project subject to the California Environmental Quality Act (CEQA) because it does not have the potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In the alternative, the action is exempt pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

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ATTACHMENTS

- Resolution

PRESENTER

Rebecca Lane, Program Specialist