

**NOVEMBER 2020 APPLICATION FOR PROJECT-BASED VOUCHERS**

WSA Burbank Housing Partners I, LP	85-4092964
<i>Legal Name of Organization</i>	<i>Tax ID Number of Organization</i>
1270 Airport Boulevard, Santa Rosa CA 95403	
<i>Mailing Address</i>	
Chris Westlake	Member of WSA Partners I, LLC, (AGP)
<i>Name of contact person for this application</i>	<i>Title</i>
916-872-3132      chris@chriswestlake.net	
<i>Telephone</i>	<i>Organization website address</i>

Project Summary				
<p><i>Project Name</i>      Burbank Avenue Apartments</p> <hr/> <p><i>Project Address</i>    1780 Burbank Avenue, Santa Rosa CA</p>				
<p>Please indicate the additional funding source(s) and planned application date for which the project will compete:                      This development is applying for CDBG-DR funds from the City of Santa Rosa as well as California Department of Housing and Community Development (HCD) Multifamily Housing Program (MHP) in the Spring of 2021.</p> <p><i>The final award of PBVs is contingent upon the project's successful application for the funding listed above within two application rounds, or another funding source that will allow the project to follow a substantially similar timeline.</i></p>				
<p>Project Type:</p> <p><input type="checkbox"/> Existing Housing</p> <p><input type="checkbox"/> Rehabilitation</p> <p><input checked="" type="checkbox"/> New Construction</p>	<p>Estimated Date of Occupancy:</p> <p style="text-align: center;">July 2023</p>			
<p>Number of Project-Based Vouchers Requested:    4</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Total units in this Project:</td> <td style="width: 30%; text-align: center;">64</td> <td style="width: 40%;">Percent of units to be Project-Based: 25% if awarded these additional 4 PBVs.</td> </tr> </table>	Total units in this Project:	64	Percent of units to be Project-Based: 25% if awarded these additional 4 PBVs.
Total units in this Project:	64	Percent of units to be Project-Based: 25% if awarded these additional 4 PBVs.		

Project Cap: If the units to be Project-Based exceed 25 percent of the total units or 25 units, the units must be for one of the following special populations. If the proposal exceeds the cap, please indicate which special population the units will serve.

N/A Units exclusively serving elderly families

N/A Units for households that are eligible for supportive services to be made available in the project

Please indicate if the units will be set aside for any of the following populations. This information is for SRHA use and will not influence the award process:

Units designated for persons experiencing homelessness

Units designated for Veterans

Supportive housing as defined by Appendix D of PIH Notice 2017-21

Low-poverty census tract

By signing this application, the following certifications are made by the applicant:

The information submitted in this application and any supporting materials is true, accurate and complete to the best of the applicants' knowledge;

The owner and its agents will comply with all applicable fair housing and civil rights requirements including those found in 24 CFR 5.105)(a), the Fair Housing Act, the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act;

The owner and its agents will adhere to the Project-Based Voucher Program requirements in 24 CFR 983 and the Housing Opportunity Through Modernization Act of 2016;

The applicant acknowledges that any in-place existing tenants must not be displaced in order to qualify their units for Project-Based Voucher funding;

The applicant acknowledges that any material changes to the project not disclosed to and approved by the Housing Authority may result in a denial or termination of the AHAP or HAP contract. Material changes include but are not limited to: changes in the project design, amenities, number and size of units; changes to the development budget; changes to the proposed sales prices, rents or operating expenses; changes to the sources, amounts or terms of financing; changes to the ownership entity or key staff identified in this application or changes to other application items;

The applicant acknowledges that the information submitted as part of this application, except material considered confidential, may be made available to the public;

The applicant acknowledges that submitting an application does not promise or guarantee that the project will receive Project-Based Voucher funding;

**Signature of Applicant(s)**

Peter Schellinger

Name

Manager of WSA Partners I, LLC, AGP  
of WSA Burbank Housing Partners I, LP

Title

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title



Signature

12/2/20

Date

Signature

Date

**I. Description of Property**

1. PBV Project Name

Burbank Avenue Apartments

2. Property Address and Assessor Parcel Number(s)

1780 Burbank Avenue, Santa Rosa CA                      Portion of A.P. #126-361-003

3. Application Category

- Existing
- Rehabilitation
- New Construction

4. Projected date of occupancy:

July 2023

5. Structure Type (e.g., Low-Rise or Hi-Rise Apt, Townhome, Duplex/Triplex/Fourplex, Single Family)

Two story apartments with tuck under parking garages.

