

Legislation Text

File #: 20-655, **Version:** 1

Approval of a Loan Commitment to Eden Housing, Inc. for the Development of an Affordable Apartment Community Located at 5647 Gallup Drive and 1171 Mesa Drive to be Known as Gallup-Mesa Apartments.

(a) Adopt a resolution:

(1) Approving a total commitment of \$5,250,000 in Low and Moderate Income Housing Asset Funds and \$500,000 in Affordable Housing Impact Funds for a Construction-Permanent Loan totaling \$5,750,000 to Eden Housing, Inc. (“Developer”) for a new 46 unit affordable housing development to be located at 5647 Gallup Drive and 1171 Mesa Drive, in order to offer rent- and income-restricted apartments for extremely low-income, very low-income and low-income households (“Project”);

(2) Authorizing the Director of Housing to negotiate and execute loan documents and all other documents regarding City construction and permanent financing for the Project;

(3) Approving a loan-to-value ratio of greater than 100% for this loan;

(4) Approving the following affordability mix for the Project in order to allow more flexibility without compromising the intent of providing affordable and permanent supportive housing: 15 units will be income-restricted at 25% of Area Median Income (“AMI”); one unit will be income-restricted at 30% of AMI; 11 units will be income-restricted at 40% of AMI; 12 units will be income-restricted at 50% of AMI; two units will be income-restricted at 60% AMI; four units will be income-restricted at 80% AMI; and one unit will be an unrestricted manager’s unit; and

(5) Authorizing the Director of Housing to negotiate and execute a Ground Lease with the Developer of the City-owned properties located at 5647 Gallup Drive and 1171 Mesa Drive for a term of seventy-five (75) years, and any other documents or amendments related thereto including an extension of that certain Exclusive Negotiations Agreement between City and Developer dated September 25, 2017, as amended, for the purpose of constructing and operating the Project.

(b) Adopt the following Fiscal Year 2019-2020 Appropriation Ordinance Amendments in the Low and Moderate Income Housing Asset Fund:

(1) Decrease the Housing Project Reserve appropriation by \$5,050,000; and

(2) Increase the Committed Projects Reserve appropriation by \$5,050,000.

(c) Adopt the following Fiscal Year 2019-2020 Appropriation Ordinance Amendments in the Multi-Source Housing Fund:

(1) Decrease the Housing Project Reserve appropriation by \$500,000; and

(2) Establish the Committed Projects Reserve in the amount of \$500,000.

CEQA: Exempt, File No. ER20-109, CEQA Guidelines section 15369 Ministerial Project pursuant to Government Code Section 65913.4 [Public Resources Code section 21080(b)(1)]. Council District 10.
(Housing/City Manager)