

CITY OF SANTA ROSA  
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS  
FROM: MEGAN BASINGER, HOUSING AND COMMUNITY SERVICES  
MANAGER  
HOUSING AND COMMUNITY SERVICES  
SUBJECT: MODIFICATION OF TARGETED AFFORDABLE UNITS –  
ORCHARD COMMONS, 811 BOYD STREET

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve a modification to the targeted affordable units for Orchard Commons (formerly known as Boyd Street Family Apartments), located at 811 Boyd Street from 8 units at 30% of Area Median Income (AMI), 37 units at 50% of AMI and one unrestricted manager's unit to 10 units at 30% of AMI, 5 units at 50% of AMI, 30 units @ 60% of AMI, and one unrestricted manager's unit.

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EXECUTIVE SUMMARY

Orchard Commons, formerly known as the Boyd Street Apartments, was provided a loan in the amount of \$200,000 from the Housing Authority in February 2019. The project received Design Review approval from the Department of Planning and Economic Development in August 2019. The project most recently received funding from the California Department of Housing and Community Development's No Place Like Home Program which has resulted in a need to change the unit affordability mix for the project. The project was initially approved with an affordable unit mix of 8 units at 30% of Area Median Income (AMI), 37 units at 50% of AMI and one unrestricted manager's unit. As a result of the final project financing, the unit mix is shifting to 10 units at 30% of AMI, 5 units at 50% of AMI, 30 units @ 60% of AMI, and one unrestricted manager's unit. The total number of units remains unchanged at 45 targeted units, plus one unrestricted manager's unit.

BACKGROUND

Orchard Commons proposed by Danco Communities, formerly known as Boyd Street Apartments (the Project), received a funding award of \$200,000 from the Housing Authority in February 2019. Following receipt of Design Review approval by the

Department of Planning and Economic Development, the project has been pursuing financing to commence construction of the project. The project has secured the following financing and is ready to begin construction by November 1, 2020:

Source	Amount
4% Tax Credit Equity	\$12,385,984
Bond Funds	\$6,390,000
No Place Like Home	\$2,730,384
Sonoma County Community Development Commission	\$1,500,000
Developer Note	\$1,445,926
Housing Authority Funds	\$200,000
Solar Tax Credit Equity	\$87,288
<b>TOTAL</b>	<b>\$24,739,582</b>

### PRIOR HOUSING AUTHORITY REVIEW

On February 25, 2019, the Housing Authority approved a \$200,000 loan to the 46-unit project with a unit mix of 8 units @ 30% of AMI, 37 units @ 50% of AMI, and one unrestricted manager's unit.

### ANALYSIS

The unit mix approved by the Housing Authority in February 2019, was prior to the project obtaining all necessary financing to proceed with construction. After pursuing several funding sources, the project has secured tax credits, bonds, and funding from the State of California Department of Housing and Community Development's No Place Like Home (NPLH) program. The NPLH funding has resulted in the unit mix adjusting to include more units at 30% of AMI, fewer units at 50% of AMI, and the introduction of units at 60% of AMI.

Adjusting the unit mix will bring the Housing Authority funding commitment in line with the other secured funding. As of September 2020, the project has secured all necessary financing and is ready to begin construction by November 1, 2020. The final unit mix is shifting to 10 units at 30% of AMI, 5 units at 50% of AMI, 30 units @ 60% of AMI, and one unrestricted manager's unit. The total number of units remains unchanged at 45 targeted units, plus one unrestricted manager's unit

### FISCAL IMPACT

Approval of this action does not have a fiscal impact on Housing Authority funds.

### ENVIRONMENTAL IMPACT

The project was determined by the Department of Planning and Economic Development to be in compliance with the California Environmental Quality Act (CEQA) and qualified

for an exemption under the California Government Code Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) and a Class 32 Exemption under Section 15332 (In-fill Development Projects).

#### COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On January 14, 2020, the Council held a TEFRA hearing authorizing the issuance of up to \$20 million in Qualified Residential Rental Project bond funding by the California Municipal Finance Authority.

#### NOTIFICATION

Not applicable.

#### ATTACHMENTS

- Attachment 1 – No Place Like Home Project Report
- Resolution

#### CONTACT

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