



COMMUNITY DEVELOPMENT
BLOCK GRANT – DISASTER
RECOVERY
NOTICE OF FUNDING
AVAILABILITY FUNDING
RECOMMENDATION

Housing Authority Meeting
January 25, 2021

Nicole Rathbun,
Program Specialist

CDBG-DR Overview

- Over 3,000 residential units were lost in the 2017 Tubbs Fire
- HUD allocated CDBG-DR funds to the California Department of Housing and Community Development (HCD) for recovery from all 2017 disasters
- From those funds, HCD created a new program: Disaster Recovery Multifamily Housing Program (DR-MHP)
- HCD has identified Santa Rosa as a subrecipient of the DR-MHP funds, up to approximately \$38.5M



NOFA Solicitation Process

- Standard Agreement with HCD -Approved on 10/13/2020
 - Program administration delegated to Housing Authority
- NOFA drafted by staff, approved by HCD and published on 11/3/2020
- Joint Ad-Hoc Application Review Committee Meetings 1/11/2021 and 1/14/2021
- Funding Recommendations presented at Housing Authority on 1/25/2021
- Staff submits applications to HCD for final funding decision
- HCD decision within 60 days

NOFA Summary

- NOFA issued November 3; due December 3, 2020
- \$38,353,107 CDBG-DR funds available
- Selection Criteria derived from HCD's DR-MHP Development Application Review and Underwriting Checklist:
 - Status of Entitlements
 - Status of NEPA Environmental Review
 - Degree to which other funding sources are “committed”
- Other Factors Considered
 - Total Development Cost per Unit
 - Estimated Construction Start Date/Project Completion

Summary of Applications Received

- 17 project applications received, requesting \$149M, for 1,283 affordable units
- 13 of the 17 applications were complete and aligned with DR-MHP Policies and Procedures
- 2 of the 13 applications were withdrawn after submittal
- 11 project applications, seeking \$80,371,514
- DR-MHP funds available: \$38,353,107

NOFA Applications

Project Name	Project Address	Quadrant	Total Units	HA Loan Amount Requested
3575 Mendocino Avenue Ph I	3575 Mendocino Avenue	NE	94	\$11,917,110
Caritas Homes Phase I	Morgan Street and 7th Street	Downtown	64	\$8,945,657
The Cannery at Railroad Square	3 West Third Street	Downtown	129	\$10,300,000
Burbank Avenue Apartments	1780 Burbank Avenue	SW	64	\$5,000,000
Linda Tunis Senior Apartments	625 Acacia Lane	NE	26	\$2,190,340
Casa Roseland	665/883 Sebastopol Road	SW	75	\$3,563,876
Bennett Valley Apartments	702 & 716 Bennett Valley Road	SE	62	\$9,496,321
Hearn Veterans Village	2149 W. Hearn Avenue	SW	32	\$3,679,536
Mahonia Glen	5173 Highway 12	NE	99	\$10,091,000
Ponderosa Village	250 Roseland Avenue	SW	80	\$7,000,000
Ridley Avenue Family Apartments	1801 Ridley Avenue	NW	60	\$6,975,000

Recommended Projects

Project Name	Project Address	Quadrant	Total Units	HA Loan Amount Requested
3575 Mendocino Avenue Ph I	3575 Mendocino Avenue	NE	94	\$11,917,110
Caritas Homes Phase I	Morgan Street and 7th Street	Downtown	64	\$8,945,657
The Cannery at Railroad Square	3 West Third Street	NW	129	\$10,300,000
Burbank Avenue Apartments	1780 Burbank Avenue	SW	64	\$5,000,000
Linda Tunis Senior Apartments	625 Acacia Lane	NE	26	\$2,190,340
		Totals	377	\$38,353,107

3575 Mendocino Ave Ph I

- Developer: BRJE Phase I Housing Partners, L.P.
(Burbank Housing Development Corporation &
The Related Companies of California, LLC)
- Loan Amount: \$11,917,110
- New Construction
(former site of Journey's End Mobilehome Park)
- 94 Units; Targeted to Seniors

3575 Mendocino Ave Ph I

Affordability Mix:

- 13 units @ 30% AMI
- 56 units @ 50% AMI
- 24 units @ 60% AMI
- 1 unrestricted manager's unit

Unit Mix:

