



AUTHORIZATION TO EXECUTE A GRANT AGREEMENT
AND ANY AMENDMENTS THERETO WITH THE
CALIFORNIA DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT FOR THE COMMUNITY
DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY
MULTIFAMILY HOUSING PROGRAM AND APPROVAL OF
AN ALLOCATION OF FUNDING

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Housing and Community Services Department

City Council Meeting

October 13, 2020

CDBG-DR

- HUD allocated \$124M of CDBG-DR funds to California Department of Housing and Community Development (HCD) for recovery from all 2017 disasters
- Of that amount, HCD identified \$66M for a new Disaster Recovery Multifamily Housing Program (DR-MHP)
- HCD has identified City as a subrecipient of the DR-MHP funds.



CDBG-DR Action Plan

- Prior City Council Review of CDBG-DR Program and Action Plan
 - January 6, 2018 City Council Goal Setting Workshop
 - October 2, 2018 Public Meeting facilitated by HCD
 - November 27, 2018 City Council Study Session
 - August 27, 2019 City Council Staff Briefing

MULTIFAMILY HOUSING PROGRAM

- HCD allocated approximately \$38.5M of DR-MHP funds to City, based on the unmet needs analysis in State Action Plan.
- HCD conducts final approval of solicitation and awarding project funding.
- Eligible Activities:
 - Rehabilitation, reconstruction, and new construction of affordable (80% of Area Median Income or less) multifamily, rental housing units



MASTER STANDARD AGREEMENT

- Grant Agreement, drafted by HCD, for use of CDBG-DR funds for the DR-MHP Program
- Defines HCD and City obligations
- Required to commit funding to approved projects
- Establishes timelines and milestones

IMPLEMENTATION

- Oversight by the Housing Authority and Program administration by the Santa Rosa Housing Trust (SRHT)
 - Housing Authority oversees existing affordable housing programs and makes funding awards.
 - Has administered loans for affordable housing units (from CDBG, HOME, and local funds) for over 30 years.



IMPLEMENTATION

- SRHT's capacity and expertise
 - Loan portfolio in excess of \$120M and conducts compliance on over 4,000 units
 - Policies and procedures in place for compliance with federal funding requirements
 - Existing solicitation processes to identify projects that are:
 - Ready to begin construction, provide affordable units to lowest income levels, compete well for state funding sources, and experienced developers
 - Typical loans: 55-year term, simple interest, deferred, residual cash receipt payments
 - Loan repayments are added to available funding and made available in future solicitations

NEXT STEPS

- Receive and execute Standard Agreement
- HCD approval of solicitation materials
- Conduct solicitation in winter 20/21
- Joint City Council & Housing Authority Ad-Hoc Review Committee
- Santa Rosa project selection and recommendation to HCD
- HCD approval of funding awards



RECOMMENDATION

- It is recommended by the Housing and Community Services Department that the Council, by resolution: 1) accepting allocation of funding of up to \$38,469,772 from the Community Development Block Grant Program – Disaster Recovery; 2) approve a Master Standard Agreement with the State of California – Department of General Services and any amendments thereto; and 3) delegate program administration to the Housing Authority of the City of Santa Rosa.