



Meeting Date: 3/27/07

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Richard R. Bryan *[Signature]* Agenda Item No. I-2
 Reviewed By: City Manager *[Signature]* City Attorney Holmberg *[Signature]* Finance *[Signature]* Other (Specify) _____

DATE: March 16, 2007

TO: City Council
Community Development Commission

FROM: *[Signature]* Salvador Gonzalez, Housing Director *[Signature]* 3/20/07
 Curtis Cannon, Community Development Director *[Signature]*

SUBJECT: Reallocation of \$4.9 Million Dollar City and CDC Loan Commitments for an 86 unit and a 54 unit Affordable Apartment Project at RiverPark being developed by Cabrillo Economic Development Corporation for Extremely and Very Low Income Families, Located at the West End of Olive Street

RECOMMENDATION

1. That City Council authorize the Housing Director to execute a letter to Cabrillo Economic Development Corporation ("CEDC") expressing the commitment of the City to provide a \$2.2 Million Dollars loan to assist the development of an 86 unit affordable apartment project known as Paseo Del Rio in the RiverPark development.
2. That the Community Development Commission ("CDC") authorize the Community Development Director to execute a letter to Cabrillo Economic Development Corporation ("CEDC") expressing the CDC's commitment to provide a \$2.7 Million Dollar loan to assist the development of a 54 unit affordable apartment project known as Paseo Santa Clara in the RiverPark development.

DISCUSSION

On March 7, 2006, the City Council authorized the commitment of \$2.2 Million Dollars to assist in the funding of a 54 unit component of a 140 unit affordable housing project to be developed by Cabrillo Economic Development Corporation ("CEDC") in the RiverPark development. In lieu fees from the Affordable Housing Rental Trust Funds development were identified as the source of funds. A copy of the letter of commitment made pursuant to City Council's authorization is attached hereto as Attachment No. 1.

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Reallocation of \$4.9 Million Dollar City and CDC Loan Commitment for an 86 unit and a 54 unit Affordable Apartment Project at RiverPark being developed by Cabrillo Economic Development Corporation for Extremely and Very-Low Income Houses, Located at the West End of Olive Street
March 16, 2007

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On October 3, 2006, the Community Development Commission authorized the commitment of \$2.7 Million Dollars for the 86 unit component of the same 140 unit affordable housing project. Tax increment generated by the RiverPark development will be the source of funds. A copy of the letter expressing the commitment made pursuant to the Commissioner authorization is attached as Attachment No. 2.

CEDC has since formed limited liability companies to own the projects. The 86 unit project will be owned by Paseo Del Rio Associates, LLC. ("Paseo Del Rio") and the 54 unit project will be owned by Paseo Santa Clara Associates, LLC.

CEDC, on behalf of these entities, has asked that the City and the CDC switch the properties to which their funds are committed. Pro formas which have been developed for the properties indicate that switching commitment of funds between the projects is necessary to enable CEDC to assemble the financial packages that it needs to develop the projects. The switch will not increase the amount which either the City or CDC is providing. Advances of funds will be made only upon execution of loan documents satisfying the CDC and City and upon evidence that all funding necessary to develop the projects is in place. The letters of commitment will be provided to the California Debt Limit Allocation Committee and the California Tax Credit Allocation Committee in furtherance of applications for additional financing. Copies of the letters of commitment of which staff is asking City Council to authorize execution are attached hereto as Attachment No. 3 and 4. A map of the project site is attached hereto as Attachment No. 5.

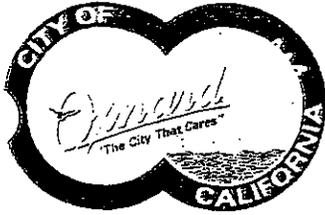
FINANCIAL IMPACT

The recommended financing commitments are based on the source of funding as described in the staff reports to the City Council dated February 23, 2006 and the CDC dated September 21, 2006.

