



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Shola Olatoye  
Director,  
Housing and Community  
Development

**SUBJECT:** **SUPPLEMENTAL** - New Construction  
Notice of Funding Availability FY  
2021-22 Resolution Title Change

**DATE:** May 31, 2022

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City Administrator Approval

Date: Jun 2, 2022

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## RECOMMENDATION

### Staff Recommends That The City Council Adopt A Resolution:

1. Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$30,561,000 For The Following Affordable Housing New Construction Projects: 3050 International (3050 International Boulevard), Longfellow Corner (3801-3807 & 3823-3829 Martin Luther King Jr. Way), 34<sup>th</sup> & San Pablo (3419-3431 San Pablo Avenue), Agnes Memorial Senior Housing (2372 International Boulevard), And 500 Lake Park Apartments (500 Lake Park Avenue); And
2. Resolution Appropriating \$1,577,870.14 From Funding Reimbursed To The City By The U.S. Department Of Housing And Urban Development's Housing Development Grant Program To Housing Development Activities; And
3. Resolution Amending City Council Resolution No. 88765 C.M.S. Authorizing Affordable Housing Development Loans To The Friendship Senior Housing And The Phoenix Projects To Change The Funding Sources For A Portion Of The Loans To Include Allocations From The California Department Of Housing And Community Developments Local Housing Trust Fund Program.

City Council  
June 7, 2022

### **REASON FOR SUPPLEMENTAL REPORT**

Housing and Community Development Department staff is requesting a change to the resolution title and body to remove the contingent funding award for the 2022 State Local Housing Trust Fund (LHTF) award. Staff found a potential error in the scoring of the 6<sup>th</sup> highest ranked application to the Department's Notice of Funding Availability (NOFA) for affordable housing development rental projects. As a result, HCD staff needs to analyze and confirm the scoring of the contingent recommendations before returning to council to recommend the allocation of LHTF funds should the City receive the LHTF award. The potential scoring error does not impact the top five applications that are being recommended at this time for affordable housing development loans. It only applies to the contingent funding award of the 2022 State Local Housing Trust Fund, which staff submitted an application for in May of 2022, and expects award announcements in August 2022.

### **BACKGROUND/LEGISLATIVE HISTORY**

On May 19, 2022, Rules Committee scheduled an item pertaining to funding recommendations for the FY 2021-22 Notice of Funding Availability for the New Construction of Multifamily Rental Affordable Housing on the June 7, 2022 City Council Agenda. After the item was scheduled, staff discovered a scoring error that may potentially impact the contingent recommendation for the 2022 State Local Housing Trust Fund award. As a result, staff is modifying the resolution to remove the contingent recommendation for the 2022 State Local Housing Trust Fund until further analysis can be performed. Staff will then return to Council with a recommended funding award for the 2022 State of Local Housing Trust Fund item.

Staff recommends proceeding with the other funding recommendations at this time to meet the application deadline of the State of California SuperNOFA on June 28, 2022. Projects that receive City NOFA funding awards will then immediately leverage those funds by applying for additional affordable housing dollars through the State of California SuperNOFA.

### **RECOMMENDATION**

Staff Recommends That The City Council Adopt A Resolution Authorizing Affordable Housing Development Loans In A Total Amount Not To Exceed \$30,561,000 For The Following Affordable Housing New Construction Projects: 3050 International (3050 International Boulevard), Longfellow Corner (3801-3807 & 3823-3829 Martin Luther King Jr. Way), 34<sup>th</sup> & San Pablo (3419-3431 San Pablo Avenue, Agnes Memorial Senior Housing (2372 International Boulevard), And 500 Lake Park Apartments (500 Lake Park Avenue); And

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For questions regarding this report, please contact Arlecia Durades, Housing Development Coordinator, at 510-238-6992.

Respectfully submitted,

*Shola Olatoye*

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