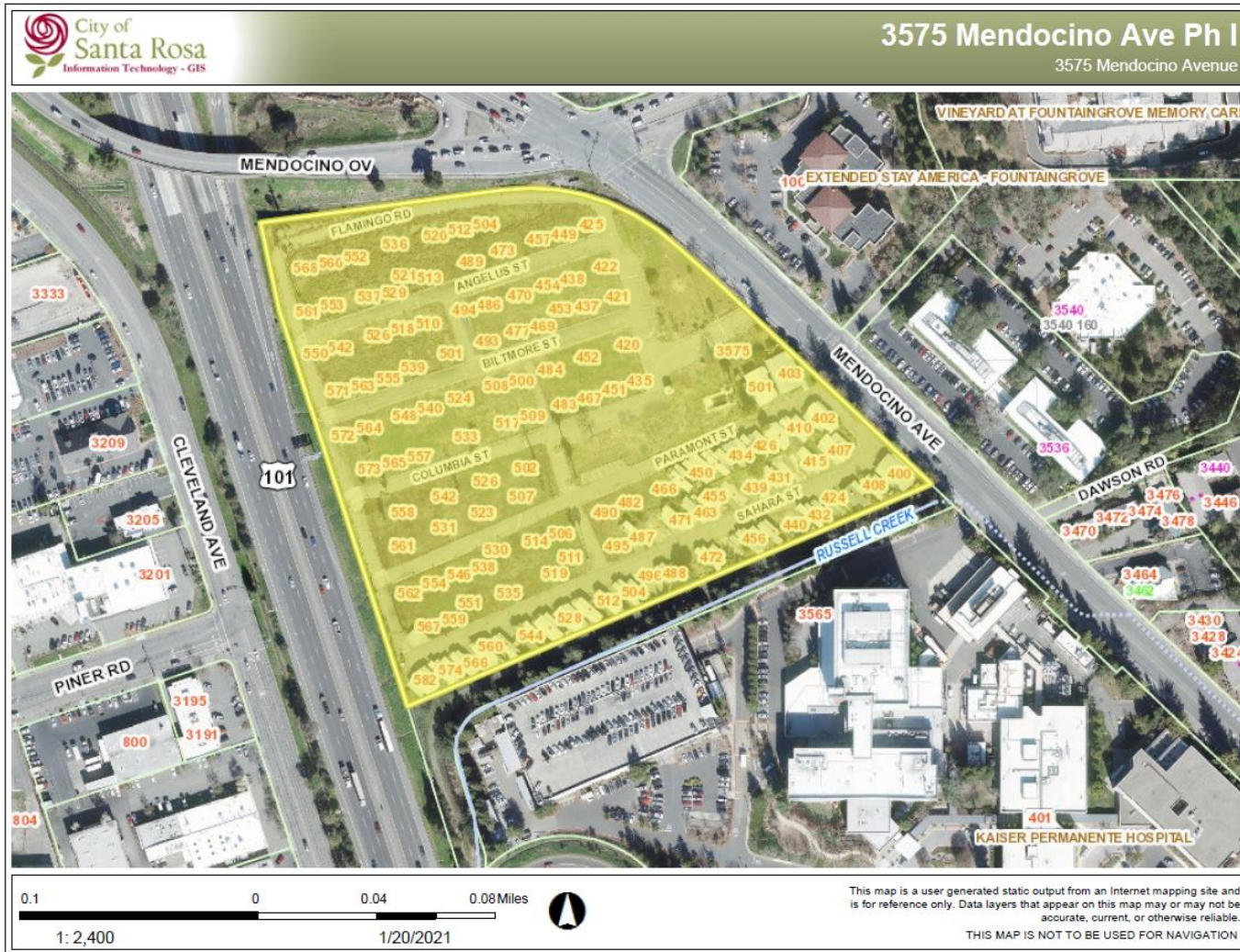
- 90 1-BR units
- 4 2-BR units

3575 Mendocino Ave Ph I

Benefits

- Provides needed affordable housing in one- and two-bedroom units, targeted to extremely low-, very low- and low-income seniors.
- Project was approved by the City Council on December 8, 2020. (General Plan Amendment, Tentative Map, Rezoning)
- NEPA Environmental Review Underway
- All other funding sources are secured:
 - FCAA tax credit equity and permanent loans are committed. DR funds will fill the remaining funding gap.
- Construction start is anticipated by September 2021 and completion by March 2023.

