

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MARC HUGHES, PROGRAM SPECIALIST
HOUSING AND COMMUNITY SERVICES DEPARTMENT

SUBJECT: FISCAL YEAR 2023-24 NOTICE OF FUNDING AVAILABILITY
PRIORITIES

AGENDA ACTION: DIRECTION

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority hold a study session to receive information on the Fiscal Year 2023-2024 Notice of Funding Availability process and provide direction.

EXECUTIVE SUMMARY

Typically, the Housing and Community Services Department (HCS) issues an annual Notice of Funding Availability (NOFA) to solicit developer funding applications for the affordable housing production and rehabilitation funds the Housing Authority has available from various Federal, State, and/or local sources. This study session is to review the estimated amount of available funds for the upcoming Fiscal Year 2023-2024 NOFA and application evaluation process going forward.

BACKGROUND

The Housing Authority has consistently been issuing NOFAs to solicit funding applications for affordable housing and rehabilitation projects for the past eight years. Each year the NOFA process is reviewed to align with funding opportunities and other factors that are evolving in the current affordable housing climate. This study session is intended to update the Housing Authority on the anticipated funds available for Fiscal Year 2023-2024 and receive feedback from the Housing Authority Commissioners.

PRIOR HOUSING AUTHORITY REVIEW

Not applicable.

ANALYSIS

Obtaining Housing Authority direction for the Fiscal Year 2023-2024 NOFA process allows all Commissioners to provide input on the process prior to the solicitation and review of applications. While NOFAs are an administrative process that do not require Housing Authority approval, Housing Authority Commissioner input is being sought on funding priorities.

The Fiscal Year 2022-2023 NOFA focused on new construction and rehabilitation projects. The Housing Authority awarded the following projects:

1. Burbank Avenue Apartments - \$4,400,000 for new construction;
2. Mahonia Glen Apartments - \$2,000,000 for new construction;
3. Stony Point Flats - \$1,200,000 for new construction;
4. Parkwood Apartments - \$750,000 for rehabilitation; and
5. Vigil Lights Senior Apartments - \$2,200,000 for rehabilitation and preservation.

The amount of funding available in the upcoming Fiscal Year 2023-2024 NOFA is approximately \$8.1 million. The funding sources available in the upcoming NOFA will include Community Development Block Grant (CDBG), Permanent Local Housing Allocation (PLHA), and local funds. Of these funding sources, CDBG can be used for acquisition, demolition, and rehabilitation of existing units, PLHA can be used for predevelopment and new construction, and local sources can be used for acquisition, new construction, and rehabilitation.

HOME funds in the approximate amount of \$650,000 will be made available through a Rolling NOFA. Of this amount, approximately \$340,000 is allocated by HUD to be awarded to a Community Housing Development Organization (CHDO). The Rolling NOFA will not have an application due date. HOME funding is most easily used for new construction, but can also be used for acquisition, predevelopment costs, and rehabilitation.

FISCAL IMPACT

Holding a Study Session does not have a fiscal impact on any Housing Authority funds.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

None

CONTACT

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