



**Housing Authority
Regular Meeting Minutes - Draft**

Monday, February 24, 2020

1:30 PM

1. CALL TO ORDER

Chair Burke called the meeting to order at 1:35 p.m.

2. ROLL CALL

Present 5 - Commissioner Stephen Burke, Commissioner Wayne Downey Ph. D, Commissioner Phil Olsen, Commissioner Diane Test, and Commissioner Jeffrey Owen

3. STATEMENTS OF ABSTENTION

None.

4. STUDY SESSION

4.1 CONTINUOUS NOTICE OF FUNDING AVAILABILITY FOR AFFORDABLE HOUSING ASSISTED WITH HOME INVESTMENT PARTNERSHIP ACT (HOME) FUNDING

The Housing Authority has been issuing annual Notices of Funding Availability (NOFAs) for its federal HOME Investment Partnership Act (HOME) funds. As a result of the requirements placed on the HOME funds which include that the funding be the last dollars into the project and that it begin construction with twelve (12) months of funding commitment, staff would like to open a Continuous NOFA for HOME funds to improve the ability of developers to access the funds and for staff to support the use of the funds in compliance with federal regulations. If supported, staff will release a NOFA for approximately \$550,000 in HOME funds in March 2020.

Megan Basinger, Housing and Community Services Manager, presented.

Staff responded to Commissioner inquiries.

5. PUBLIC COMMENTS (ON NON-AGENDA ITEMS)

None.

6. APPROVAL OF MINUTES

- 6.1** August 26, 2019 Draft Minutes.
Approved as submitted.
- 6.2** November 5, 2019 Draft Minutes.
Approved as submitted.
- 6.3** December 16, 2019 Draft Minutes.
Approved as submitted.
- 6.4** January 27, 2020 Draft Minutes.
Approved as submitted.

7. CHAIRMAN/ COMMISSIONER REPORTS

Chair Burke reported.

8. COMMITTEE REPORTS

None.

9. EXECUTIVE DIRECTOR REPORT

David Gouin, Housing and Community Services Director, reported.

Staff responded to Commissioner inquiries.

10. COMMUNICATION ITEMS

- 10.1** 2020 DISASTER RECOVERY AND RESILIENCY AWARD - Provided for information.
David Gouin, Housing and Community Services Director, reported.

- 10.2** DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S 2020 VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM OF THE YEAR AWARD - Provided for information.

David Gouin, Housing and Community Services Director, reported.

Chair Burke congratulated staff on the awards received and addressed the Director's Report.

- 10.3** AFFORDABLE HOUSING PIPELINE - Provided for information.

David Gouin, Housing and Community Services Director, reported.

11. CONSENT ITEMS

- 11.1** RESOLUTION - EXTENSION OF THE REGULATORY AGREEMENT FOR QUAIL RUN APARTMENTS

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, modify the Regulatory Agreement approved by Resolution 1571 to extend the Term of Affordability by six (6) years to April 2075, and to increase the number of residential manager units from one (1) to two (2) for Quail Run Apartments at 1018 Bellevue Avenue.

RESOLUTION NO. 1682 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING AN EXTENSION TO THE REGULATORY AGREEMENT WITH SANTA ROSA HOUSING PARTNERS, LP FOR THE RESYNDICATION OF QUAIL RUN APARTMENTS - 1018 BELLEVUE AVENUE (APN's 044-330-056 and 044-330-057; LOAN NO. 9014-2405-13)

A motion was made by Commissioner Test, seconded by Commissioner Downey Ph. D, to waive reading of the text and adopt the Consent Agenda.

The motion carried by the following vote:

Yes: 5 - Commissioner Burke, Commissioner Downey Ph. D, Commissioner Olsen, Commissioner Test and Commissioner Owen

12. REPORT ITEMS

12.1 REPORT - REPORT FROM THE HOUSING AUTHORITY NOMINATING COMMITTEE

BACKGROUND: Annually the Housing Authority Chair appoints the Nominating Committee to make recommendations for a Chair and Vice Chair.

RECOMMENDATION: It is recommended by the Department of Housing and Community Services that the Housing Authority hear a report from members of the Nominating Committee for Housing Authority Chair and Vice Chair for the 2020 calendar year. Action by way of motion may be taken.

A motion was made by Commissioner Burke, seconded by Commissioner Test, nominated Commissioner Owen for Chair and Commissioner Test for Vice Chair.

The motion carried by the following vote:

Yes: 5 - Commissioner Burke, Commissioner Downey Ph. D, Commissioner Olsen, Commissioner Test and Commissioner Owen

12.2 REPORT - 2019-2020 HOUSING AUTHORITY LOAN AND PROJECT BASED VOUCHER NOTICE OF FUNDING AVAILABILITY ADDITIONAL RECOMMENDATIONS - LINDA TUNIS SENIOR APARTMENTS, 600 ACACIA LANE

BACKGROUND: The Housing Authority issued the 2019-2020 Notice of Funding Availability ("NOFA") announcing the availability of \$2,479,000 of local and federal funds and 75 Section 8 Project Based Vouchers ("PBVs") for affordable housing. In response to the NOFA, issued August 6, 2019, the Housing Authority received 11 project applications and one application from a Community Housing Development Organization ("CHDO") for operational funds. The requests total \$13,077,050, more than five times the available funding. In addition, there are requests for 128 PBVs, 53 more than available.

On December 16, 2019, the Housing Authority committed funding to three applications. Five projects were set aside for further review and consideration at the Housing Authority's January 2020 meeting and four

projects were dismissed from further consideration. At the January 2020 meeting, the Housing Authority approved a commitment of loan funds to one project and continued consideration of Linda Tunis Senior Apartments to the February meeting.

