

Apple Valley Apartments Rehabilitation

Apple Valley Apartments, located at 2862, 2866, 2870 & 2874 Apple Valley Lane in Santa Rosa, CA, is an existing 8-unit affordable rental housing development in northwestern Santa Rosa's Apple Valley Neighborhood, one of the five focus neighborhoods of the City's Neighborhood Revitalization Program. Please see Attachment M for the area map showing the subject parcels and site photos.

The property is owned by Burbank Housing Development Corporation - please see the Preliminary Title Report in Attachment N showing ownership.

Burbank Housing Development Corporation (BHDC) is a non-profit public benefit corporation. BHDC organizational documents and a copy of its tax-exemption status letter are included in Attachments D and E.

The CDBG funds requested with this application will be used to complete identified rehab work at Apple Valley Apartments and the work will be done in all 4 duplex buildings. Rehabilitation work is to the building envelope, including replacement of roofing, gutters, siding, windows, wall insulation, exterior painting and concrete flatwork.

Given the 50+ year age of the buildings, the buildings show deterioration of the water proofing behind the stucco and wood trims have signs of dry rot, roof sheathing at the overhangs is deteriorating and recent roof inspections show that, while not leaking, the roofs are past their useful life. This work will improve the livability of the units and quality of life for the existing families. It will also extend the Remaining Useful Life (RUL) of the property and preserve this affordable housing stock for the City of Santa Rosa.

A complete rehabilitation budget including construction cost estimate from Midstate Construction and soft costs is included in Attachments I and T.

The planned rehabilitation activity is an eligible use of CDBG funds - rehabilitation (with or without acquisition) - and meets the CDBG national objective of assisting low-income persons (all units targeted at or below 80% AMI). The rehab will help preserve the City's existing affordable housing stock, thereby meeting one of the Consolidated Plan goals listed in the NOFA.

FINANCING SCHEDULE:

The FY 2017-18 CDBG requested funds will be used to pay for identified repairs at Apple Valley Apartments and are the sole planned source of funds for this rehab scope of work. Please see the budget for funds in Attachments I and T.

DEVELOPMENT SCHEDULE:

The \$744,321 in CDBG funds currently requested will go towards immediate rehabilitation needs. If funding approval occurs in late November 2017, all of the funds could be expended by March 30, 2018.

A NEPA Statutory Worksheet for Categorically Excluded Projects for the rehabilitation work will be completed by AEM Consulting. AEM has confirmed that the approval process for the Categorically Excluded Project could be completed in time for construction completion to meet the end of March 2018 expenditure deadline. The proposed rehabilitation work is ready to proceed other than obtaining over the counter building permits.

No temporary relocation will be needed as all the repairs will be done to the exterior of the buildings.

The property is in compliance with the City's General Plan and zoning. The rehab scope of work will not affect either. The work will require one or more building permits from the City, which can be obtained over the counter. Application for the necessary permits will be made upon confirmation of funding award. Once approved, we can pull permits and begin the rehab work. A timeline with more details is included in Attachment Q.

BHDC is the developer for Apple Valley Apartments' rehab, and has been developing high-quality affordable rental and ownership housing in Sonoma County since 1980. Apple Valley Apartments is managed by BHDC's management arm, Burbank Housing Management Corporation (BHMC). BHMC has been providing property management services to BHDC properties since its inception in 1982.

Both BHDC and BHMC are familiar with the compliance requirements accompanying the use of CDBG funds; most of their properties benefit from federal subsidy, including HOME, CDBG, HUD 202, Project-based Section 8, and others.

Please see Attachment B for a list of properties developed, owned, and managed by BHDC/BHMC.