6. Is this a Tax Credit property?

- Yes
- No
- Intent to Apply

7. If Yes or Intent to Apply, is property located in a Qualified Census Tract<sup>1</sup>?

- Yes
- No

8. Census Tract of property

6097153103

9. Poverty rate in Census Tract:

10. The project is for qualifying<sup>2</sup> households (check any or all that apply):

- Units exclusively serving elderly families
- Units housing households eligible for supportive services available to all families receiving PBV assistance in the project

<sup>1</sup> See <http://www.huduser.org/DATASETS/qct.html>

<sup>2</sup> Please see PIH Notice 2017-21.

11. If the units are not for qualifying households, the number of PBV units in the project will be statutorily limited to the greater of 25 units or 25 percent of the units in the project. The proposed project meets the 25 percent or 25-unit limit:

- Yes
- No

12. Property Configuration

	1 Br	2 Br	3 Br	4 Br	5 Br	Total
Total units including non-PBV	20	26	18			64
Total PBV units	5	6	5			16
PBV rents requested (may not exceed 110% of FMR)	\$1,447	\$1,887	\$2,728			
Non-PBV Rents (if applicable)						
Fair Market Rents (FMR)	\$1,447	\$1,887	\$2,728			
110% FMR						
Tax Credit Rent, if applicable						

13. Complete the utility table below for the proposed PBV units.

Utility/Service	Owner or Tenant Paid	Natural Gas	Electric
Heating (Specify Type in last columns)	Tenant		X
Cooking (Specify Type)	Tenant		X
Water Heating (Specify Type)	Tenant		X
Other Electric	Tenant		
Water	Owner		
Sewer	Owner		
Trash Collection	Owner		
Other (Specify)			

14. Is the property accessible for persons with disabilities?

- Yes, all units and common areas
- No, no accessibility features
- Some units (indicate number of units and identify accessible common areas)

11 of the 64 units are accessible and all common areas will be 100% accessible.

---

15. Are there any non-residential units (e.g., commercial, office) on this property?

- Yes  
 No

If yes, please describe:

16. List the distance (in miles) from the property to the nearest:

Distance in miles	Service	Name or description of facility
0.58	Supermarket	FoodMaxx
	Shopping district	
0.48	Public transportation	
2.38	Health services	Santa Rosa Memorial Hospital
0.05	Educational institution	Roseland Creek Elementary School
	Significant employers	
	Other neighborhood service	

17. Site information:

Does applicant have site control?	Yes		
Current Land Use Designation	R-1-6-SR		
Proposed Land Use Designation	R-1-6-SR		
Proposed Density (units/acre)	31 units/acre	No. of acres	2.06 acres
Water/Sewer availability and location	Both water and sewer are in close proximity.		
Is property subject to specific area plan?	Roseland Area/Sebastopol Road Specific Plan		
Is relocation of occupants necessary?	No relocation, bare and vacant land.		
Purchase price	\$2,600,000		
Appraised value	\$2,600,000		

18: Environmental considerations

Reports/Studies completed

Biological resources assessment and 2 years of rare plant studies

Proximity to flood plain

Zone X; area of minimal flood hazard; closest floodway is Roseland Creek

Indicate presence of wetlands, vernal pools, endangered plant or animal species

See project narrative

Other known environmental constraints

None

19. Affordability

Total number of units to be built: 64

Number of affordable rental units: 63

Number of affordable ownership units: None

Number of units dedicated for:				
30% AMI	31-50% AMI	51-80% AMI	80%+ AMI	Non-Restricted
24	27	12		1

Itemization of Proposed Units:					
Bedroom Size	Sq. Ft.	No. of Units	Targeted Income Level	Proposed Rent	Comment
1	630	8	30%	\$639	TCAC rent
2	890	10	30%	\$767	TCAC Rent
3	1,130	6	30%	\$886	TCAC Rent

## II. Management Plan

Please describe the management plan for the property. Use additional sheets as necessary and/or attach relevant documentation, identifying attachments in the spaces below:

1. Property Management Agent Name:

Burbank Housing Management Company

2. Address of Property Management Agent:

790 Sonoma Avenue, Santa Rosa CA 95404

3. Property Management Agent website:

4. Qualifications, including management of properties for persons with special needs (if applicable):

See attached document with Property management experience.

5. Address and description of other properties managed:

See attached list.