3575 Mendocino Ave Ph I



Caritas Homes Ph I

- Developer: Caritas Homes Phase I, L.P.
(Burbank Housing Development Corporation)
- Loan Amount: \$8,945,657
- New Construction
- 64 Units
 - 30 units targeted to chronically homeless persons with disabilities

Caritas Homes Ph I

Affordability Mix:

- 30 units @ 30% AMI
- 21 units @ 50% AMI
- 12 units @ 60% AMI
- 1 unrestricted manager's unit

Unit Mix:

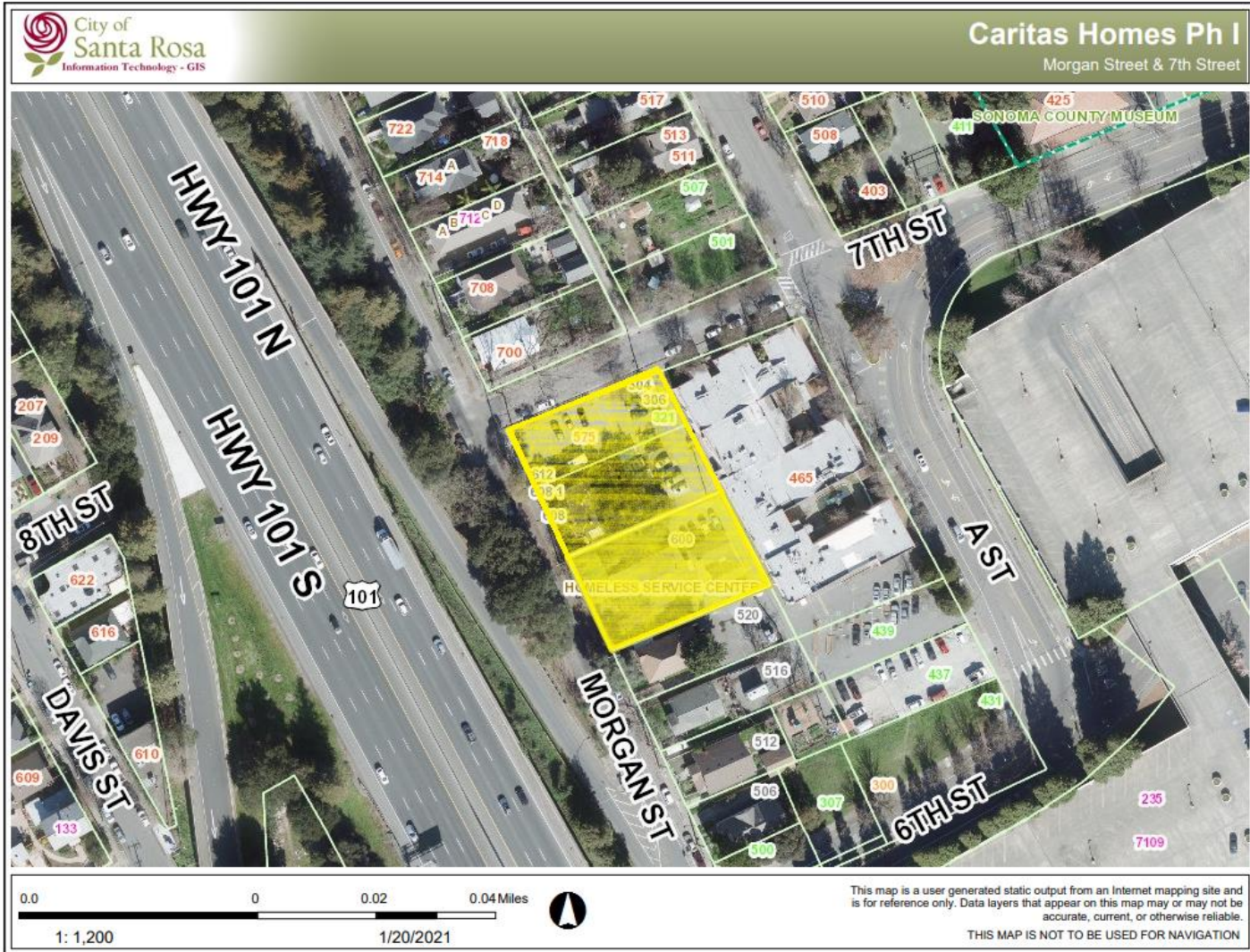
- 29 Studio units
- 27 1-BR units
- 8 2-BR units

Caritas Homes Ph I

Benefits

- Provides needed affordable housing in studio, one- and two-bedroom units, targeted to extremely low-, very low- and low-income households.
- Project was approved by the City Council on February 8, 2020.
- NEPA Environmental Review Underway
- All other funding sources are secured
 - Loans from permanent lenders, County of Sonoma, HCD, Limited Partner Equity, and Deferred Developer Fee are committed. DR funds will fill the remaining funding gap.
- Construction start is anticipated by August 2021 and completion by December 2022.

