



SUPPLEMENTAL

COUNCIL AGENDA: 6-24-08
ITEM: 9.2

Memorandum

TO: HONORABLE MAYOR, CITY
COUNCIL AND REDEVELOPMENT
AGENCY BOARD

FROM: Debra Figone
Harry S. Mavrogenes

SUBJECT: SEE BELOW

DATE: June 10, 2008

COUNCIL DISTRICT: 6
SNI AREA: Burbank/Del Monte

SUBJECT: AUTHORITY TO NEGOTIATE AND EXECUTE AN AMENDED AFFORDABILITY RESTRICTION AND TO APPROVE A FUNDING COMMITMENT FOR THE MADISON PLACE AT MONTE VISTA APARTMENTS PROJECT LOCATED AT 809 AUZERAIS AVENUE
SUPPLEMENTAL MEMO

REASON FOR SUPPLEMENTAL MEMO

This Supplemental Memo is necessary because the income restrictions on the Eden Housing, Inc., Madison Place at Monte Vista Apartments project were finalized after the original Memorandum was submitted. This Supplemental Memo amends the income restriction on the manager's unit for the rental project to be 80% of Area Median Income.

RECOMMENDATION

It is recommended that the City Council:

- (a) Adopt a resolution authorizing the Director of Housing to negotiate and execute an amended affordability restriction to allow an existing for-sale affordability agreement to incorporate rental unit requirements for the 30-unit Madison Place at Monte Vista Apartments Project located at 809 Auzerais Avenue; and,
- (b) Adopt a resolution approving a funding commitment of up to \$3,000,000 to Eden Housing, Inc., or its designated affiliate, for a predevelopment/permanent loan for the 30-unit Madison Place at Monte Vista Apartments project located at 809 Auzerais Avenue, to be made available to extremely low-income (ELI) and very low-income (VLI) senior households.

MAYOR, CITY COUNCIL, AGENCY BOARD

6-10-08

**Subject: Amended Affordability Agreement & Funding
Commitment for the Madison Place Apartments Project—
SUPPLEMENTAL MEMO**

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OUTCOME

Approval of the recommended actions will result in 29 large one-bedroom rental units affordable to senior households earning between 30% of Area Median Income (AMI) and 45% AMI, and one managers' unit restricted at 80% AMI. Approval of these recommendations at the June 24, 2008 meeting is critical to maximize the likelihood that this project will receive an allocation of 9% Low Income Housing Tax Credits in its application to be submitted by the July 24, 2008 Tax Credit Allocation Committee (TCAC) deadline.

ANALYSIS

In Eden Housing's Madison Place rental project, the manager's unit will be income-restricted to residents at or below 80% AMI. The units' income restrictions will be as follows:

# Units	Targeting
8 1-BRs	30% AMI
5 1-BRs	35% AMI
13 1-BRs	40% AMI
3 1-BRs	45% AMI
1 1-BRs	80% AMI
30 1-BRs	Total

All other information in the original Memorandum remains the same.



DEBRA FIGONE
City Manager



HARRY S. MAVROGENES
Executive Director

For questions, please contact LESLYE KRUTKO, Director of Housing, at 408-535-3851.