6. References:

References from attached list of properties

7. Personnel plan for the proposed project:

	No. of Staff	Working Days/Hours
Office Staff:	<u>1</u>	<u>5 days/ week 8 hours/day</u>
Maintenance Staff:	<u>1</u>	<u>5 days/week as needed per day</u>

Is there a Resident Manager in addition to the above staff for after-hours emergencies?

Yes

No

**III. Financial Information**

1. Legal name of applicant with whom Project-Based Voucher HAP Contract will be established:

WSA Burbank Housing Partnership I, LP

2. Type of organization (corporation, partnership, etc.)

Limited Partnership

3. Tax Exempt organization

Yes

No

4. Will rents in the property remain affordable after the expiration of the HAP contract?

Yes

No

5. Has the project received funding through any competitive process by any government entity?

Yes

No

6. Requested HAP Contract Term:

20Years

7. Project Cost and Financing

Project Costs					
Land Cost	Land Cost Per Acre	Predevelopment	Soft Costs	Hard Costs	Total Project Cost
\$2,600,000	\$1,300,000		\$10,656,195	\$24,694,941	\$37,951,136
				Cost Per Unit	\$586,600

Project Financing	
Anticipated funding from PBVs	
Additional Housing Authority funding, if any	\$5,000,000 CDBG-DR being applied for
Amount of other permanent financing	\$6,204,000 Perm Loan
Amount of cash or loans currently in project	\$10,210,000 MHP to be applied for in Spring 2021
Amount of owner's equity in project	\$15,487,255 4% tax credits
Amount of Deferred Developer Fee	\$1,049,881
Total	\$37,951,136

What are the administrative costs of this project, and how will they be funded?

---

Please attach the following tables to complete Part III, Question 7:

- Table 1: Existing or Committed Financing Sources*
  - Table 2: Interim/Construction Financing*
  - Table 3: Permanent Financing*
-

Section III, Question 7

Table 1: Existing or Committed Financing Sources

**EXISTING AND/OR COMMITTED FINANCING**

	1	2	3	4	5	6
Lender's Name & Address	Citi Community Capital 300 South Grand Avenue Suite 3110, Los Angeles CA	Citi Community Capital 300 South Grand Avenue Suite 3110, Los Angeles CA	City of Santa Rosa			
Contact Person & Phone #	Sonia Rahm 213-239-1726	Sonia Rham 213-239-1726	Nicole Rathbun			
Name of Program	Perm Loan	Construction Loan	CDBG-DR			
Loan Amount	\$6,204,000	\$32,775,000	\$5,000,000			
Annual Payment	\$339,966					
Terms of Loan	18/35	24 months				
Date Applied			12/2/2020			
Current Status of Application	Pending	Pending	Pending			
Conditions						

Section III, Question 7

Table 2: Interim/Construction Financing

INTERIM/CONSTRUCTIONFINANCING

	1	2	3	4	5	6
Lender's Name & Address	Citi Community Capital 300 South Grand Avenue, Suite 3110, Los Angeles CA	Red Stone Equity 580 Armada Drive, Suite 235 Carlsbad, CA	WSA Burbank Housing Partners I, LP 1270 Airport Blvd, Santa Rosa CA	WSA Burbank Housing Partners I, LP 1270 Airport Blvd, Santa Rosa CA		
Contact Person & Phone #	Sonia Rahm 213239-1726	Matt Grosz 619-535-3903	Chris Westlake 916-872-3132	Chris Westlake 916-872-3132		
Name of Program	Construction Loan	Tax Credit Equity	Deferred Developer Fee	Deferred Costs		
Loan Amount	\$32,544,353	\$1,146,670	\$3,500,000	\$358,058		
Annual Payment						
Terms of Loan	24 months					
Date Applied						
Current Status of Application	Pending	Pending	Committed	Committed		
Conditions						