Caritas Homes Ph I



The Cannery at Railroad Square

- Developer: The Cannery at Railroad Square, LP
(The John Stewart Company)
- Loan Amount: \$10,300,000
- New Construction
- 129 Units
 - 33 units targeted to formerly homeless families

The Cannery at Railroad Square

Affordability Mix:

- 33 units @ 30% AMI
- 37 units @ 50% AMI
- 58 units @ 80% AMI
- 1 unrestricted manager's unit

Unit Mix:

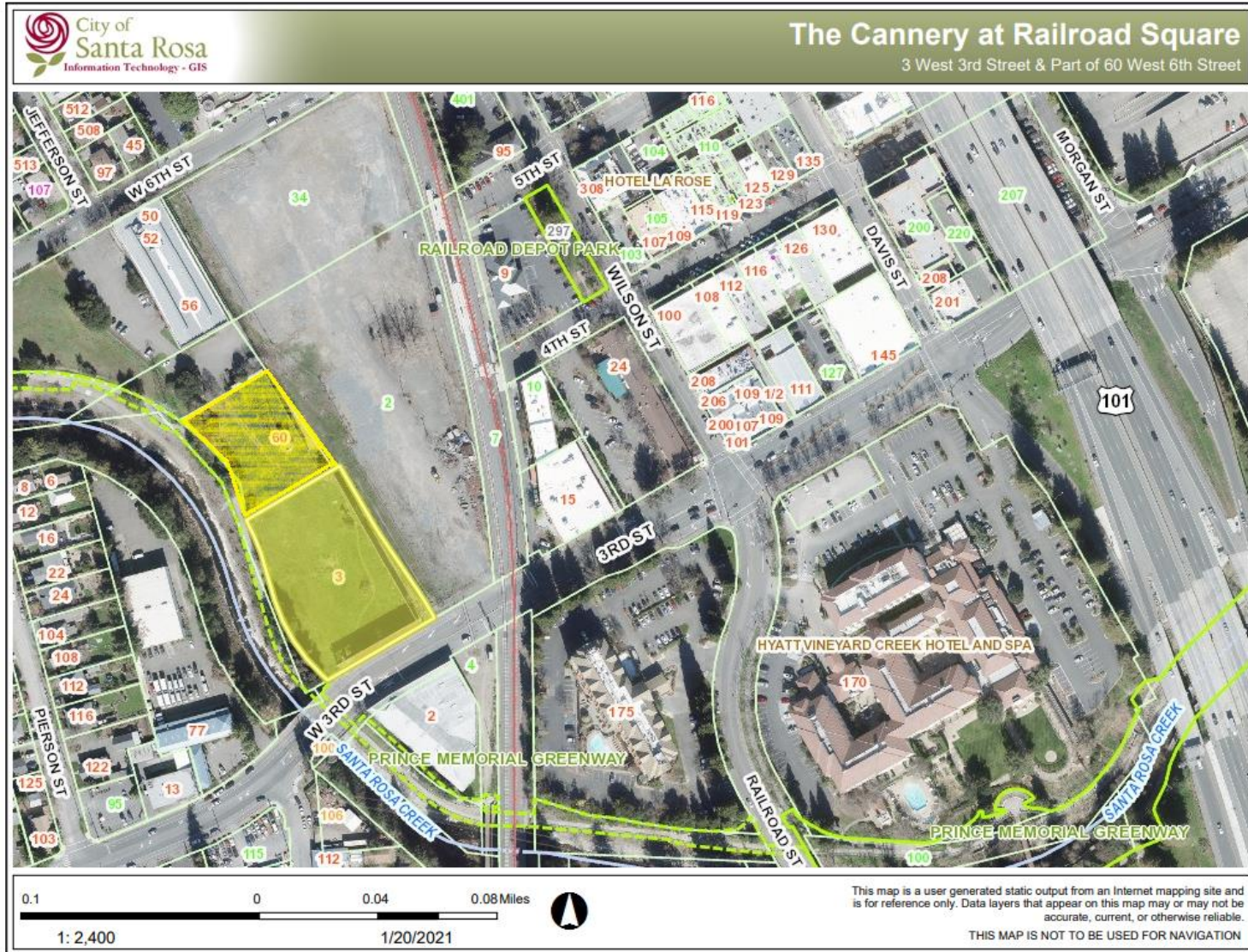
- 7 Studio units
- 48 1-BR units
- 73 2-BR units

