

Rental Incentive Bond Program Awards

March 19, 2024

Jennifer Mikelson, Housing Planning Manager





Staff Recommended Action

Staff requests City Council's approval of two Rental Incentive Bond Program Awards totaling \$3,330,000 for projects resulting in a total of 139 affordable rental units, per the Ranking Committee's recommendation.



How we got here

Prop 442 – Affordable Housing Bond

- Voters approved Nov. 2022
- “Incentivize private sector to incorporate affordable rental units”
- \$5,000,000 in program funds available

Rental Incentive Bond Program

- Approved by Council Nov. 2023
- Notice of Funding Availability published Feb. 2 / closed Feb. 19
- Ranking Committee met March 4



Applications Received

	Application # 1	Application #2
Project Name	San Francisco Square Apartments (Phase 1)	Aspen Lofts Apartments (Phase 2)
Applicant Name	Foundation for Senior Living	Foundation for Senior Living
Requested Award Amount	\$1,680,000	\$1,650,000
Total Project Cost	\$35,236,005	\$29,274,852
Number of Affordable Units	70	69
Percent Affordable	100%	100%
Max AMI & Population Served	80% AMI; Seniors 62+	60% AMI; Families and Individuals
Consensus Score	601 points	557 points
Recommended Funding Amount	\$1,680,000	\$1,650,000



Award Process



- If award amounts are approved, staff will issue notices of award to the developer
 - Aspen Lofts award will be contingent on receipt of Low-Income Housing Tax Credits
- Funding will be provided as 50-year forgivable loans
 - Loan docs will be drafted and placed on a future Council agenda

**Remaining \$1,670,000 in Program funds will be made available in a subsequent NOFA process*

Council Direction:

1. Approve staff's recommendation.
2. Modify staff's recommendation.
3. Reject staff's recommendation, understanding that rejecting the recommended award amounts or delaying approval of awards will jeopardize FSL's competitiveness in its application for Low-Income Housing Tax Credits for Aspen Lofts, due on April 1, 2024



Thank you

Jennifer Mikelson

Housing Planning Manager