Section III, Question 7

Table 3: Permanent Financing

PERMANENT FINANCING

	1	2	3	4	5	6
Lender's Name & Address	Citi Community Capital 300 South Grand Avenue, Suite 3110, Los Angeles CA	Red Stone Equity 580 Armada Drive, Suite 235 Carlsbad, CA	CA Dept of Housing and Community Development 2020 West El Camino Ave, Sacramento CA	City of Santa Rosa	WSA Burbank Housing Partners I, LP 1270 Airport Blvd, Santa Rosa CA	
Contact Person & Phone #	Sonia Rahm 213-239-1726	Matt Grosz 619-535-3903		Nicole Rathbun	Chris Westlake 96-872-3132	
Purpose						
Name of Program	Perm Loan	Tax Credit Equity	MHP Program	CDBG-DR	Deferred Developer Fee	
Loan Amount	\$6,204,000	\$15,487,255	\$10,210,000	\$5,000,000	\$1,049,881	
Annual Payment	\$339,986		\$42,882			
Terms of Loan	18/35	10 Years	55 Years	55 Years	10 Years	
Date Applied				12/2/20		
Current Status of Application	Pending	Pending	Spring 2021	Pending	Committed	
Conditions						



## PROJECT NARRATIVE

### INTRODUCTION

The Applicant, WSA Burbank Housing Partners I, LP (“Applicant”) is a partnership between Waterstone Residential, LLC and its affiliates (“Waterstone”) and Burbank Housing Development Corporation and its affiliates (“Burbank Housing”). WSA Partners I, LLC, an affiliate of Waterstone, will serve as the Administrative General Partner, while BHDC Burbank Ave, LLC, an affiliate of Burbank Housing, will serve as the Managing General Partner of the newly formed partnership. Waterstone has been taking the lead role in the development responsibilities for Burbank Avenue Apartments and has assembled a local project team to execute on the program. Burbank Housing will be principally responsible for the financing, asset management, property management and resident services efforts. Both firms are based in Santa Rosa.

### PROJECT DESCRIPTION

#### Project Site

Burbank Avenue Apartments is the multifamily component of the larger Burbank Avenue Subdivision development plan (“Master Plan”), which in total will feature 138 homes in a mix of housing types. The Master Plan was designed to be a cohesive and unifying neighborhood that would accomplish the planning objectives identified in the Roseland Area / Sebastopol Road Specific Plan (“Specific Plan”). Located on the eastern side of Burbank Avenue between Sebastopol Road and Hearn Avenue, the Master Plan will feature 62 single family homes, 12 duet row townhomes and 64 apartment homes. The Applicant is proposing to develop the multifamily site of the Master Plan as a 100% affordable housing community. In addition to its proximity to Roseland Creek Elementary School and Roseland Accelerated Middle School, the Master Plan is within close walking distance of a future City park. These amenities provide the ideal infrastructure for the development of Burbank Avenue Apartments as an affordable housing community.

#### Program Summary

The Burbank Avenue Apartments proposal contemplates the development of 64 affordable apartment homes on 2.06 acres at the southern entrance of the Burbank Avenue Subdivision. The affordable apartment community will feature a mix of homes that include 20 one-bedroom units, 25 two-bedroom units and 18 three-bedroom units as well as a two-bedroom unit for the manager totaling 126 bedrooms. Pursuant to the affordable housing goals of the Specific Plan, the community has been planned to serve families with Area Median Income (AMI) levels ranging from 30% to 60% to promote equity and stability within this vibrant, multicultural part of the City.

Designed to have a cohesive architectural theme within the Master Plan, the Burbank Avenue Apartments site plan is organized into 4 two- and three-story buildings that modulate toward the main streets and step down along Burbank Avenue in respect of the scenic corridor. Each building features elements within the vertical expression to breakdown the massing to ensure consistent residential scale within the Master Plan. A total of 137 parking spaces are provided with the development at a ratio of over 2 spaces to 1 unit, including tuck-under garages that assist in concealing the view of parked cars from the public realm. Finally, the community satisfies TCAC

**Burbank Avenue Apartments**  
**City of Santa Rosa Housing Authority**  
**CDBG-DR and PBV Proposal – December 2020**

requirements for mobility and sensory access, with a total of 7 units (11%) for mobility impairment and 3 units (4%) for sensory impairment.

**Site Amenities**

Burbank Avenue Apartments has been designed to provide a conducive, safe environment for families, with a large community room, wifi common areas, offices for onsite staff, three separate laundry rooms and an enclosed mailroom with package lockers. The community also features active and passive outdoor amenity spaces including barbeques, dining tables, child play areas and green space.

Additionally, resident services will be provided on site by Burbank Housing at no charge. Burbank Housing's Resident Services Programs ensure that residents receive a variety of beneficial services both on-site and through individual referrals that support overall well-being and housing stability. A Services Coordinator will be available on a regular and ongoing basis to provide residents with information about available services in the community as well as how to access the services and organize on-site enrichment activities with a particular focus on community engagement and resiliency. Burbank Housing's vast network of service providers, partner agencies and community organizations can aid with food support, parenting classes, exercise and health maintenance classes as well as financial management programs.

