

CITY OF SANTA ROSA  
HOUSING AUTHORITY

TO: HOUSING AUTHORITY COMMISSIONERS  
FROM: MEGAN BASINGER, DIRECTOR  
HOUSING AND COMMUNITY SERVICES  
SUBJECT: CHANGE TO TARGETED UNIT MIX ON PRIOR AWARD OF  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS  
FOR WEST AVENUE APARTMENTS

AGENDA ACTION: REPORT

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RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve a change to the targeted affordable unit mix for West Avenue Apartments identified in Resolution No. 1783, dated October 28, 2024, to align the targeted affordable unit mix with the requirements of the state funding sources supporting West Avenue Apartments.

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EXECUTIVE SUMMARY

West Avenue Apartments (Project) is a 40-unit apartment building located at 1400 West Avenue in Santa Rosa. The Project was built in 1986 and is owned by Burbank Housing and includes 39 affordable units currently rented to households at or below 60% of AMI and one manager unit. There are 34 2-bedroom units and five 3-bedroom units in the Project. Burbank Housing has secured a conditional commitment of Portfolio Reinvestment Program (PRP) funds from the California Department of Housing and Community Development (HCD) to rehabilitate the property, in addition to the conditional award of Community Development Block Grant (CDBG) funds from the Housing Authority committed to the project on October 28, 2024. HCD is requiring Burbank Housing to update the targeted unit mix from 29 units at 60% of Area Median Income (AMI), one unit at 50% of AMI and nine units at 30% of AMI, which is the unit mix that was approved by the Housing Authority in the CDBG award, to increase the number of units affordable to households at 50% of AMI by one unit. The new targeted affordable unit mix is 28 units at 60% of AMI, two units at 50% of AMI, and nine units at 30% of AMI. The unit mix change must be approved, by resolution, by the Housing Authority.

# CHANGE TO TARGETED UNIT MIX ON PRIOR AWARD OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR WEST AVENUE APARTMENTS

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## BACKGROUND

West Avenue Apartments was constructed in 1986 and is owned by Burbank Housing. Burbank entered into a consolidated Regulatory Agreement with the Housing Authority of the County of Sonoma and HCD on June 24, 1986, for the Rental Housing Construction Program. The property is in need of extensive rehabilitation including addressing dry rot throughout the property, installing new stairs throughout the project, a remodel of the community space, an upgraded playground/tot lot and extensive energy efficiency upgrades.

Burbank Housing applied for funds for rehabilitation under the Housing Authority's Fiscal Year 2024-2025 Notice of Funding Availability (NOFA) and received a conditional commitment of \$1M in CDBG funds. Burbank Housing also applied for and received a conditional commitment of PRP funds from HCD in 2024 and is in the process of entering into a Standard Agreement with HCD for the PRP funds. Burbank recently learned that HCD is requiring an update to the targeted affordable unit mix at the Project in order to proceed with execution of the Standard Agreement. The current targeted unit mix approved by the Housing Authority in Resolution No. 1783 is 29 units at 60% of Area Median Income (AMI), one unit at 50% of AMI and nine units at 30% of AMI. HCD is requiring an increase to the number of units affordable to households at 50% of AMI by one unit. The new targeted affordable unit mix will be 28 units at 60% of AMI, two units at 50% of AMI, and nine units at 30% of AMI. The unit mix change must be approved, by resolution, by the Housing Authority.

## PRIOR HOUSING AUTHORITY REVIEW

On October 28, 2024, in Resolution No. 1783 the Housing Authority awarded a conditional commitment of \$1,000,000.00 in CDBG funds to the Project for rehabilitation under the Fiscal Year 2024-2025 NOFA.

## ANALYSIS

Staff recommends that the Housing Authority approve an update to the unit mix as required by HCD for the PRP funds at West Avenue Apartments. The change to the unit mix adds one unit affordable to households at 50% of AMI and reduces the number of units at 60% of AMI by one unit.

## FISCAL IMPACT

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

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ENVIRONMENTAL IMPACT

West Avenue Apartments completed a National Environmental Policy Act of 1969 (NEPA) review in April 2025, resulting in a finding that the project is Categorically Excluded per 24 CFR 58.35(a). West Avenue Apartments is exempt from the California Environmental Quality Act (CEQA) under Government Code Section 65457, CEQA Guidelines Sections 15182(a)(c) and 15183.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

The Developer was notified of the meeting.

ATTACHMENTS

- Resolution

PRESENTER

Rebecca Lane, Program Specialist