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Attachment #1 – March 2006 City Commitment Letter
Attachment #2 – October 2006 CDC Commitment Letter
Attachment #3 – City Commitment Letter
Attachment #4 – CDC Commitment Letter
Attachment #5 – Site Map

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HOUSING • ADMINISTRATIVE SERVICES
435 SOUTH D STREET • OXNARD, CALIFORNIA 93030
(805) 385-8096 • (805) 385-8041 • FAX (805) 385-7969

March 8, 2006

Rodney Fernandez, Executive Director
Cabrillo Economic Development Corporation
11011 Azahar Street
Saticoy, CA 93004

RE: Request for Funding for 82 Affordable Apartments, Riverpark Project, West End of Olive Street.

Dear Mr. Fernandez:

The purpose of this letter is to express the commitment of the City Council of the City of Oxnard to provide \$2.2 million from the City of Oxnard Affordable Rental Housing Trust Fund to assist in financing an 82-unit affordable apartment project in the Riverpark Project. This commitment is made to Cabrillo Economic Development Corporation ("CEDC"). This commitment has been authorized by the City Council.

The funds committed will be in the form of a loan. The loan must be repaid over no more than a 55-year term. Interest will accrue at a rate of 4% per annum. The units must be restricted so that all units are available at rents affordable to families earning 50% or less than the median income as these terms are defined in the Health and Safety Code or similar federal law.

Funds will be made available provided other financing sources—including 9% tax credits, a conventional bank loan, and developer equity—are sufficient to provide for the completion of the project.

CEDC will be required to execute an Affordable Housing Loan Agreement and related documents in form and substance similar to documents previously used in CEDC transactions with the City.

These funds are committed to the 82-unit development referred to herein. This development must be processed and entitled in accordance with all local, state and federal laws and

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development procedures. Nothing in this letter limits the ability of the City Council as a regulatory agency to impose terms and conditions upon the development of real property within its jurisdiction.

This commitment will expire 36 months from the date of this letter.

The City has always supported the production of affordable housing, and is pleased to participate in this project.

Very truly yours,

Salvador Gonzalez,
Housing Director

AH:kh

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CURTIS P. CANNON
Community Development Director

Community Development Department
305 West Third Street • Oxnard, CA 93030 • (805) 385-7407 • Fax (805) 385-7408

October 4, 2006

Rodney Fernandez
Executive Director
Cabrille Economic Development Corporation
702 County Square Drive
Ventura, CA 93003

RE: Request for Funding for 86 Affordable Apartments, RiverPark Project, West End of Olive Street.

Dear Mr. Fernandez:

On October 3, 2006 the Oxnard Community Development Commission (CDC) approved a commitment to provide Cabrillo Economic Development Corporation (CEDC) \$2.7 million in funding to assist in financing for the 86 unit Paseo del Rio affordable apartment project in the RiverPark Development.

The funds committed will be in the form of a loan. The loan must be repaid over no more than a 55-year term. Interest will accrue at a rate of 4% per annum and will be paid from residual receipts. The units must be restricted so that all units are available at rents affordable to families earning 50% or less than the median income as these terms are defined in the Health and Safety Code or similar federal law.

Funds will be made available provided other financing sources including State of California Multifamily Housing Program Funds, 4% tax credits, Multifamily Housing Bonds, and developer equity are sufficient to provide for the completion of the project.

CEDC will be required to execute an Affordable Housing Loan Agreement and related documents with terms and conditions similar to other affordable housing agreements previously used in CEDC transactions with the City/CDC.

These funds are committed to the 86-unit development referred to herein. This development must be processed and entitled in accordance with all local, state and federal laws and development procedures. Nothing in this letter limits the ability of the City Council and Community Development Commission as the regulatory agencies to impose terms and conditions upon the development of real property within their jurisdiction.

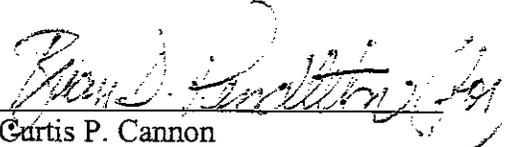
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Attachment #2
Page 1 of 2

This commitment will expire 36 months from the date of this letter.