The Cannery at Railroad Square

Benefits

- Provides needed affordable housing in studio, one- and two-bedroom units, targeted to extremely low-, very low- and low-income households.
- Project was granted ministerial approval through SB-35 on August 24, 2020.
- NEPA Environmental Review Underway
- DR Award would help position project for 4% tax credits in Feb 2021 round
- All other funding sources are secured
 - Loans from permanent lenders, a prior commitment from SRHA, and Deferred Developer Fee/ recontributed equity are committed. DR funds will fill the remaining funding gap.
- Construction start is anticipated by October 2021 and completion by September 2023.

The Cannery at Railroad Square



Burbank Avenue Apartments

- Developer: WSA Burbank Housing Partners I, LP
(Waterstone Residential, LLC and Burbank Housing Development Corporation)
- Loan Amount: \$5,000,000
- New Construction
- 64 Units

Burbank Avenue Apartments

Affordability Mix:

- 24 units @ 30% AMI
- 27 units @ 50% AMI
- 12 units @ 60% AMI
- 1 unrestricted manager's unit

Unit Mix:

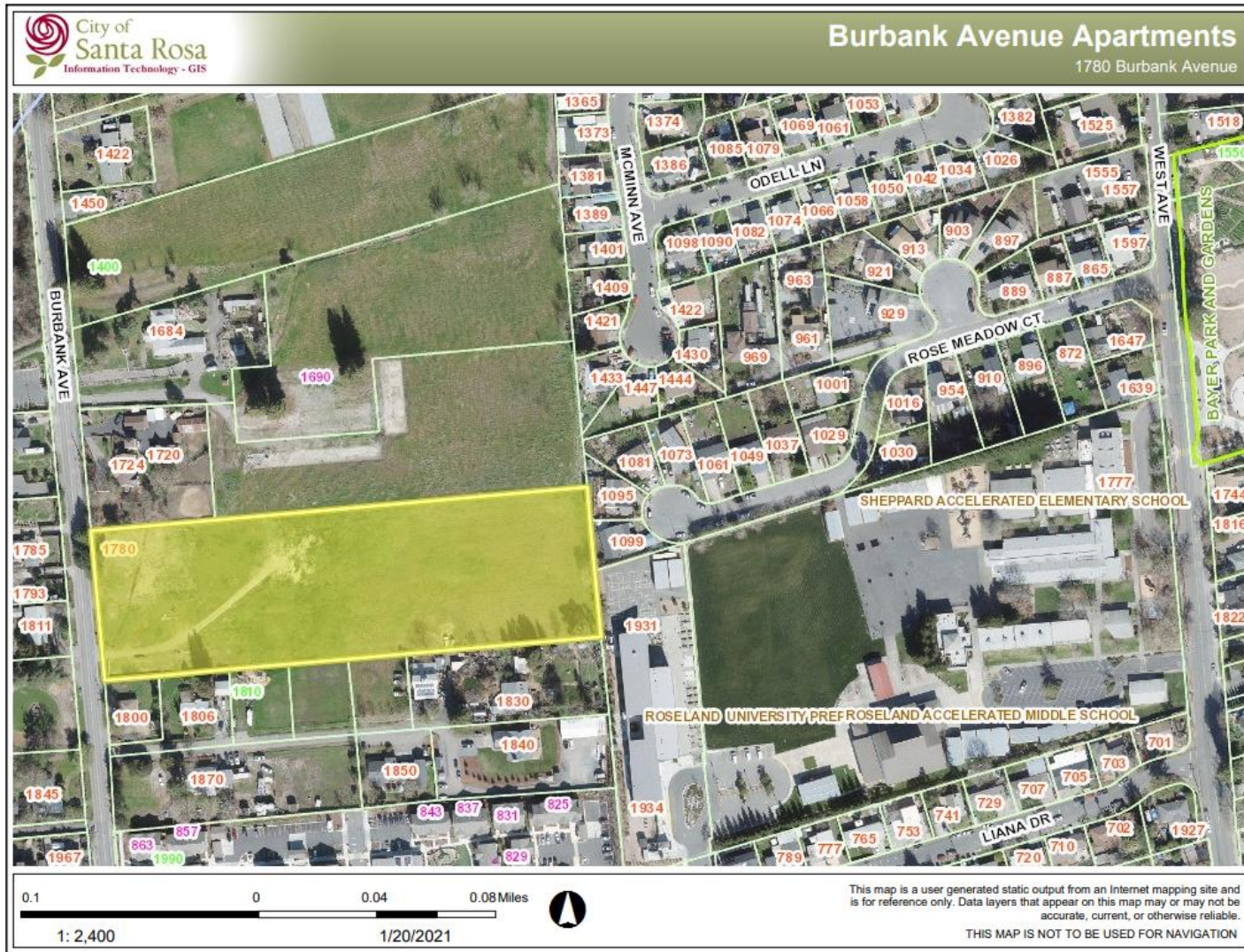
- 20 1-BR units
- 25 2-BR units
- 18 3-BR units