**PROJECT BENEFITS**

The Burbank Avenue Apartments will provide multiple benefits to the Roseland neighborhood and more broadly to the City of Santa Rosa. The development of 64 affordable apartments within the project's Master Plan will create a mix of housing types for all income levels achieving multiple goals and policies within the City's General Plan and Specific Plan. Roseland is identified as a Priority Development Area in the City's Specific Plan as it is able to accommodate growth and make key connections to transit and jobs. Furthermore, the City's General Plan maintains policies to facilitate the development of affordable housing within Priority Development Areas. The vision for the Burbank Avenue Apartments supports the guiding principles for the strategic growth in Roseland as it helps with the long-term creation of stability and equity in this multicultural district.

Burbank Avenue Apartments will offer deep levels of affordability with 52 homes or 81% of the community being reserved for households earning 50% or less of the Area Median Income. Another 11 homes will be reserved for households earning 60% of Area Median Income and one home being reserved for the on-site manager. The project will provide a great opportunity to offer brand-new, high-quality affordable housing units to individuals and families vulnerable to displacement not only in the immediate Roseland area, but also the larger Santa Rosa community.

Equally important is the quality of the offering with Burbank Avenue Apartments. Few locations within the City have a plan for the buildout of a neighborhood that will provide the necessary infrastructure to support growing families. The addition of 64 affordable homes in close walking distance to Roseland Creek Elementary and Roseland Accelerated Middle School will offer relief from the transportation burden on the working families that call the community home because of the continuum of education in one location. The Master Plan will also further the goals of pedestrian connectivity to the City's future Burbank Avenue community park by providing a network of

**Burbank Avenue Apartments**  
**City of Santa Rosa Housing Authority**  
**CDBG-DR and PBV Proposal – December 2020**

sidewalks connecting adjacent neighborhoods. This benefit promises immediate recreational opportunities for children of the community when the park is eventually developed. Finally, sports and other extracurricular activities are frequently organized at the Southwest Community Park located just south of the proposed Master Plan on Hearn Avenue, an ideal place to foster productive environments for the Roseland community.

Burbank Avenue Apartments will promote sustainable and healthy living for its residents, by incorporating energy-efficient design features. The construction of the buildings will meet CALGreen and GreenPoint Rated requirements. Features will include, but not be limited to the following: high efficiency lighting, EnergyStar appliances, drought tolerant landscaping and high-efficiency windows, all electric water heat pumps, and HVAC heat pumps with ductless venting.

**PROJECT CONSTRAINTS AND/OR ISSUES**

The proposed Burbank Avenue Apartments development is fully entitled. The Applicant has carefully coordinated the site improvement plans as well as the required permits with the Master Plan Developer to eliminate delays during the permitting process. Additionally, the Applicant has received significant feedback from Wright Contracting, the general contractor, as well as its subcontractors on the project plans to avoid complications during construction. Outside of the financing constraints related to this application, the Applicant does not foresee any additional challenges in executing the proposed development.

**SUMMARY OF FINANCING STATUS**

The total development cost for Burbank Avenue Apartments approximates \$37.95MM or \$592,986 per unit. The Applicant has been in discussions with multiple capital groups, including National and Community Banks, Loan Brokers, and Equity Syndicators. The Development Budget reflects the requirements of the various capital providers. A summary of the construction and permanent financing sources for the project is provided below:

<b>Construction Period Sources</b>		<b>Permanent Period Sources</b>	
<b>Source</b>	<b>Amount</b>	<b>Source</b>	<b>Amount</b>
Federal LIHTC Equity	\$1,146,670	Federal LIHTC Equity	\$11,466,704
State LIHTC Equity	\$402,055	State LIHTC Equity	\$4,020,552
Construction Loan	\$32,544,353	Permanent Loan	\$6,204,000
Deferred Developer Fee	\$3,500,000	Deferred Developer Fee	\$1,049,881
Deferred Costs	\$358,058	MHP	\$10,210,000
		CDBG DR	\$5,000,000
<b>Total Construction Sources</b>	<b>\$37,951,136</b>	<b>Total Permanent Sources</b>	<b>\$37,951,136</b>

**Citibank Construction and Permanent Loan**

The Applicant has secured a commitment letter from Citibank for both construction and permanent financing for Burbank Avenue Apartments. The construction loan terms include a 24-month period, with one 6-month extension, an interest rate of 4% and a maximum loan amount of 80% of cost or 90% of value. The permanent loan terms include a period of 18 years, amortization schedule of 35 years, debt service coverage ratio of 1.15x and an interest rate of 3.68%. The Applicant has

**Burbank Avenue Apartments**  
**City of Santa Rosa Housing Authority**  
**CDBG-DR and PBV Proposal – December 2020**

underwritten an interest rate contingency of 15% to account for volatility prior to rate lock. Accordingly, the budget includes an all-in rate of 4.23%.

