



Meeting Date: 10/14/08

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: Ernest Whitaker *EW* Agenda Item No. I-3
 Reviewed By: City Manager *JLB* City Attorney *Holmberg* Finance *JPC* Other (Specify) _____

DATE: September 29, 2008

TO: City Council

FROM: Ernest Whitaker, Interim Housing Director
Housing Department *Ernest Whitaker*

SUBJECT: Affordable Housing and Loan Agreement with Cabrillo Economic Development Corporation (CEDC)

RECOMMENDATION

That City Council:

1. Approve and authorize the Mayor to execute an Affordable Housing and Loan Agreement (A-7098) with CEDC providing gap financing in the amount of \$1,300,000 for the development of 43 affordable apartments at 457 West Gonzales Road
2. Approve the appropriation of funds in the amount of \$1,300,000 from the Affordable Rental Housing Trust Fund Balance

DISCUSSION

The City has received a request from CEDC to support a financial gap of \$2 million for their very low-income apartment project at 457 West Gonzales Road.

The proposal contains two projects at an estimated cost of \$19.5 million on a two acre site. Paseo De Luz is a 25 unit special needs apartment complex. Camino Gonzalez is an 18 unit farmworker apartment complex. Both projects have had an initial review by the Development Advisory Committee. Both projects will serve very low-income families.

The initial CEDC request is for funds to pay down a portion of the real estate purchase loan and will be shared by both projects. Future requests will be limited to the 18 unit Camino Gonzales complex for farmworkers.

The City has participated with CEDC on six previous apartment projects from Villa Solimar in 1994 to Paseo Santa Clara in 2007. CEDC has performed well, with attractive well managed units and has met its completion schedules for all projects.

The 43 special needs and farmworker units are an important part of the City's Annual Plan and

Consolidated Plan. Financing is difficult for these types of projects because they serve very low-income families and the rental income is lower with which to cover expenses. The City has provided \$6.6 million in funding for similar projects over the last eight years (Attachment 3). A site map and location map are attached for 457 West Gonzalez Road (Attachment 4 and 5).

The Affordable Rental Housing Trust Fund receives revenues from affordable housing in-lieu fees paid by developers. This fund has rigid requirements which not every rental project can meet. It requires that 30% of the units be extremely low income (30% of median) and that 30% of the units be three bedrooms. The Gonzales Road project meets these requirements. The remaining \$700,000 is proposed to come from the following sources

HOME	\$323,000
State Housing Trust Fund	\$377,000

The State has not yet issued the 2008 Notice of Funding Availability (NOFA) for the Housing Trust Fund. The HOME funds have been appropriated to this project as part of the FY 2009 budget. Future amendments to the Affordable Housing Agreement will require City Council approval to supply the remaining, \$700,000 funding request.

FINANCIAL IMPACT

The Special Budget Appropriation will appropriate funds in the amount of \$1,300,000 from the Affordable Rental Housing Fund Balance (Fund 372) into the 457 West Gonzales Road Project (#7751XX, Account #372-5135).

Attachment #1- Affordable Housing and Loan Agreement.
#2- Special Budget Appropriation
#3- Previous Financial Contributions
#4- Location Map
#5- Site Map

Note: The Affordable Housing and Loan Agreement has been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00a.m. on Friday.

CITY OF OXNARD
REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

October 14, 2008

Request is hereby made for an appropriation of total

\$ 1,300,000

Reason for appropriation: CEDC Gonzalez Road Project

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
Affordable Rental Housing (372)	457 West Gonzales Road 372-5135- (7751XX)	
	826-8821 - Loan to Private Operator	<u>1,300,000</u>
	Net Estimated Change to Affordable Rental Housing Fund Balance	<u>(1,300,000)</u>



 Manager

CHIEF FINANCIAL OFFICER

REQUIRES CITY COUNCIL APPROVAL



Disposition	Approved _____
	Rejected _____
Transfer by Journal Voucher	_____ City Manager

