



HOUSING AUTHORITY

Economic Development

# AGENDA REPORT

<b>DATE:</b>	December 6, 2022
<b>TO:</b>	Housing Authority Board of Commissioners
<b>FROM:</b>	Nannette J. Beacham, Executive Director Gabino Arredondo, Project Manager
<b>Subject:</b>	Rental Assistance Demonstration (RAD) Program Application for Richmond Village
<b>FINANCIAL IMPACT:</b>	Submission of the RAD application to U.S. Department of Housing and Urban Development (HUD) is part of Richmond Housing Authority's (RHA) asset repositioning efforts and will reduce RHA's total public housing assets. The application submittal facilitates efforts to implement provision in the Public Housing Agency Recovery and Sustainability (PHARS) agreement and will provide an increase in operating subsidy to the project.
<b>PREVIOUS COUNCIL ACTION:</b>	September 13, 2022
<b>STATEMENT OF THE ISSUE:</b>	As an implementing action of the RHA asset repositioning efforts, RHA is prepared to submit a Rental Assistance Demonstration Program (RAD) application to HUD for Richmond Village I, II, and III (collectively Richmond Village). The application submittal facilitates efforts to reposition Richmond Village as provided in the PHARS Agreement with HUD.

<b>RECOMMENDED ACTION:</b>	ADOPT a resolution authorizing the Richmond Housing Authority (RHA) to submit a Rental Assistance Demonstration (RAD) application and any Section 18 Disposition application elements required to support blending RAD and Section 18 Disposition programs to U.S. Department of Housing and Urban Development (HUD) for Richmond Village - Richmond Housing Authority (Nannette J. Beacham 621-1300).
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## **DISCUSSION:**

RHA's purpose is to provide quality, safe, and sanitary housing for very low-income individuals and families in the City of Richmond through the administration of the Low-Income Public Housing Program. Richmond Village, located at and around 700 S. 26th Street, contains 167 public housing units. The property is currently owned by Easter Hill Development, L.P. and Easter Hill Phase II, L.P, both California limited partnerships. RHA is a Managing General Partner in both limited partnerships. These ownership entities were created to facilitate the use of Low-Income Housing Tax Credits (LIHTC) to finance the development approximately 15 years ago.

On December 4, 2018, the RHA Board of Commissioners directed staff to move forward with repositioning RHA's public housing developments and other real estate holdings. This strategy supports the underlying goals of RHA to ensure no reduction in rental housing options for Richmond residents, and to maximize the benefit/utilization of the federal funds.

This RAD application will begin the process to convert the existing public housing operating subsidy to project based Section 8 vouchers. Converting these units is one aspect of the larger repositioning of Richmond Village. The application submittal facilitates efforts to reposition Richmond Village as provided in the PHARS Agreement with HUD (Tasks 5 & 6).

RHA is working with its partners McCormick Baron Salazar and Community Housing Development Corporation to exit the initial investor limited partner and modify the ownership structures as needed. These actions are not part of this request and will come before the board at a later date.

## **DOCUMENTS ATTACHED:**

Attachment 1 - Resolution

Attachment 2 - PHARS Agreement