**Project-Based Vouchers**

Waterstone secured 12 project-based vouchers (“PBV”) from the City of Santa Rosa’s Housing Authority (“SRHA”) in June, 2020 before the final partnership agreement with Burbank Housing was executed. Waterstone intends to seek approval from SRHA to assign the PBVs to WSA Burbank Housing Partners I, LP or the Applicant. Additionally, the project is now requesting rental subsidies in the form of 4 PBVs for a total of 16 PBVs. This request is primarily associated with an approximate 13% increase in construction costs from the April to November budget updates. As a result of COVID, lumber costs have increased approximately 63% from \$350 per board foot to \$570 per board foot during the reference period. Although less severe, scope creep due to the advanced plan development has increased the costs in the plumbing, finishes and earthwork line items. All other material costs have remained relatively constant and within the projected escalation since Waterstone’s May 2020 application submittal.

To mitigate the risk of future cost increases from application submittal to the start of construction, Wright Contracting is carrying a 2% design contingency and a 3% escalation reserve. Given the current stage of the plans and the settling of the Covid related supply chain impacts, the Applicant believes there is sufficient contingency to mitigate future risks. Should costs increase beyond the planned contingencies, the Applicant will defer receipt of its construction close developer fee to cover the costs.

**Community Development Block Grant – Disaster Recovery (CDBG-DR)**

The Applicant is requesting a recommendation from SRHA for funding approval by the California Department of Housing and Community Development (“HCD”). The request is to receive an award for funding in the form of a project-based loan from HCD’s Disaster Recovery – Multifamily Housing Program (“DR\_MHP”) in the amount of \$4,500,000. Burbank Avenue Apartments has accounted for all the terms of the loan agreement in its financial planning. Additionally, the project meets 3 out of 6 of the Prioritization Criteria.

**HCD’s Multifamily Housing Program (MHP)**

Burbank Avenue Apartments will be applying for HCD’s Multifamily Housing Program (“MHP”) funding in the 2021 First Round, which is anticipated in the second quarter as the result of an HCD delay. Applications for projects applying for MHP shall be competitively scored within the State. The Applicant has underwritten the project to successfully secure a \$10.2MM MHP Loan by targeting deep levels of affordability that can be achieved through its receipt of local funding support through the CDBG-DR Loan and PBV awards. Local funding support will dramatically improve the project’s leverage and increase its scoring against other applications that have not received local funding support.

**4% Tax Credits**

The Applicant will be applying for 4% tax credits in the second round of 2021. The partnership received a commitment letter from Red Stone Equity to be the investment limited partner who will contribute approximately \$15.5MM in Federal and State Tax Credit Equity at a price of \$0.90 and

**Burbank Avenue Apartments**  
**City of Santa Rosa Housing Authority**  
**CDBG-DR and PBV Proposal – December 2020**

\$0.75 per tax credit, respectively. In exchange, Red Stone Equity will receive 99.99% allocation of the tax credits and operating losses.

**Deferred Developer Fees**

The Applicant will defer a portion of its developer fee through conversion to assist in the capitalization of the project. The developer fees will be paid through residual cash flow from operations over a 10-year period. If necessary, the Applicant will agree to defer more of its fee in an amount necessary to cover additional funding shortfalls during the preconstruction and construction periods.

**SUMMARY OF ENTITLEMENT STATUS**

The Master Plan received its entitlements on June 16, 2020, with City Council approval of a Tentative Map to subdivide 14.25 acres into 75 lots. The Master plan previously received approval of its Minor Design Review Permit as well as a Minor Use Permit for the development of 138 units. Burbank Avenue Apartments is situated on a 2.06 acre single lot identified on the Tentative Map as Lot 75 or Parcel 1.