RECOMMENDATION: It is recommended by the Housing Authority Ad Hoc Committee and the Housing and Community Services Department that the Housing Authority, by resolution, approve a loan of Community Development Block Grant funds in the amount of \$690,000 and an allocation of eight (8) Project Based Vouchers to Caulfield Lane Senior Housing, Inc. for Linda Tunis Senior Apartments, 26 senior units located at 600 Acacia Lane.

Frank Kasimov, Program Specialist II, presented.

Staff responded to Commissioner questions.

Joe Wallen spoke and responded to Commissioner questions regarding the item.

A motion was made by Commissioner Test, seconded by Commissioner Olsen, to waive reading of the text and adopt:

RESOLUTION NO. 1683 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A LOAN IN THE AMOUNT OF \$690,000 AND AN ALLOCATION OF EIGHT PROJECT BASED VOUCHERS TO CAULFIELD LANE SENIOR HOUSING, INC. FOR LINDA TUNIS SENIOR APARTMENTS, 600 ACACIA LANE – LOAN NUMBER 9022-3195-19 .

The motion carried by the following vote:

Yes: 5 - Commissioner Burke, Commissioner Downey Ph. D, Commissioner Olsen, Commissioner Test and Commissioner Owen

12.3 REPORT - SAGE COMMONS SECTION 8 PROJECT BASED VOUCHERS - 6 AND 80 COLLEGE AVENUE

BACKGROUND: Sage Commons is an approved 54-unit permanent supportive housing facility serving extremely low and very low-income people who are homeless or at risk of homelessness. The project applicant, Danco Communities, has received an allocation of competitive 9% tax credits, as well as other funding commitments. The

tax-credit investor's underwriting guidelines dictate that they underwrite the special needs population of Sage Commons to less than the Low-Income Housing Tax Credit rents. The addition of eight Project Based Vouchers ("PBVs") is projected to provide sufficient additional rental income over the 15-year tax credit compliance period.

RECOMMENDATION: It is recommended by the Housing Authority Ad Hoc Committee and the Housing and Community Services Department that the Housing Authority, by resolution, allocate eight (8) Project Based Vouchers to Santa Rosa College Avenue LP for Sage Commons, located at 6 and 80 College Avenue.

Frank Kasimov, Program Specialist II, presented.

Chris Carter, project developer, presented.

Staff and the project developer responded to Commissioner questions.

A motion was made by Commissioner Burke, seconded by Commissioner Downey Ph. D, to waive reading of the text and adopt:

RESOLUTION NO. 1684 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA ALLOCATING EIGHT (8) PROJECT-BASED VOUCHERS UNDER A TWENTY (20) YEAR PROJECT-BASED HOUSING ASSISTANCE PAYMENTS (HAP) CONTRACT FOR SAGE COMMONS, LOCATED AT 6 AND 80 COLLEGE AVENUE.

The motion carried by the following vote:

Yes: 5 - Commissioner Burke, Commissioner Downey Ph. D, Commissioner Olsen, Commissioner Test and Commissioner Owen

12.4 REPORT - CONVEYANCE OF FOUR PARCELS LOCATED AT 6th AND "A" STREETS TO THE CITY OF SANTA ROSA

BACKGROUND: Prior to and in anticipation of the dissolution of the Redevelopment Agency, the former Redevelopment Agency of the City of Santa Rosa (RDA) conveyed four parcels to the Housing Authority in 2011. The parcels were remnants from development of the Santa Rosa Plaza and realignment of 6th Street (Remnant Parcels). The parcels were, and still are, intended to be used for affordable housing purposes. The State Controller (SCO) found that the transfer of the Remnant

Parcels was not allowable and directed that the Housing Authority return the assets to the Successor Agency to the Redevelopment Agency of the City of Santa Rosa (Successor Agency) for disposition in accordance with Redevelopment Dissolution Law.

As a result of the SCO's determination, staff has spent several years obtaining the necessary approvals from City, County and State bodies to allow conveyance of the Remnant Parcels in a manner consistent with Redevelopment Law and that would continue to facilitate use of the parcels to support affordable housing goals. Final approvals have been provided by the California Department of Finance (DOF) which approve and direct conveyance of the Remnant Parcels to the City of Santa Rosa (City).

RECOMMENDATION: It is recommended by the Department of Housing and Community Services that the Housing Authority, by resolution, approve the conveyance of the four "Remnant Parcels" located at 6th and "A" Streets to the City of Santa Rosa consistent with direction provided by the State Controller and Redevelopment Dissolution Law, and as approved by the Successor Agency to the Redevelopment Agency of the City of Santa Rosa, the Sonoma County Consolidated Oversight Board, and the California Department of Finance.

Megan Basinger, Housing and Community Services Manager, presented and responded to Commissioner questions.

A motion was made by Commissioner Burke, seconded by Commissioner Downey Ph. D, to waive reading of the text and adopt:

RESOLUTION NO. 1685 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING CONVEYANCE OF FOUR PARCELS LOCATED AT 6th AND "A" STREETS TO THE CITY OF SANTA ROSA FOR GOVERNMENTAL PURPOSES

The motion carried by the following vote:

Yes: 5 - Commissioner Burke, Commissioner Downey Ph. D, Commissioner Olsen, Commissioner Test and Commissioner Owen

13. ADJOURNMENT

Chair Owen adjourned the meeting at 2:47 p.m. to the next regularly scheduled Housing Authority meeting to be held on Monday, March 30, 2020, at 1:30 p.m.

Approved on:

David Gouin, Executive Secretary