



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: June 11, 2018

Approved

D. DSL

Date

6/12/18

COUNCIL DISTRICT: 3

SUPPLEMENTAL

SUBJECT: APPROVAL OF AN INCREASE TO THE EXISTING AMOUNT OF HOME FUNDING FOR THE CONSTRUCTION-PERMANENT LOAN COMMITMENT FOR THE SECOND STREET STUDIO APARTMENTS DEVELOPMENT

REASON FOR SUPPLEMENTAL

The purpose of this memorandum is to clarify the number of additional HOME units required for the Second Street Studios development due to the requested increase in HOME funding. The revised calculation is based on updated HOME per-unit limits.

ANALYSIS

The proposed action will increase the existing contribution of HOME funds from \$8,000,000 to \$9,500,000. Additional HOME units are therefore required. After submission of the original memorandum, staff received updated maximum per-unit limits for the HOME program from the U.S Department of Housing and Urban Development (HUD). These limits are used to determine the number of HOME units required for a given amount of HOME funding. The recalculation changes the number of HOME units required for the HOME loan increase.

Based on the most recent HUD per-unit limits for HOME, the revised number of HOME units required is 67 units, rather than 68 as stated in staff's memorandum.

/s/

JACKY MORALES-FERRAND
Director of Housing

For questions, please contact Jacky Morales-Ferrand, Director of Housing, at (408) 535-3855.