



**Housing Authority
Regular Meeting Minutes - Final**

Monday, February 28, 2022

1:30 PM

1. CALL TO ORDER

Chair Test called the meeting to order at 1:31PM.

2. ROLL CALL

Present 5 - Chair Diane Test, Vice Chair Jeffrey Owen, Commissioner Stephen Burke, Commissioner Thomas LaPenna, and Commissioner Yvonne Rawhouser

Absent 2 - Commissioner Wayne Downey Ph. D, and Commissioner Scott McWhorter

3. STATEMENTS OF ABSTENTION

Commissioner Rawhouser recused from item 12.1.

4. STAFF BRIEFING

Megan Basinger, Director Housing and Community Services, introduced item 4.1.

4.1 HOUSING AUTHORITY FY 2021/22 Q2 FINANCIAL REPORT

This memo summarizes Housing Authority (“Authority”) expenditures and funding for July 1, 2021 - December 31, 2021.

Kate Goldfine, Administrative Services Officer Housing and Community Services, provided information and answered Commissioner questions.

Public Comments:
None

5. STUDY SESSION

Megan Basinger, Director Housing and Community Services, introduced the item.

5.1 FISCAL YEAR 2022-23 NOTICE OF FUNDING AVAILABILITY

PRIORITIES

The Housing Authority issues Notices of Funding Availability (NOFAs) for its federal, state, and local funds for affordable housing activities annually and as new funding opportunities arise. Over the past three years, six NOFAs have been issued, five of which have focused on providing funds for new construction and to leverage Housing Authority funds to make projects more competitive for state funding sources. This Study Session will provide the Housing Authority the ability to discuss the funding priorities for the upcoming Fiscal Year 2022-23 NOFA and provide direction to staff to either: 1) continue focusing on new construction projects; or 2) allocate a portion of the funds available for rehabilitation and/or preservation of affordable housing units in accordance with applicable funding source eligible uses.

Nicole Rathbun, Interim Manager Housing and Community Services, gave a presentation and answered Commissioner questions.

Public Comments:

Chris Westlake, Consultant for Burbank Housing, requested that the Housing Authority give priority to projects that are related to CGBDR disaster and new construction.

Yesenia Lemus of MidPen Housing requested that funding be prioritized for new construction.

6. PUBLIC COMMENTS (ON NON-AGENDA ITEMS)

None

7. APPROVAL OF MINUTES

7.1 January 24, 2022 - Draft Minutes.

Approved as submitted.

8. CHAIRMAN/ COMMISSIONER REPORTS

Chair Test made comment regarding attendance at the Mayor's February meeting of the Charis of Boards and Commissions. Chair

Test also discussed her meeting with the new City Manager and her support of the Housing Authority.

Public Comments:
None

9. COMMITTEE REPORTS

NONE

10. EXECUTIVE DIRECTOR REPORTS/ COMMUNICATION ITEMS:

Megan Basinger, Director Housing and Community Services, commented upon the goal setting session conducted by City Council, staff working on setting up tours of the Hearn's Veteran's Village site for Housing Authority Commissioners, the 50th anniversary of the Santa Rosa Housing Authority, and commended the diligence of the Housing staff.

Commissioner Rawhouser asked about the status of emergency housing vouchers.

Public Comments:
None

11. CONSENT ITEMS

NONE

12. REPORT ITEMS

Megan Basinger, Director Housing and Community Services, introduced the item.

12.1 REPORT - 3575 MENDOCINO AVENUE PHASE II- FUNDING RECOMMENDATION

BACKGROUND: The Fall 2021 Notice of Funding Availability (NOFA) was published on October 1, 2021 and made available \$694,325 in Permanent Local Housing Allocation (PLHA) program funds and \$1,565,675 in HOME Investment Partnership (HOME) program funds. Of the applications received, there were no projects eligible to receive

HOME funds. At the time that applications were due for the NOFA, the 3575 Mendocino Avenue Phase II project was anticipated to be fully funded and BRJE Phase 2 Housing Partners, LP (the Developer) did not submit an application for funding. In late January, the Developer became aware of and advised Housing Authority staff of a funding shortfall due to a lower-than-expected tax credit equity amount from investors and increased construction costs. The disaster tax credit award requires the project to begin construction by April 10, 2022, which does not allow the time for the project to apply for funding from a future NOFA and retain their \$20 Million disaster tax credit award. The Developer has requested that the Authority consider the request for HOME program loan funds in the amount of \$1,560,000 to address the recently identified funding shortfall to allow the project to proceed on time without jeopardizing the disaster tax credit award.

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve a conditional commitment of loan funds to BRJE Phase 2 Housing Partners, LP in the amount of \$1,560,000 in HOME funds for construction related costs of 37 affordable housing units and 1 unrestricted managers unit for 3575 Mendocino Avenue Phase II located at 3575 Mendocino Avenue Santa Rosa, CA.

Nicole Rathbun, Interim Manager Housing and Community Services, and Julie Garen, Program Specialist, gave a presentation and answered Commissioner questions.

Public Comments:

Efren Carrillo, Executive Vice President of Burbank Housing, commended the Housing Authority on their hard work on the project.

A motion was made by Vice Chair Owen, seconded by Commissioner LaPenna, to waive reading of the text and adopt:

RESOLUTION NO. 1734 ENTITLED: RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SANTA ROSA APPROVING A CONDITIONAL COMMITMENT OF LOAN FUNDS IN THE AMOUNT OF \$1,560,000 TO BRJE PHASE 2 HOUSING PARTNERS, LP, FOR CONSTRUCTION RELATED

COSTS FOR 3575 MENDOCINO AVENUE PHASE II, 3575 MENDOCINO AVENUE; APN 173-030-001.

The motion carried by the following vote:

Yes: 4 - Chair Test, Vice Chair Owen, Commissioner Burke and Commissioner LaPenna

Absent: 2 - Commissioner Downey Ph. D and Commissioner McWhorter

Recused: 1 - Commissioner Rawhouser

13. ADJOURNMENT

Seeing no further business, Chair Test adjourned the meeting at 2:43PM.