



City of Santa Rosa

City Hall, Council
Chamber
100 Santa Rosa Avenue
Santa Rosa, CA

HOUSING AUTHORITY SPECIAL MEETING NOTICE AND AGENDA - FINAL-REVISED DECEMBER 16, 2019 SPECIAL MEETING

1:30 P.M. (CITY COUNCIL CHAMBER)

1. CALL TO ORDER

2. ROLL CALL

3. PROCLAMATION

3.1 PROCLAMATION - PROCLAMATION OF APPRECIATION
CARMELITA HOWARD

Attachments: [Proclamation](#)

4. STATEMENTS OF ABSTENTION

5. PUBLIC COMMENTS (PUBLIC COMMENT WILL BE LIMITED TO THE ITEMS
LISTED ON THE SPECIAL MEETING AGENDA.)

6. CHAIRMAN/ COMMISSIONER REPORTS

7. COMMITTEE REPORTS

8. EXECUTIVE DIRECTOR REPORTS/ COMMUNICATION ITEMS:

8.1 FISCAL YEAR 2018/2019 HOUSING SUCCESSOR AGENCY
REPORT - Provided for information.

Attachments: [Memorandum](#)
[Attachment](#)

8.2 HOUSING AUTHORITY MONTHLY ACTIVITIES REPORT - Provided
for information.

Attachments: [Memorandum](#)

9. CONSENT ITEMS

9.1 RESOLUTION - DUTTON FLATS - MODIFY PRIOR FUNDING COMMITMENT TO ALLOW FUNDS TO BE USED FOR ACQUISITION, PRE-DEVELOPMENT AND/OR CONSTRUCTION RELATED COSTS AND TO EXTEND CONSTRUCTION DATES - 206, 208 AND 214 WEST THIRD STREET

RECOMMENDATION: It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, modify a prior funding commitment of funds in the amount of \$3,100,000 to Dutton Flats, LP to 1) allow funds to be utilized for all project costs including acquisition, predevelopment and/or construction-related costs, and 2) extend the construction start and completion dates by two months related to Dutton Flats, 41 multifamily rental units, located at 206, 208 and 214 West Third Street.

Attachments: [Staff Report](#)
[Attachment 1 - Request to Modify Loan Terms](#)
[Attachment 2 - HA Reso No. 1666](#)
[Attachment 3 - Dutton Flats Locational Aerial](#)
[Attachment 4 - Letter re Additional Cost Resolution](#)

10. REPORT ITEMS

10.1 REPORT - BURBANK HOUSING DEVELOPMENT CORPORATION REQUEST FOR EXTENSION OF HOUSING AUTHORITY LOAN TERMS AND APPLICABLE REGULATORY AGREEMENTS FOR CYPRESS RIDGE, GROSMAN APARTMENTS, JAY'S PLACE, PANAS PLACE, AND WEST OAKS AND SUBORDINATION OF THE HOUSING AUTHORITY'S LOANS TO REFINANCED SENIOR MORTGAGES

BACKGROUND: The Housing Authority has provided loans to Burbank Housing Development Corporation (BHDC) for five affordable housing properties in the total principal amount of \$6,330,966 representing a total of 295 units affordable to extremely low-, very low- and low-income households. Cypress Ridge, Grosman Apartments, and Jay's Place are being refinanced through Berkadia Group; Panas Place and West Oaks are being refinanced through California Housing Finance Agency

(CalHFA). The first mortgages for all five properties are being refinanced to (1) make repairs to each property; (2) repay a portion of the unsecured loan approved by the Housing Authority via Resolution No. 1669 on November 5, 2019; (3) to lower the interest rates on four of the five loans, to support future housing development by BHDC; and (5) to provide support to BHDC's property portfolio. Not only will approval of the loan extensions provide much-needed repairs to each property, it will also secure affordability for 295 units for an additional 17 to 21 years through the extension of each regulatory agreement or, in the case of Grosman Apartments, through execution of a new regulatory agreement.

RECOMMENDATION: To provide sufficient financial resources so that Burbank Housing Development Corporation (BHDC) can perform needed repairs to the properties listed herein through the refinance of the first mortgages for each property, it is recommended by the Housing & Community Services Department that the Housing Authority (Authority), by five (5) separate resolutions, approve the following:

- a. Extend the due date of the Authority's loan, in the principal amount of \$1,995,650 (Authority Loan Nos. 9014-0595-92 and 9914-0875-00) for Cypress Ridge, a 122-unit affordable multifamily rental project located at 1815 Meda Avenue (APN 044-031-048), and the term of affordability, from October 27, 2030 to October 27, 2049 (19 years), and approve subordination of the Housing Authority's loan to a refinanced first mortgage;
- b. Extend the due date of the Authority's loan in the principal amount of \$75,215 (Loan No. 9025-0525-89) for Grosman Apartments, a 13-unit special needs affordable multifamily rental project located at 1289 Martha Way (APN 014-552-029), from January 10, 2032 to January 10, 2049 (17 years), and approve subordination of the Authority's loan to a refinanced first mortgage. In exchange for approval of the loan extension, BHDC will execute a new regulatory agreement securing affordability of the property through 2049;
- c. Extend the due date of the Authority's loan in the principal amount of

\$619,010 (Loan Nos. 9933-0805-00 and 9933-0815-00) for Jay's Place, a 41-unit affordable multifamily rental project located at 2805 Park Meadow Drive (APN 357-70-041), and the term of affordability, from December 12, 2030 to December 12, 2049 (19 years), and approve subordination of the Housing Authority's loan to a refinanced first mortgage;

d. Extend the due date of the Authority's loan in the principal amount of \$2,291,091 (Loan Nos. 9931-0355-97, 9931-0365-96, 9931-0335-94, 9931-0375-96, and 9931-0345-97) for Panas Place, a 66-unit affordable multifamily rental project located at 2450 Stony Point Road (APN 125-521-005), and the term of affordability from May 1, 2039 to May 1, 2060 (21 years), and approve subordination of the Authority's loan to a refinanced first mortgage; and

e. Extend the due date of the Authority's loan in the principal amount of \$1,350,000 (Loan Nos. 9031-0465-97 and 9031-0475-97) for West Oaks, a 53-unit affordable multifamily rental project located at 2594 Guerneville Road (APN 341-10-084), and the term of affordability from October 31, 2039 to October 31, 2060 (21 years), and approve subordination of the Authority's loan to a refinanced first mortgage.