**ENVIROMENTAL CONSIDERATIONS**

**CEQA / NEPA**

During the review of the Master Plan's planning application, Staff determined that the Master Plan proposal should be considered for exemption from CEQA due to the project's consistency with the Roseland Area / Sebastopol Road Specific Plan's EIR dated October, 2016. Accordingly, a CEQA Consistency Memo was prepared with supporting reports to facilitate Staff's review for a determination. After review of the memorandum, Staff determined that the Master Plan project was eligible for exemption consistent with CEQA Guidelines 15182 and 15183 as well as Government Code section 65457. A Notice of Exemption was filed with the County Clerk on June 18, 2020.

A NEPA evaluation was not completed for the Master Plan concurrent with the preparation of the CEQA documentation, since it isn't required for the development of market-rate housing. However, if the Applicant is successful in securing an award from HCD for funding a NEPA analysis will be completed prior to the start of construction. The Applicant has worked with Staff to develop an approved scope of work for the NEPA evaluation. A proposal has been received from the firm that prepared the CEQA Consistency Memo for the Master Plan and a schedule of 4 months has been presented for the completion of the NEPA evaluation.

**Biological Resources**

A Biological Resources Assessment of the 14.25 Acre site was prepared by WRA in December 2019. WRA identified 0.25 acres of seasonal wetland depressions and ditches that would be impacted by the proposed Master Plan development. Prior to commencing construction, a 401 Water Quality Certification and a 404 Nationwide Permit must be issued from the Regional Water Quality Control Board and U.S. Army Corps of Engineers, respectively.

**Burbank Avenue Apartments**  
**City of Santa Rosa Housing Authority**  
**CDBG-DR and PBV Proposal – December 2020**

**Summary:** Mitigation is required for rare plant, seasonal wetlands and the California Tiger Salamander (“CTS”) habitat. The Master Plan Developer initiated the permitting process for the entire property, including the Burbank Avenue Apartments site in July 2020. The permits will include mitigation for a total of 0.25 acres of rare plant preservation, 0.125 acres of rare plant creation, 0.5 acres of wetland creation, and 12.08 acres of CTS preservation.

The Master Plan Developer has thus far purchased 2.81 acres of CTS preservation credits and 0.25 rare plant preservation credits in approved mitigation banks. Additionally, the Master Plan Developer has committed to providing the remaining 9.27 acres of CTS preservation credits, 0.125-acre rare plant preservation mitigation and 0.5-acre wetland creation mitigation at an agency approved Permittee Responsible Mitigation site.

Finally, all necessary mitigation requirements and required permits are anticipated to be secured by June 2021. The following provides a breakdown of the specific mitigation requirements for the Master Plan development, which will also satisfy the requirements for the Burbank Avenue Apartment site.

**Special Status Plant Species:** WRA conducted 2 consecutive years of protocol-level rare plant surveys. The surveys detected no rare plants. However, because of the location of the site, four special status plant species were identified to have the potential of occurring on the property. Accordingly, the on-site wetlands are considered to be “unoccupied suitable habitat” and mitigation is allowed by purchasing credits in approved mitigation banks. The mitigation requirement for a 0.25 acre impact to “unoccupied suitable habitat” rare plant habitat is 1:1 preserved and 0.5:1 created, which requires 0.25 acre preserved and 0.125 acre created rare plant habitat.

**Wetlands:** The Project will impact 0.25 acres of seasonal wetland depressions and ditches identified by WRA. Agency required mitigation requirement is a ratio of 2 to 1 of created habitat. The mitigation requirement for a 0.25 acre impact to wetlands is therefore 0.5 acre of created habitat.

**California Tiger Salamander:** Although it was determined that it is unlikely for occurrence of the California Tiger Salamander because of a lack of suitable breeding habitat, the site lies within a designated critical habitat area for which 1 to 1 mitigation of preserved CTS habitat will be required. The mitigation requirement for 12.08 acres impact to CTS habitat is therefore 12.08 acres of preserved habitat.

**Special Status Wildlife Species:** Pre-Construction surveys are to be conducted pursuant to the Conditions of Approval and Mitigation Measures associated with the Master Plan entitlements.







