

CITY OF SANTA ROSA
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS
FROM: MEGAN BASINGER, INTERIM DIRECTOR
REBECCA LANE, HOUSING AND COMMUNITY SERVICES
MANAGER
HOUSING AND COMMUNITY SERVICES
SUBJECT: HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)
TENANT BASED RENTAL ASSISTANCE OVERVIEW

AGENDA ACTION: NO ACTION REQUIRED

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, hold a study session to receive information on the HOME Investments Partnership Act Tenant Based Rental Assistance program.

EXECUTIVE SUMMARY

Annually, the City of Santa Rosa (City) is allocated approximately \$750,000 in HOME Investment Partnerships Program (HOME) funds by the U.S. Department of Housing and Urban Development (HUD); the City delegates the administration of the funds to the Housing Authority. HOME funds available for affordable housing development is approximately \$560,000 once administration and Community Housing Development Organization (CHDO) is deducted. Given the limited amount of funding and the requirements of the HOME program for affordable housing development, using these funds to assist additional tenant households with ongoing rental assistance may further the mission of the Housing Authority and better serve the community.

BACKGROUND

HOME funds are allocated to entitlement jurisdictions to develop and support affordable rental housing and homeownership. Among the allowed uses for HOME funds are the following: acquisition, new construction, rehabilitation, support to CHDOS, and TBRA.

The Housing Authority has used HOME funds to support the acquisition and construction of affordable housing, but given the costs of construction, requirement that HOME funds be the last money into the project, and limited amount of funds available, continuing to use HOME for this purpose is challenging.

Shifting the ongoing use of HOME funds for TBRA will allow the Housing Authority to provide assistance to an estimated 33 households per year.

TBRA requires that the Housing Authority have written tenant selection policies and criteria for providing housing to very-low and low-income households. The rental assistance contract cannot be for more than 24 months and the funds may also be used to assist with security deposits.

PRIOR HOUSING AUTHORITY REVIEW

Not applicable.

ANALYSIS

On May 19, 2020, the City Council authorized the submission of a Substantial Amendment to the Fiscal Year 2019-2020 Action Plan to reprogram the Fiscal Year 2019-2020 HOME funds from affordable housing development to an Emergency HOME Tenant Based Rental Assistance program in response to the COVID-19 pandemic. The Department of Housing and Community Services used the existing infrastructure supporting the Housing Choice Voucher program to conduct a preliminary applicant lottery, determine household eligibility for the COVID-19 TBRA and provide rental assistance payments to landlords.

Using the HOME funds towards TBRA would provide direct rental assistance to an estimated 33 households per year. Unlike the Housing Choice Voucher (HCV) program, TBRA rental assistance contracts are time-limited and the maximum term of assistance is 24 months. The funds may also be used for security deposit assistance, which is not permitted in the HCV program.

TBRA income targeting requirements differ from the HCV program; in the voucher program, 75% of New Admissions must be households at or below 30% of the Area Median Income (AMI) and 25% of admissions may reach income levels of up to 50% of AMI. Under TBRA, 90% of assistance must be targeted to households at or below 60% of AMI and the remainder may be up to 80% of AMI.

HUD allows jurisdictions to establish TBRA programs with preference for households with special needs including the homeless, elderly persons or people with disabilities.

FISCAL IMPACT

This study session does not have a fiscal impact.

ENVIRONMENTAL IMPACT

This study session 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 Guideline section 15378.

COUNCIL/BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

Not applicable.

CONTACT

Megan Basinger, Interim Director, mbasinger@srcity.org
Rebecca Lane, Housing and Community Services Manager, rlane@srcity.org