



Meeting Date: 07/28/09

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-7
 Reviewed By: City Manager *gwb* City Attorney *Holmberg* Finance *ARC* Other (Specify) _____

DATE: July 8, 2009

TO: City Council

FROM: William E. Wilkins, Housing Director
Housing Department *[Signature]*

SUBJECT: Amended and Restated Affordable Housing and Loan Agreement with Cabrillo Economic Development Corporation (CEDC) for an increase of \$323,840 in the loan amount of \$1,623,840.

RECOMMENDATION

That City Council:

- (1) Approve and authorize the Mayor to execute a Amended and Restated Affordable Housing and Loan Agreement (A-7098) with CEDC providing additional financing in the amount of \$323,840 (for total loan of \$1,623,840) for the development of 43 affordable apartments at 457 West Gonzales Road.
- (2) Authorize the award of funds in the amount of \$323,840 from the 2007-2008 fiscal year HOME funds.

DISCUSSION

The City has previously 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.

City Council has previously approved \$1.3 million to assist this project . The new total loan amount is \$1,623,840. The \$323,840 described in this report are specifically designated for 9 of the 18 units of the Paseo Gonzalez farmworker project.

CEDC has requested additional funds of approximately \$371,000. This request will be considered at a later date. The additional funds may come from either additional HOME funds, the Housing In-Lieu Fee Fund Balance or the State Housing Trust Fund Grant, which has not yet been approved.

Subject/CEDC Gonzalez Project
July 8, 2009
Page 2

FINANCIAL IMPACT

The 2007 and 2008 HOME funds have been previously appropriated. The HOME funds are in CHDO project No. 775159 and CHDO project No. 775160 with account No. 295-5162-804-8602.

Attachment #1- Amended and Restated Affordable Housing and Loan Agreement.

Note: The Amended Restated Affordable Housing and Loan Agreement has been provided to the City Council. Copies are available for review at the Help 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.