

CALL TO ORDER/ROLL CALL:

Committee member Darren Suen called the meeting to order at 4:21 pm with the following in attendance:

Present: Darren Suen, Sergio Robles

City staff: Sarah Bontrager, Inez Scott, Darren Wilson, Chelsea Mejia, Jason Behrmann, Haimanot Ashenafi

Other attendees: Margaret Miller, The John Stewart Company

APPROVAL OF AGENDA:

Motion: M/S Robles/Suen to approve the agenda as presented. ***The motion passed by the following vote: Ayes: 2; Noes: 0.***

APPROVAL OF MINUTES:

The approval of minutes for the November 17, 2021 was continued to next meeting so Committee member Robles could review video of the meeting.

PUBLIC COMMENT:

There was no public comment for either approval of the agenda or meeting minutes.

REGULAR ITEMS:

Agenda Item 5A: Consideration of modifications to the proposed loan from the Affordable Housing Fund in support of the Cornerstone Village affordable apartment complex

Ms. Bontrager provided a presentation on the request from The John Stewart Company (Developer) of the proposed Cornerstone Village project. She went over the project details and the previous history of committee loan approval, including the original loan approval for \$3,436,000 and commitment end date of October 31, 2023. Ms. Bontrager explained that Cornerstone Village has been applying for funding and has secured award of over \$9.1 million so far. As a part of their evaluation in pursuing Multifamily Housing Program (MHP) funding, they indicated that in order to make the project competitive, they need \$5,436,000 in City financing, an increase of \$2 million.

Ms. Bontrager also explained that the Developer has also requested a few other changes:

1. Substitution of Pacific Housing as the Managing General Partner and LifeSTEPS as the resident services provider, with support from both Lutheran Social Services (for formerly homeless households) and Alta Regional Center (for adults with intellectual and developmental disabilities).
2. Extension of the loan commitment from October 31, 2023 to December 31, 2024.
3. Allow a minor change to the unit mix by adding one two-bedroom unit and removing one one-bedroom unit.

Ms. Bontrager stated she did not have concerns with substitution of the Managing General Partner or resident services providers, or with the loan extension date or unit mix change. Ms. Bontrager stated the biggest consideration was the additional \$2 million loan commitment. She outlined the original budget and the changes in overall costs. She went over the benefits and drawbacks of providing additional funding and shared information on available funding in the Affordable Housing Fund. Margaret Miller from Developer spoke and stated that Ms. Bontrager covered the request well and that Developer was incredibly committed to this project.

The Committee discussed the cash fund balance and loan commitments to current projects as well as future projects. Ms. Bontrager stated that future development will cause the fund to grow.

Ms. Bontrager went over the Committee's role and options in considering the request. The Committee members agreed with the staff recommendation.

There was no public comment on Agenda Item.

Deliberation:

Motion: *M/S Robles/Suen* recommendation that Council approve the loan commitment modifications. **The motion passed by the following vote: Ayes: 2; Noes: 0.**

Agenda Item 6: General Administration Information

Ms. Bontrager shared an update on the Request for Proposals for new affordable housing projects on the Old Town and Sheldon Farms North sites. She stated that staff is planning to review them after the closing date of June 30, and then schedule interviews with 2-4 developers on each site. After that time, staff expects to bring recommendations to the Committee on selecting development partners. The Committee would make a recommendation to the City Council.

Committee members discussed potential involvement in the proposal review process, and asked to meet one-on-one with staff before the developers are interviewed. They also discussed the possibility of participating in the interviews. The Committee members agreed to wait until applications were received to discuss next steps and the level of the Committee's involvement in the proposal review and developer interview process.

ADJOURNMENT:

The meeting was adjourned at 5:08pm.

**Prepared by Inez Scott,
Sr. Administrative Assistant**