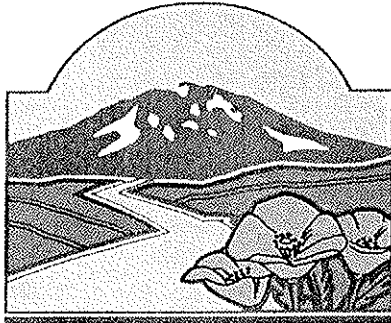


CITY OF  
ANDERSON



# AGENDA ITEM

**August 17, 2010 City Council Meeting**

**Approved for Submittal By:**

*Dana Shigley*  
Dana Shigley, City Manager

**To Be Presented By:**

*Dana Shigley*  
Dana Shigley, City Manager

To: Honorable Mayor and Members of the Anderson City Council

From: Dana Shigley, City Manager  
Telephone 378-6670

Date: August 17, 2010

**SUBJECT**

**Public Hearing - Application to the HOME Program for a Rental New Construction Housing Project - Diamond Court Apartments**

**RECOMMENDATION**

**Adopt a Resolution Authorizing an Application to the HOME Program for a Rental New Construction Housing Project - Diamond Court Apartments**

**FISCAL IMPACT**

The City is proposing to request a grant in the amount of \$3.1 million. If the grant is approved, the City would loan approximately \$3.0 million to the project developer, AMG Associates, for the construction of 33 low-income family rental units on Diamond Street. The developer would repay these funds to the City in future years and the City could then use the money for other HOME eligible programs (such as the down-payment assistance program). The remaining \$100,000 in grant funds would be retained by the City to pay for project administration. In order to minimize the impact on staff time, we recommend using a portion of these funds to contract with a consultant who specializes in HOME projects for project administration. The HOME grant does not require a local match.

## **DISCUSSION and BACKGROUND**

AMG & Associates has developed two successful projects in town: Regency Place and SEASONS at Regency Place. They are familiar with Anderson and have successfully developed many projects throughout the state. AMG & Associates is proposing to construct 33 units of affordable family housing rental units on Diamond Street (see attachment 2). This project will have 16 2-bedroom units and 16 3-bedroom units, plus one manager's unit. The units will be available to residents with incomes ranging from 30% to 55% of the area median income. The property is zoned for multi-family residential construction. The City has already conducted design review of the site plan.

In order to assist with project financing, the project developer is asking the City Council to support their application for \$3.1 million to the HOME Investment Partnership Program. The application deadline for the HOME program is September 1, 2010. If the City Council concurs with the recommendation, the City Council should authorize this application by adopting the attached resolution.

## **ATTACHMENT**

1. Resolution Authorizing an Application to the HOME Program for a Rental New Construction Housing Project.
2. Map and description of the proposed project.

**RESOLUTION NO. 10-\_\_****RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION  
TO THE HOME INVESTMENT PARTNERSHIP ACT PROGRAM  
FOR FUNDING A 33-UNIT APARTMENT PROJECT FOR LOW-INCOME  
FAMILIES**

WHEREAS, The California Department of Housing and Community Development (the "Department") is authorized to allocate HOME Investment Partnerships Program ("HOME") funds made available from the U.S. Department of Housing and Urban Development ("HUD"). HOME funds are to be used for the purposes set forth in Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, in federal implementing regulations set forth in Title 24 of the Code of Federal Regulations, part 92, and in Title 25 of the California Code of Regulations commencing with section 8200; and

WHEREAS, On June 1, 2010, the Department issued a 2010 Notice of Funding Availability announcing the availability of funds under the HOME program (the "NOFA"); and

WHEREAS, In response to the 2010 NOFA, the City of Anderson, a political subdivision of the State of California (the "Applicant"), wishes to apply to the Department for, and receive an allocation of, HOME funds.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Anderson resolves as follows:

1. The City Council authorizes submittal of an application to the California State Department of Housing and Community Development for funding under the HOME Investment Partnerships Program; and if selected, the execution of a standard agreement, any amendments thereto, and of any related documents necessary to participate in the HOME Investment Partnerships Program.
2. In response to the 2010 NOFA, the Applicant shall submit an application to the Department to participate in the HOME program and for an allocation of funds not to exceed Three Million One Hundred Thousand Dollars (\$3,100,000) for the following activities and/or programs:

A 33-unit affordable family apartment complex to be located in the City of Anderson, California

3. If the application for funding is approved, then the Applicant hereby agrees to use the HOME funds for eligible activities in the manner presented in its application as approved by the Department in accordance with the statutes and regulations cited above. The Applicant may also execute a standard agreement, any amendments thereto, and any and all other documents or instruments necessary or required by

the Department or HUD for participation in the HOME program (collectively, the required documents).

4. The City Council authorizes the City Manager or his/her designee(s) to execute, in the name of the applicant, the required documents.

PASSED AND ADOPTED by the City Council of the City of Anderson on this 17<sup>th</sup> day of August 2010 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Norma Comnick, Mayor

ATTEST:

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Juanita Barnett, City Clerk

ATTACHMENT 2

MAP AND DESCRIPTION OF THE PROPOSED PROJECT -

AVAILABLE FOR VIEWING AT THE CITY CLERK'S OFFICE