City of Oxnard

Publicly Funded Affordable Rental Projects

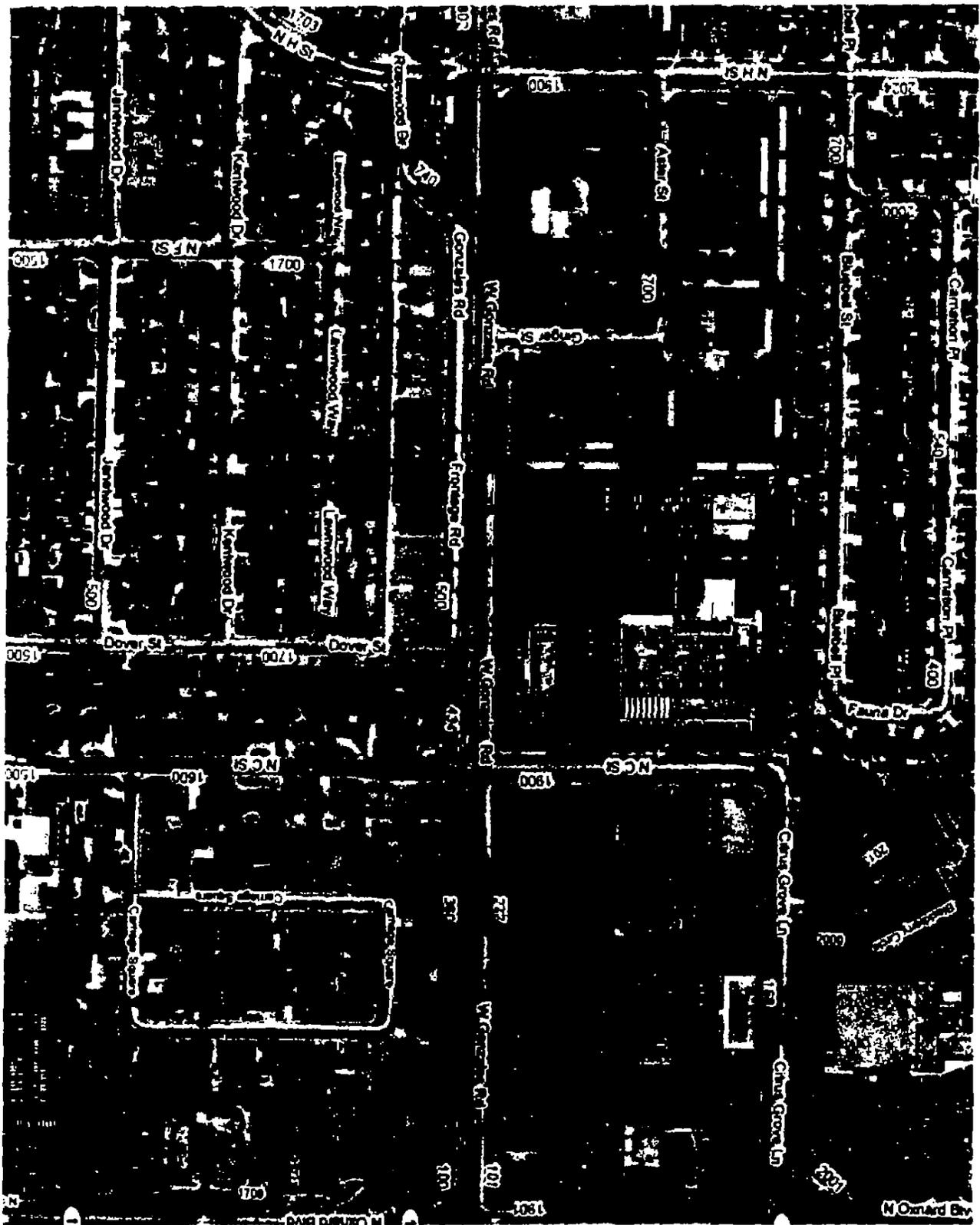
2000-2008

Apartments

<u>Project/Year</u>	<u>Number of Units</u>	<u>Funding</u>	<u>Per Unit Assistance</u>
Villa Madera (3/01)	72	\$1,600,000	\$22,222
Meta Street (12/02)	24	\$295,000	\$12,962
Cypress Court (2002)	6	\$162,000	\$27,000
Villa César Chávez (3/03)	52	\$1,260,000	\$24,231
Villa Victoria (7/03)	54	\$1,101,500	\$20,398
Paseo Santa Clara (8/07)	54	\$2,200,000	\$40,741
1470 Gonzales Road (10/08)	43	\$2,000,000	\$46,512