The City has always supported the production of affordable housing, and is pleased to participate in this project.

Sincerely,


Curtis P. Cannon
Community Development Director

Sal Gonzalez
Housing Director

Accepted:

Cabrillo Economic Corporation

By: _____
Rodney, Fernandez, Executive Director

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March 15, 2007

Dan Hardy
Project Manager
Cabrillo Economic Development Corporation
11011 Azahar Street
Saticoy, CA 93004

RE: Funding for 86 Affordable Apartments, Paseo Del Rio Project,
281-287 Myrtle Street, Oxnard, CA 93036

Dear Mr. Hardy:

The purpose of this letter is to express the commitment of the City Council of the City of Oxnard to provide \$2.2 million from the City of Oxnard Affordable Rental Housing Trust Fund to assist in financing an 86-unit affordable apartment project known as Paseo Del Rio in the RiverPark Project. This commitment has been authorized by City Council in a public meeting.

The funds committed will be in the form of a loan. The loan must be repaid over no more than a 55-year term. Interest will accrue at a rate of 4% per annum and will be paid from residual receipts. The units must be restricted so that all units are available at rents affordable to families earning 50% or less than the median income as these terms are defined in the Health and Safety Code or similar federal law.

Funds will be made available provided other financing sources including State of California Multifamily Housing Program Funds, 4% tax credits, Multifamily Housing Bonds, and developer equity are sufficient to provide for the completion of the project.

CEDC will be required to execute an Affordable Housing Loan Agreement and related documents in form and substance similar to documents previously used in CEDC transactions with the City.

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These funds are committed to the 86-unit development referred to herein. This development must be processed and entitled in accordance with all local, state and federal laws and development procedures. Nothing in this letter limits the ability of the City Council as a regulatory agency to impose terms and conditions upon the development of real property within its jurisdiction.

This commitment will expire 36 months from the date of this letter.

The City has always supported the production of affordable housing, and is pleased to participate in this project.

Sincerely,

Salvador Gonzalez
Housing Director

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March 15, 2007

Dan Hardy
Project Manager
Cabrillo Economic Development Corporation
702 County Square Drive
Ventura, CA 93003

RE: Funding for 54 Affordable Apartments, Paseo Santa Clara Project,
289-295 Myrtle Street, Oxnard, CA 93036

Dear Mr. Hardy:

The purpose of this letter is to express the commitment of the Community Development Commission of the City of Oxnard ("CDC") to provide \$2.7 million to assist in financing a 54-unit affordable apartment project known as Paseo Santa Clara in the RiverPark Project. This commitment is made to Cabrillo Economic Development Corporation ("CEDC"). This commitment has been authorized by the Commissioners in a public meeting.

The funds committed will be in the form of a loan. The loan must be repaid over no more than a 55-year term. Interest will accrue at a rate of 4% per annum and will be paid from residual receipts. The units must be restricted so that all units are available at rents affordable to families earning 50% or less than the median income as these terms are defined in the Health and Safety Code or similar federal law.

Funds will be made available provided other financing sources including State of California Multifamily Housing Program Funds, 4% tax credits, Multifamily Housing Bonds, and developer equity are sufficient to provide for the completion of the project.

CEDC will be required to execute an Affordable Housing Loan Agreement and related documents in form and substance similar to documents previously used in CEDC transactions with the City and CDC.

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Dan Hardy
CEDC
March 15, 2007
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These funds are committed to the 54-unit development referred to herein. This development must be processed and entitled in accordance with all local, state and federal laws and development procedures. Nothing in this letter limits the ability of the City Council as a regulatory agency to impose terms and conditions upon the development of real property within its jurisdiction.

This commitment will expire 36 months from the date of this letter.

The City and CDC always supported the production of affordable housing, and is pleased to participate in this project.