Burbank Avenue Apartments

Benefits

- Provides needed affordable housing in one-, two-, and three-bedroom units, targeted to extremely low-, very low- and low-income households.
- Project was approved by City Council on June 16, 2020.
- Partial funding sources secured
 - Loan from permanent lender, and Deferred Developer Fee are committed. Pending funding requests from HCD's MHP program and tax credits in September 2021. DR funds will fill the remaining funding gap.
- Construction start is anticipated by April 2022 and completion by July 2023.

Burbank Avenue Apartments



Linda Tunis Senior Apartments

- Developer: Caufield Lane Senior Housing, Inc.
(Petaluma Ecumenical Properties – PEP Housing)
- Loan Amount: \$2,190,340
- New Construction & Rehabilitation
(former site of Scottish Rite Event Center)
- 26 Units, Targeted to Seniors
 - 5 units targeted to formerly homeless seniors

Linda Tunis Senior Apartments

Affordability Mix:

- 5 units @ 30% AMI
- 20 units @ 50% AMI
- 1 unrestricted manager's unit

Unit Mix:

- 26 Studio units

Linda Tunis Senior Apartments

Benefits

- Provides needed affordable housing for seniors, targeted to extremely low-, and very-income households.
- NEPA Environmental Review is Complete
- Partial funding sources secured
 - Grant funding, Deferred Developer Fee, AHP funding, a loan from PEP Housing, and a prior commitment from SRHA are committed. Pending a permanent loan, County of Sonoma funding, and an additional grant. DR funds will fill the remaining funding gap.
- Construction start is anticipated by August 2021 and completion by March 2022.

Linda Tunis Senior Apartments



Recommended Projects

Project Name	Project Address	Quadrant	Total Units	HA Loan Amount Requested
3575 Mendocino Avenue Ph I	3575 Mendocino Avenue	NE	94	\$11,917,110
Caritas Homes Phase I	Morgan Street and 7th Street	Downtown	64	\$8,945,657
The Cannery at Railroad Square	3 West Third Street	NW	129	\$10,300,000
Burbank Avenue Apartments	1780 Burbank Avenue	SW	64	\$5,000,000
Linda Tunis Senior Apartments	625 Acacia Lane	NE	26	\$2,190,340
		Totals	377	\$38,353,107

- Joint City Council & Housing Authority Ad-Hoc Review Committee recommendation - unanimous

RECOMMENDATION

- It is recommended by the joint City Council and Housing Authority Ad-Hoc Review Committee and the Housing and Community Services Department that the Housing Authority, by resolutions, approve a conditional commitment of funds to: 1) BRJE Phase I Housing Partners, L.P. in the amount of \$11,917,110 for construction-related costs for 3575 Mendocino Avenue Phase I; 2) Caritas Homes Phase I L.P. in the amount of \$8,945,657 for construction-related costs for Caritas Homes Phase I; 3) The Cannery at Railroad Square, L.P. in the amount of \$10,300,000 for construction-related costs for The Cannery at Railroad Square; 4) WSA Burbank Housing Partners I, L.P. in the amount of \$5,000,000 for construction-related costs for Burbank Avenue Apartments; and 5) Caufield Lane Senior Housing, Inc. in the amount of \$2,190,340 for construction and rehabilitation-related costs for Linda Tunis Senior Apartments, and authorize staff to submit the respective project applications to the California Department of Housing and Community Development for approval.