

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, DIRECTOR
HOUSING AND COMMUNITY SERVICES
SUBJECT: HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)
TENANT BASED RENTAL ASSISTANCE

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve the continued use of Home Investment Partnerships Program funds as a Tenant Based Rental Assistance (TBRA) program for the City of Santa Rosa.

EXECUTIVE SUMMARY

Annually, the City of Santa Rosa (City) is allocated approximately \$770,000 in HOME Investment Partnerships Program (HOME) funds by the U.S. Department of Housing and Urban Development (HUD); the City delegates the administration of the funds to the Housing Authority. This item authorizes the continued administration of the program in addition to its inclusion in the annual budget process.

BACKGROUND

HOME funds are allocated by HUD to entitlement jurisdictions to develop and support affordable rental housing and homeownership. Among the allowed uses for HOME funds are the following: acquisition, new construction, rehabilitation, support to Community Housing Development Organizations (CHDOs) and TBRA.

The Housing Authority has used HOME funds to support the acquisition and construction of affordable housing, but given the costs of construction, requirement that HOME funds be the last money into the project, and limited amounts of funds available, use of HOME funds for this purpose is challenging.

In 2021, the Housing Authority approved Resolution 1716 authorizing the use of HOME funds for TBRA for a two-year trial period. The FY 2023/2024 budget reviewed and approved by the Authority included the continued use of HOME funds for TBRA. This

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action provides further support and clarification for the continued use of the funds to provide rental assistance to eligible households in Santa Rosa.

PRIOR HOUSING AUTHORITY REVIEW

On April 26, 2021, the Housing Authority approved Resolution 1716 for 2-year trial period of a TBRA program.

On June 21, 2021, the Housing Authority approved Resolution 1721 adopting the FY 2021/22 budget which included the use of HOME funds for TBRA.

On June 20, 2022, the Housing Authority approved Resolution 1737 adopting the FY 2022/23 budget which included the use of HOME funds for TBRA.

On June 26, 2023, the Housing Authority approved Resolution 1758 adopting the FY 2023/24 budget which included the use of HOME funds for TBRA.

ANALYSIS

On May 19, 2020, the City Council authorized the submission of a Substantial Amendment to the Fiscal Year 2019-2020 Action Plan to reprogram HOME funds from affordable housing development to an Emergency HOME Tenant Based Rental Assistance program in response to the COVID-19 pandemic. The Department of Housing and Community Services used the existing infrastructure supporting the Housing Choice Voucher program to conduct a preliminary applicant lottery, determine household eligibility for the COVID-19 TBRA and provide rental assistance payments to landlords. The Emergency TBRA was the first time the HOME funds have been used in the City as TBRA.

In March 2021, the Housing Authority held a Study Session to review the TBRA program. In April 2021, the Housing Authority approved resolution 1716 authorizing use of HOME funds to continue administering the TBRA for eligible households.

Since implementation of TBRA in 2021, rental assistance has been provided to 50 households, an estimated 38 of which are currently provided assistance. TBRA assistance averages \$1,500 per month per household.

TBRA income targeting requirements differ from the City's major rental assistance program, the Housing Choice Voucher (HCV) program. In the HCV program, 75% of the admissions to the program must be households at or below 30% of the Area Median Income (AMI) and 25% of admissions may reach income levels of up to 50% of AMI. Under TBRA, 90% of assistance must be targeted to households at or below 60% of AMI and the remainder may be up to 80% of AMI.

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The continued use of TBRA will be a component of the Authority's annual budget adoption process which will include analysis of the number of households that can be assisted with the estimated funding.

FISCAL IMPACT

Continuing the use of the HOME funds for TBRA does not have a fiscal impact. The funds are allocated to the City by HUD and incorporated into the annual operating budget.

ENVIRONMENTAL IMPACT

The Housing Authority finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

CONTACT

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