

OFFICE OF THE CITY CLERK  
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To: President De La Fuente and Fellow Councilmembers  
From: Councilmember Jane Brunner, Chair  
Community and Economic Development Committee  
Date: March 15, 2007  
Re: Affordable Housing Action in CED Committee

I would like to clarify the action taken by the CED Committee at its meeting of Tuesday, March 13<sup>th</sup>.

We agreed to:

1. Approve the staff recommendations and award of NOFA money as laid out ; and
2. Approve a motion to direct staff to come back to Council on April 17th with a resolution to:
  - Increase the assistance the City/Agency will provide to the Grove Street project from 40% of the total cost of development to 50%; and
  - Provide a reservation of next year's NOFA funds for the Grove Street project of up to 50% of the total development cost of the units; and
  - Provide that Grove Park must still meet the 100% AMI average affordability guidelines and sell the units at the City's maximum sales prices.

and

3. Direct staff to return to CED before the issuance of the next NOFA with a proposal for a wholesale change to permit City/Agency funding of up to 50% of the total development cost of ownership affordable units.

***In order to meet the City Council's goal of allocating equal portions of affordable housing funds for rental and ownership housing, I propose the following:***

- ***Increase the assistance the City will provide to the Grove Park ownership housing project from 40% of the total development costs (TDC) of the affordable units to 50% of the total development costs of the affordable units; and***
- ***Provide a future commitment of NOFA funds up to 50% of the total development costs (TDC) of the affordable units to the Grove Park project.***
- ***The Grove Park project must still meet the requirement that the project achieve an average affordability level for all assisted units not to exceed 100% of area median income, utilize the City's calculated maximum sales prices and ensure that the units stay affordable permanently.***
- ***Staff is to return to Community and Economic Development Committee with a proposal for a wholesale change to permit City funding of up to 50% of the total development cost of ownership affordable units.***