Attachments: [Staff Report](#)
[Staff Report Revised - Uploaded 12-12-19](#)
[Attachment 1 - Cypress Ridge Exec Summary](#)
[Attachment 2 - Grosman Exec Summary](#)
[Attachment 3 - Jays Place Exec Summary](#)
[Attachment 4 - Panas Place Exec Summary](#)
[Attachment 5 - West Oaks Exec Summary](#)
[Attachment 6 - Gouin SR Letter](#)
[Attachment 7 - Amorosa Exec Summary- Uploaded 12-12-](#)
[Resolution - Cypress Ridge](#)
[Resolution - Grosman Apts](#)
[Resolution - Jay's Place](#)
[Resolution - Panas Place](#)
[Resolution - West Oaks](#)
[Presentation](#)

10.2 REPORT - 2019-2020 HOUSING AUTHORITY LOAN AND PROJECT BASED VOUCHER NOTICE OF FUNDING AVAILABILITY FUNDING RECOMMENDATIONS

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 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 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.

A NOFA Ad Hoc Committee and staff recommend funding two rehabilitation projects and operational funds for the CHDO. These projects did not request PBVs. Five projects are not recommended for funding at this time but are being further reviewed for consideration at the January 2020 Housing Authority meeting. The recommendations are based upon the selection criteria set forth in the NOFA, and the restrictions, eligibility, procedures and rules of the federal funding sources. Four projects are not receiving further review due to funding eligibility constraints or not meeting significant funding criteria set forth in the NOFA.

RECOMMENDATION: It is recommended by a Housing Authority Ad Hoc Committee and the Housing and Community Services Department that the Housing Authority, by resolution, 1) approve a commitment of additional loan funds to Community Action Partnership of Sonoma County (“CAPSC”) for rehabilitation of 400 Earle Street in the amount of \$129,778 and extend the existing loan term to start a new 55-year term; 2) approve a commitment of additional loan funds to CAPSC for rehabilitation of 2602 Giffen Street in the amount of \$103,712 and extend the existing loan term to start a new 55-year term; and 3) approve a conditional grant of HOME Investment Partnerships Program funds to Community Housing Sonoma County for Community Housing Development Organization (“CHDO”) operational funds in the amount of \$33,000.

Attachments: [Staff Report](#)
[Attachment 1 - Notice of Funding Availability](#)
[Attachment 2 - Locational Graphic Earle](#)
[Attachment 3 - Application Earle](#)
[Attachment 4 - Project Summary Earle](#)
[Attachment 5 - Locational Graphic Giffen](#)
[Attachment 6 - Application Giffen](#)
[Attachment 7 - Project Summary Giffen](#)
[Resolution - CHSC](#)
[Resolution - Earle](#)
[Resolution - Giffen](#)
[Presentation](#)

10.3 REPORT - MODIFICATIONS TO CALHOME DISASTER ASSISTANCE
LOAN PROGRAM GUIDELINES

BACKGROUND: In May 2019, the Housing Authority (Authority) applied for, and was later awarded, a grant for \$1.2 million in Round 1 CalHome Disaster Assistance funds from the California State Department of Housing & Community Development (HCD). HCD's Notice of Funding Availability (NOFA) for the funds set the income limit for eligible households at 80% of the Area Median Income (AMI) or less and the Authority's application limited the type of housing eligible for the program to single-family homes. Because of the limited number of households at or below 80% of AMI, in November 2019 HCD amended its NOFA for Round 1 funding to increase the income limit to households earning up to 120% of AMI. Staff recommends expanding the type of housing eligible for the program to include manufactured/mobilehomes located in mobilehome parks within the Santa Rosa City Limits. All other program criteria in the HCD-approved Program Guidelines shall remain unchanged.

RECOMMENDATION: It is recommended by the Housing & Community Services Department that the Housing Authority, by resolution, approve amendment of the Program Guidelines for the CalHome Disaster Assistance Loan Program (Loan Program) to (1) allow those earning up to 120% of the Area Median Income (AMI) to qualify for the Loan

Program as now allowed by the California Department of Housing & Community Development (HCD); and (2) permit loan funds to be used as gap financing for replacement or rehabilitation of manufactured or mobilehomes located in mobilehome parks within the Santa Rosa City Limits.

Attachments: [Staff Report](#)
 [Resolution](#)
 [Presentation](#)

11. ADJOURNMENT

The City of Santa Rosa does not discriminate on the basis of disability in the admissions or access to, or treatment of or employment in, its programs or activities. Disability-related aids or services, including printed information in alternate formats, to enable persons with disabilities to participate in public meetings and programs are available by contacting the Housing Authority Recording Secretary at (707) 543-3300 one week prior to the meeting/program.

This information can also be accessed via the internet at: <http://www.srcity.org>

NOTE: Any writings or documents provided to a majority of the Housing Authority regarding any item on this agenda will be made available for public inspection in the Department of Housing and Community Services located 90 Santa Rosa Avenue during normal business hours.