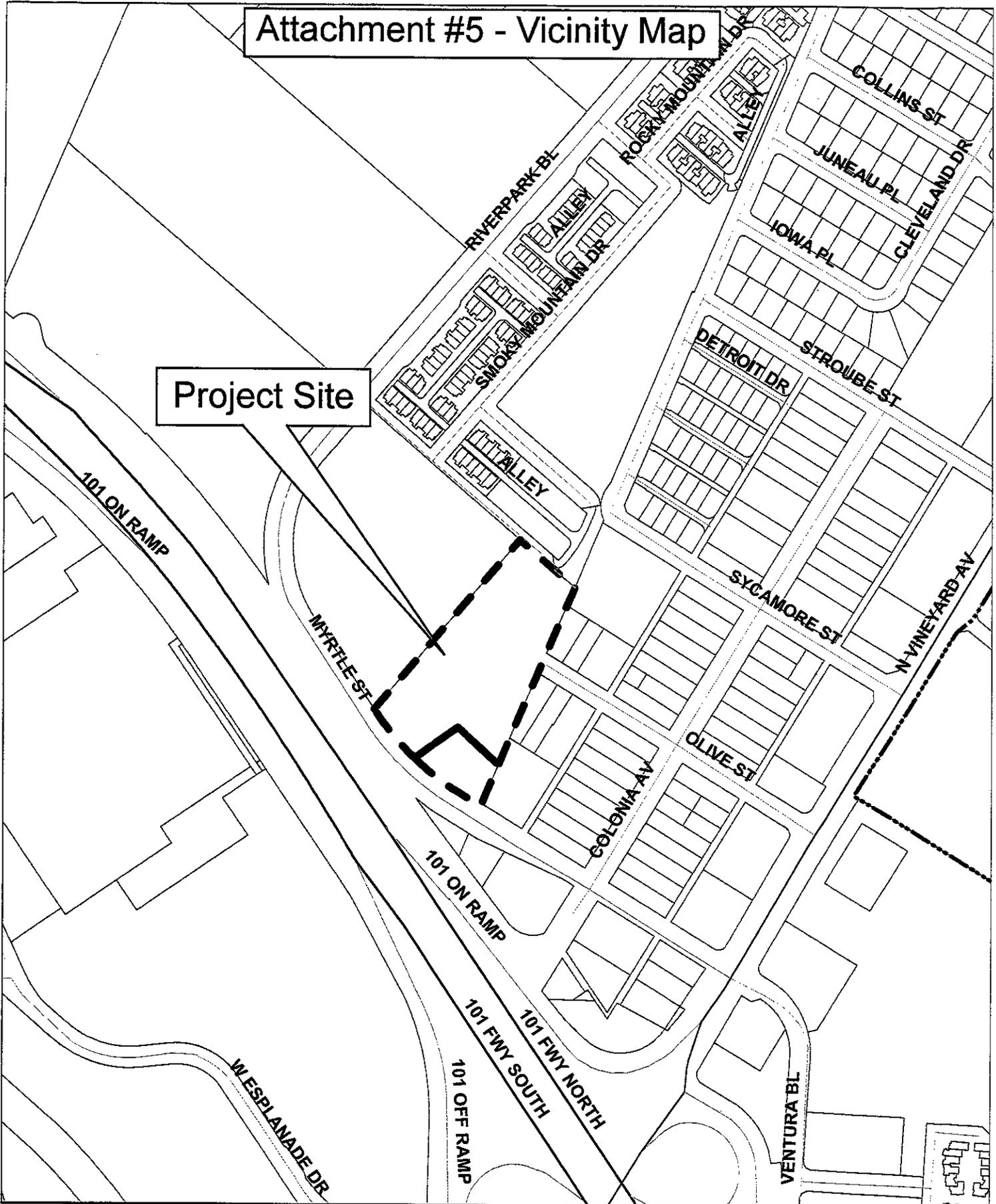
Sincerely,

Curtis P. Cannon
Communiity Development Director

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Attachment #5 - Vicinity Map



Project Site



Oxnard Planning
March 15, 2007

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Lot 19, TR 5352-1
RiverPark



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ATTACHMENT #5
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