Tax Credit Allocation Committee

ATTACHMENT 22  
Management Company Experience

Management Company Name: Burbank Housing Management Corporation

	Project Name & Address	TCAC (or other) Project Identification Number, if Applicable	TCAC Identify Special Needs Projects, if Applicable	Month, Day, & Year the Project was Placed-in-Service	Month, Day & Year Management Company Participation Began	Month, Day & Year Management Company Participation Ended, if Applicable*	Full Number of Years of Management Company Participation, After Project Placed-In-Service**	Number of Low Income Units***	Number of Affordable Special Needs Units
1.	Wilder Creek Village, 421 Wilder Creek Lane, Wheeler, CA	CA-2002-830	<input type="checkbox"/>	11/20/03	11/20/03	N/A	16	41	
2.	Willford Lane Village, 160 Willford Lane, Colton, CA	CA-2002-177	<input type="checkbox"/>	11/12/03	11/12/03	N/A	16	36	
3.	Jay's Place, 2805 Park Meadow Dr, Santa Rosa, CA	CA-1999-129	<input type="checkbox"/>	03/14/02	03/14/02	N/A	18	41	
4.	Old Elm Village, 2 Sandy Lane, Petaluma, CA	CA-1999-129	<input type="checkbox"/>	12/21/01	12/21/01	N/A	18	87	
5.	Firehouse Village, 200 2nd Street W, Sonoma, CA	CA-1999-133	<input type="checkbox"/>	12/20/01	12/20/01	N/A	18	30	
6.	Round Walk Village, 745 N. McDowell Blvd, Petaluma, CA	CA-1994-030	<input type="checkbox"/>	08/22/96	08/22/96	N/A	23	129	
7.	Round Walk Village, 745 N. McDowell Blvd, Petaluma, CA	CA-12-863	<input type="checkbox"/>	04/03/13	04/03/13	N/A	7	129	
8.	The Gardens, 100 Santa Aliza Drive, Robert Park, CA	CA-1995-079	<input type="checkbox"/>	03/29/96	03/29/96	N/A	24	20	

2020 TCAC WORKSHEET TO DETERMINE MANAGEMENT COMPANY EXPERIENCE MUST BE COMPLETED AND SIGNED, PLEASE CONTINUE ON NEXT PAGE.

	Project Name & Address	TCAC (or other) Project Identification Number, if Applicable	TCAC: Mentions Special Needs Projects, if Applicable	Month, Day, & Year the Project was Placed-In-Service	Month, Day & Year Management Company Participation Began	Month, Day & Year Management Company Participation Ended, if Applicable*	Full Number of Years of Management Company Participation After Project Placed In Service**	Number of Low Income Units***	Number of Affordable Special Needs Units
9.	Circle Kite 200 Commercial Way, Burbank, CA	CA-2902-838	<input type="checkbox"/>	10/27/03	10/27/03	N/A	16	68	
10.	First Interstate 3117 First Interstate Blvd, Los Angeles, CA	CA-12-221	<input type="checkbox"/>	12/23/13	12/23/13	N/A	6	50	
11.	First Interstate 3117 First Interstate Blvd, Los Angeles, CA	CA-13-188	<input type="checkbox"/>	9/25/14	9/25/14	N/A	5	48	

Check this box if you are applying through the Nonprofit or Special Needs set-asides AND requesting points specifically for special needs housing type projects. For each above-listed project, at least 45% of the affordable units must serve special needs tenants. Points will only be awarded to special needs housing type projects.

Management Companies managing less than 2 active California Low-Income Housing Tax Credit projects for more than three years, and management companies for projects requesting points under the special needs categories and managing no active California Low-Income Housing Tax Credit projects for more than 3 years, shall contract with a bona-fide management company currently managing 2 California Low Income Housing Tax Credit projects for more than three years and which itself earns a minimum combined total of 2 points at the time of application. Please provide a separate Attachment 22 form for the bona-fide management company that currently operates tax credit projects in California and which itself earns a minimum combined total of 2 points at the time of application. Please refer to Tab 22 of the 2020 Application Checklist in the Excel application for additional requirements.

\* Projects previously managed, the ending date of the property management role must be no more than 10 years from the application deadline.

\*\* Management Company experience with a project shall not pre-date the project's placed-in-service date. In addition, do NOT round up the amount of time or experience. For example, 2 years 11 months of G.P. experience is only 2 full years of experience, not 3 years.

\*\*\* Project must have more than 10 affordable units and be subject to a recorded regulatory agreement.

Burbank Housing Management Corporation

PRINT MANAGEMENT COMPANY NAME

Richard Wallach

PRINT MANAGEMENT PRINCIPAL NAME



MANAGING PRINCIPAL SIGNATURE

June 18, 2020

DATE