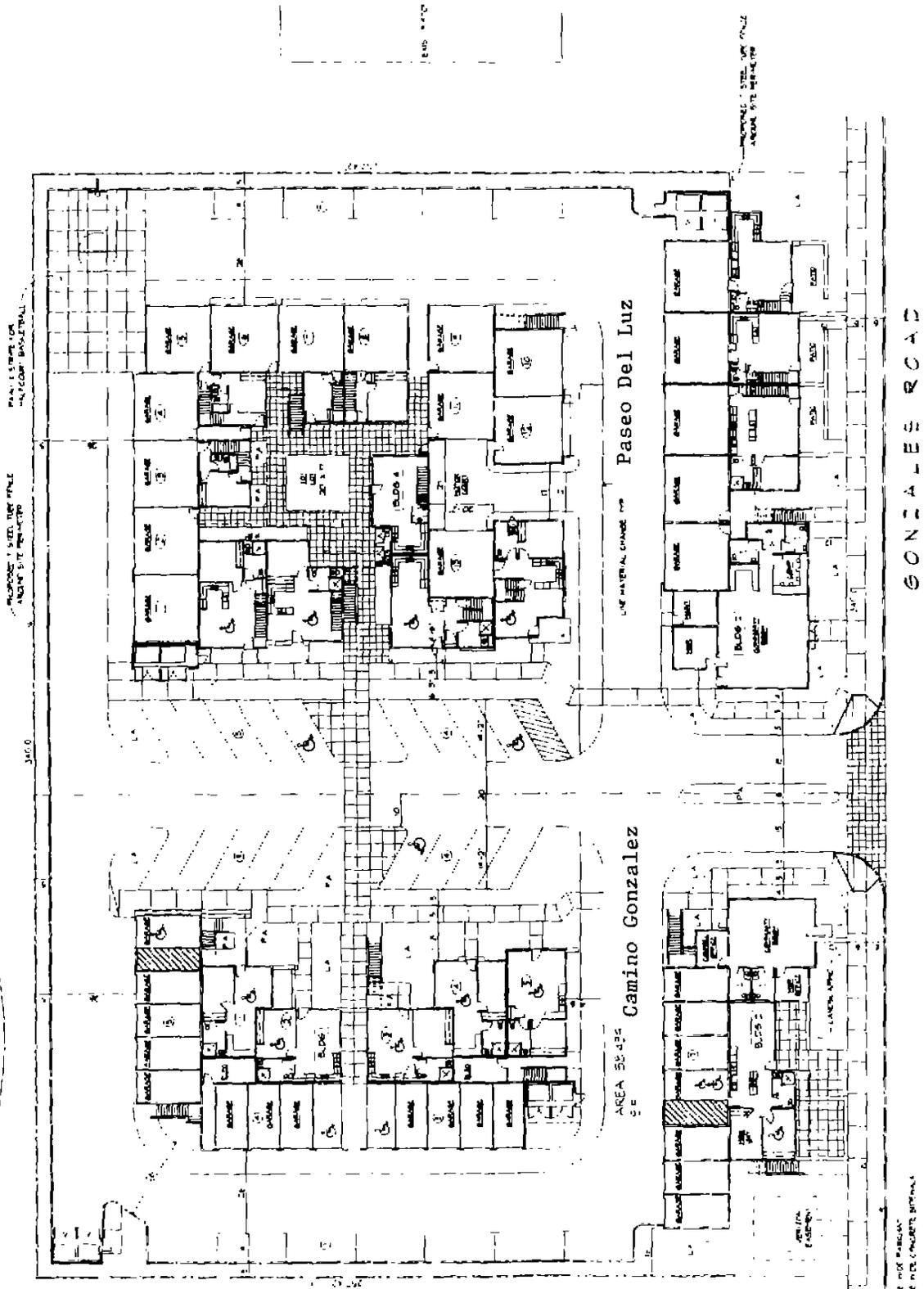
ATTACHMENT NO. 3
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ATTACHMENT NO. 4
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PROPOSED 1' SIDE CURB WALL
ALONG ST. INTERSECTION

1:100

Paseo Del Luz

Camino Gonzalez

GONZALES ROAD

ARCHITECTURAL SITE PLAN - 1:100 SCALE - LAND USE PLAN FOR ADDITIONAL IMPROVEMENTS

PROPOSED 1' SIDE CURB WALL
ALONG ST. INTERSECTION

PROPOSED 1' SIDE CURB WALL
ALONG ST. INTERSECTION

PROPOSED 1' SIDE CURB WALL
ALONG ST. INTERSECTION

ATTACHMENT NO. 5
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